

Welcome to your CDP Climate Change Questionnaire 2021

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

Eni is a global energy company present in 68 Countries with over 30,000 people, operating along the entire value chain: from exploration, development and extraction of oil and natural gas to generation of electricity from cogeneration and renewable sources, traditional and biorefining and chemicals, to the development of circular economy processes. Eni extends its reach to end markets, selling gas, electricity and products to retail and business customers and local markets. Eni develops its activities in a sustainable manner focusing mainly on operational and energy efficiency, including carbon capture and storage projects. The implementation of projects for forests conservation (REDD+) complements Eni's activities.

In June 2020, Eni reshaped its organization by setting up two new Business Groups: **Natural Resources**, to maximize the value of Eni's Oil & Gas upstream portfolio from a sustainable perspective, with the objective of reducing its carbon footprint by scaling up energy efficiency and the development of projects for the capture and storage of carbon dioxide, and the **Energy Evolution**, with focus on growing the businesses of power generation, transformation and marketing of products from fossil to bio, blue and green. The two Business Groups will work in synergy with the help of R&D and digitalization to implement Eni's plans and to achieve Eni's decarbonization goals by 2050.

As highlighted in its corporate mission, which integrates a clear reference to the UN Sustainable Development Goals ("SDGs"), Eni's commitment aims to respond, with concrete, rapid and economically sustainable solutions, to the challenge of improving access to reliable and clean energy, whilst fighting climate change. Eni is targeting to deliver sustainable value whilst decarbonizing the business, setting some of the strongest targets in the sector across all activities and full life-cycle emissions.

In 2020, Eni was the first major Oil & Gas company to launch a comprehensive, radical strategy for the next 30 years with the description of all the levers to be activated with the aim to significantly cut its carbon footprint by 2050 in absolute and intensity terms. **In 2021, Eni took another step forward in boosting its transformation by committing to 100% decarbonization of all its products and processes (Scope 1, 2 and 3) by 2050.**

Indeed, **Eni's new strategy aims to achieve by 2050 the net zero target on GHG Scope 1, 2 and 3 emissions (Net GHG lifecycle emissions), and the associated emission intensity**

(Net Carbon Intensity), referred to the entire life cycle of the energy products sold, while confirming and relaunching the intermediate targets:

- -25% of Net GHG Lifecycle Emissions @2030 and -65% @2040 vs. 2018;
- -15% Net Carbon Intensity of energy products sold @2030 and -40% @2040 vs. 2018;
- Net zero Carbon Footprint for Scope 1 and 2 emissions from upstream activities by 2030, with a new halving target to 2024 from 2018;
- Net zero Carbon Footprint for Scope 1 and 2 emissions from all group activities by 2040.

Eni has also announced updated business plans on Carbon Capture Usage and Storage and Nature-Based Solutions, as well as an increased focus of its Energy Evolution business on renewable energies and biofuels. To further increase integration and synergies and to maximize value generation along the whole green power chain, in 2021, Retail Gas & Power has been merged with Renewables with the aim of addressing the existing customer base of 10 million clients while fully exploiting synergies to reach 15 million clients and 15 GW of renewable installed capacity (Eni share), all by 2030. Eni remains committed to becoming a leader in producing clean energy and offering its customers a full set of decarbonized products by leveraging integration, diversification and expansion of retail and renewables businesses, bio-products and circular economy.

In June 2021 Eni launched the first sustainability-linked bond issue in its sector linked to the achievement of decarbonization and renewables targets which fully integrates sustainability in the company's funding strategy.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data.

| | Start date | End date | Indicate if you are providing emissions data for past reporting years |
|----------------|-----------------|-------------------|---|
| Reporting year | January 1, 2020 | December 31, 2020 | No |

C0.3

(C0.3) Select the countries/areas for which you will be supplying data.

- Albania
- Algeria
- Angola
- Argentina
- Australia
- Austria
- Bahrain
- Belgium
- Canada
- China
- Congo
- Côte d'Ivoire

Cyprus
Czechia
Democratic People's Republic of Korea
Denmark
Ecuador
Egypt
France
Gabon
Germany
Ghana
Greece
Greenland
Hungary
India
Indonesia
Iraq
Ireland
Italy
Japan
Kazakhstan
Kenya
Lebanon
Libya
Mexico
Montenegro
Morocco
Mozambique
Myanmar
Netherlands
Nigeria
Norway
Oman
Pakistan
Poland
Portugal
Qatar
Romania
Russian Federation
Saudi Arabia
Singapore
Slovakia
Slovenia
South Africa
Spain
Sweden
Switzerland
Taiwan, Greater China

Timor-Leste
Tunisia
Turkey
Turkmenistan
United Arab Emirates
United Kingdom of Great Britain and Northern Ireland
United States of America
Venezuela (Bolivarian Republic of)
Viet Nam

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

EUR

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Other, please specify

Operational control for Scope 1 and 2 GHG emissions data, short-term targets and energy figures; equity share for medium-long term targets and financial figures; mixed approach for Scope 3 categories.

C-EU0.7

(C-EU0.7) Which part of the electric utilities value chain does your organization operate in? Select all that apply.

Row 1

Electric utilities value chain

Other divisions

C-OG0.7

(C-OG0.7) Which part of the oil and gas value chain and other areas does your organization operate in?

Row 1

Oil and gas value chain

Upstream

Midstream
 Downstream
 Chemicals

Other divisions

Biofuels
 Grid electricity supply from gas
 Grid electricity supply from renewables
 Carbon capture and storage/utilization

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

| Position of individual(s) | Please explain |
|-------------------------------|--|
| Chief Executive Officer (CEO) | <p>The CEO is identified as the Director in charge of establishing and maintaining effective internal control and risk management system. The CEO is responsible for identifying the main corporate risks, including the risks connected with climate change, guides the strategies and monitors their progress. Each year the CEO assigns the guidelines for defining the strategic plan related to the progress towards carbon neutrality for each business line and the support functions.</p> <p>In 2020 Eni defined its first long-term plan announcing the new decarbonization strategy which was updated in 2021, when during the Strategy Presentation, the CEO announced Eni new long-term strategy, relaunching short, medium and long-term operational objectives, which outline the integrated and evolutionary path of individual businesses and which will lead Eni to carbon neutrality in 2050, in line with the scenarios compatible with keeping global warming within 1.5°C.</p> <p>The CEO brings constantly the attention of Eni's employees to the Company's results in terms of carbon footprint reduction and in particular on the actions needed to implement the decarbonization strategy.</p> |
| Board-level committee | <p>The Sustainability and Scenarios Committee (SSC) provides recommendations and advice to the Board of Directors on scenarios and sustainability issues, meaning the processes, initiatives and activities surrounding the Company's commitment to sustainable development along the entire value chain, addressing</p> |

| | |
|-----------------------|--|
| | <p>the integration among strategy, evolution scenarios and business sustainability over the medium to long-term and examining the scenario for the strategic plan preparation. Set up in 2014, the SSC was the first example, in the Oil & Gas sector, of an integrated approach in the evaluation of sustainability and energy scenarios.</p> <p>In 2020, the SSC met 12 times exploring climate change issues at all meetings, including the outcomes of the 2019 United Nations Climate Change Conference (COP25), energy scenarios, the state of the art in research and development for energy transition, Eni's decarbonization strategy, forestry activities and climate partnerships, Eni's responsible engagement on climate change within business associations, climate resolutions and assembly's disclosure of reference peers.</p> |
| Board-level committee | <p>The Remuneration Committee proposes to the Board of Directors the general criteria for the annual incentive of the CEO and managers with strategic responsibilities, which include specific objectives associated with the reduction of GHG emissions.</p> <p>In 2020 the Committee met 10 times and defined the proposal for the new 2020-2022 Long-Term Incentive Plan for the CEO and managers with strategic responsibilities, with performance metrics characterized by a significant focus on decarbonization, energy transition and circular economy (overall weight 35%), consistently with the targets communicated to the market and with a view to aligning with the interests of all stakeholders.</p> |
| Board-level committee | <p>The Control and Risk Committee supports the Board of Directors in its quarterly review of the main risks, including climate change, in the review of periodic financial and non-financial reports and in the HSE review.</p> |
| Board-level committee | <p>The Nomination Committee supports the Board of Directors in the appointments for which it is responsible, in the self-assessment process and in the formulation of guidelines for the shareholders, formulating opinions on the criteria and related designations also in relation to the necessary competencies.</p> |

C1.1b

(C1.1b) Provide further details on the board's oversight of climate-related issues.

| Frequency with which climate-related issues are a scheduled agenda item | Governance mechanisms into which climate-related issues are integrated | Please explain |
|---|--|--|
| Scheduled – some meetings | <p>Reviewing and guiding strategy</p> <p>Reviewing and guiding major plans of action</p> <p>Reviewing and guiding risk management policies</p> | <p>The Board of Directors (BoD) plays a central role in managing the main aspects linked to climate change. In particular, on the proposal of the Chief Executive Officer, the Board of Directors examines and/or approves:</p> <ul style="list-style-type: none"> - goals related to climate change and energy transition, as an integral part of business strategies; |

| | | |
|--|--|--|
| | <p>Reviewing and guiding annual budgets</p> <p>Reviewing and guiding business plans</p> <p>Setting performance objectives</p> <p>Monitoring implementation and performance of objectives</p> <p>Overseeing major capital expenditures, acquisitions and divestitures</p> <p>Monitoring and overseeing progress against goals and targets for addressing climate-related issues</p> | <ul style="list-style-type: none"> - the portfolio of Eni's top risks, including climate change; - Eni's medium-long-term plan, aiming to guarantee the sustainability of the business portfolio over a thirty-year period, in line with what is provided for in the Four-Year Strategic Plan; - the Short-Term Incentive Plan and the proposal for the Long-Term Equity Incentive Plan with targets linked to the reduction of GHG emissions and energy transition for the CEO and managers with strategic responsibilities; - annual sustainability results, such as the sustainability report (Eni for) and the HSE review, including climate change mitigation contribution performances; - institutional reporting, which includes the Interim Consolidated Report and the Annual Financial Report (including the Consolidated Disclosure of Non-Financial information); - the relevant projects and their progress, on a semi-annual basis, with sensitivity to Eni and IEA SDS carbon pricing; - resilience tests on all upstream cash-generating units (CGUs) applying the IEA SDS scenario; - strategic agreements, including climate change-related initiatives. <p>Moreover, since 2018, Eni's BoD contributes to the "Climate Governance" initiative of the World Economic Forum (WEF), aimed at developing guiding principles for effective climate governance on corporate boards.</p> |
|--|--|--|

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

| Name of the position(s) and/or committee(s) | Responsibility | Frequency of reporting to the board on climate-related issues |
|---|---|---|
| Chief Executive Officer (CEO) | Both assessing and managing climate-related risks and opportunities | Quarterly |

| | | |
|---|---|----------------------------|
| Chief Financial Officer (CFO) | Both assessing and managing climate-related risks and opportunities | As important matters arise |
| Other, please specify SCEOP- Scenarios, Strategic Options and Climate Change | Both assessing and managing climate-related risks and opportunities | As important matters arise |
| Other, please specify CCS – Climate Change Strategies and Positioning | Both assessing and managing climate-related risks and opportunities | As important matters arise |

C1.2a

(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).

Eni's CEO is a member of the Board of Directors and he is directly responsible for identifying the main business risks, including risks related to climate change, directing strategies and assessing and monitoring their progress. The duties of overseeing the internal control and risk management system, including risks related to climate change, have been appointed to the CEO by the Board of Directors, in order to strengthen the internal control system even further. Each year the CEO assigns the guidelines for setting out the strategies provided for in the Strategic Plan on the path to decarbonization to the Business Lines and support functions. Both CEO's Short-Term Incentive Plans and Long-Term Incentive Plans include objectives associated with climate strategy that are consistent with the guidelines defined in the Strategic Plan. During the strategic plan presentations to the financial community, the CEO is giving a progressively stronger emphasis to the decarbonization path of the Company, confirming Eni's commitment to climate change.

Eni's Chief Financial Officer (CFO) is responsible for supporting the CEO in developing and implementing Eni's economic and financial strategy during this important phase of accelerating the Company's decarbonization plan. Moreover, is in charge of supervising the preparation of scenarios and medium-long-term options and the process for the definition and monitoring of the medium-long term plan including the analysis of the strategic risks and opportunities arising from climate change.

Under the CFO, **the Scenarios, Strategic Options and Climate Change (SCEOP)** central organizational function was formed in 2020, guiding the preparation of scenarios and activities of analysis to identify the medium-long term strategic options preparatory to the definition of Eni's strategic positioning in the sectors of interest and with the aim of supervising the process of defining Eni's climate strategy and the related portfolio of initiatives as part of long-term planning in line with the commitments made by the company with respect to the decarbonization of all products and processes by 2050. Moreover, the Head of SCEOP is also appointed as Secretary of the Sustainability and Scenarios board-level Committee.

Within SCEOP function, the **Climate Change Strategy and Positioning (CCS)** unit coordinates the process for defining Eni's climate strategy, development and monitoring of the portfolio of initiatives in line with the international agreements on climate. Within this function, three departments cover the areas of Climate Policy, Climate Disclosure and Risk Mitigation, GHG management, and other climate-related issues such as Adaptation, Biodiversity and Water Stress.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

| | Provide incentives for the management of climate-related issues | Comment |
|-------|---|--|
| Row 1 | Yes | The strategic commitment to the energy transition is part of the company's essential goals and is therefore also reflected in the Variable Incentive Plans for the CEO and company management. |

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

| Entitled to incentive | Type of incentive | Activity incentivized | Comment |
|-------------------------------|-------------------|----------------------------|---|
| Chief Executive Officer (CEO) | Monetary reward | Emissions reduction target | <p>The CEO's Short-Term Incentive Plan (STI) includes objectives associated with climate strategy that is consistent with the guidelines defined in the Strategic Plan. Under the Short-Term Incentive Plan, a portion of the bonus matured is deferred over a three-year period, subject to further performance conditions, to assess sustainability over the medium-term.</p> <p>The Short-Term Incentive Plan with deferral 2021 (STI) includes, as part of the environmental sustainability and human capital objectives, an objective to reduce the intensity of Upstream GHG emissions (weight 12.5%), that this year has been extended to indirect emissions (Scope 2) and non-operated activities. Moreover, within the framework of operating results, the incremental installed capacity of renewable sources (weight 12.5%) replaces the indicator relating to the exploration of resources, to support the energy transition strategy. Considering both objectives, the weight related to decarbonization is 25% for the CEO, while for company</p> |

| | | | |
|------------------|-----------------|---|--|
| | | | <p>management, according to weights coherent with the responsibilities assigned, in addition to specific objectives according to their role.</p> <p>In addition, the 2020-2022 Long-Term Equity Incentive Plan (LTI) supports the implementation of the Strategic Plan through parameters related to the objectives of decarbonization, energy transition and circular economy, consistently with the targets communicated to the market and to align with the interests of all stakeholders. The total weight of these targets is equivalent to 35% both for the CEO and for all the Eni management involved in the Plan.</p> |
| Management group | Monetary reward | <p>Emissions reduction project</p> <p>Emissions reduction target</p> <p>Energy reduction project</p> <p>Efficiency target</p> | <p>In coherence with the CEO's annual objectives, a component of Eni's management monetary incentive is linked to sustainability objectives, including indicators related to GHG, emission reduction targets and energy efficiency activities.</p> <p>Also, the Long-Term Share Incentive Plan applies to Managers with strategic responsibilities, in line with CEO's objectives.</p> |

C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

| | From (years) | To (years) | Comment |
|------------|--------------|------------|---|
| Short-term | 0 | 4 | The short-term horizon is used to set decarbonization objectives in accordance with Eni's 4-year strategic plan, which is updated on a rolling basis each year. |

| | | | |
|-------------|----|----|---|
| Medium-term | 5 | 15 | The medium-term horizon is used to set intermediate decarbonization objectives and targets (2030) in accordance with Eni's pathway towards carbon neutrality and in line with business ambitions. |
| Long-term | 16 | 30 | The long-term horizon is used to define the future evolutions of the energy business and to drive the company's performances in line with low carbon trajectories towards net-zero emissions in 2050. Indeed, Eni's Long-Term Plan aims to guarantee the sustainability of the business portfolio to 2050, over a thirty-year period and in line with the Four-Year Strategic Plan. |

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

Eni's Integrated Risk Management (IRM) framework is largely based on COSO ERM Framework (Committee of Sponsoring Organizations of the Treadway Commission, Enterprise Risk Management). Within the Eni IRM framework, a risk-scoring model has been adopted to assess the severity of risks identified according to the 4-y strategic plan objectives and in coherence with risk management practices applied at different business areas (HSE, finance, etc); as to climate-related risks and opportunities, relevant assessment include also reference to Eni long term strategy.

The risk impact value is assessed based on a 5-level rating scale: 1-negligible, 2-significant, 3-relevant, 4-very relevant, 5- extreme, and it is measured based on several quantitative and qualitative metrics, which are subject to yearly review in order to be harmonized with the 4-y strategic plan and includes the following dimensions:

- Economic-financial metric: the impact is measured based on reduction of net profit or cash flow. For such a metric, severity thresholds (from negligible to extreme) are set up based on the assumptions underlying the 4-y strategic plan.
- Descriptive-qualitative metric: the impact is measured based on the effort of the top management to manage the risk - it may involve a potential review of strategy.
- Operational metric: the impact is measured based on reduction in daily production or delayed production.
- Image & reputation metric: the impact is measured based on the duration of the negative impact upon selected stakeholders.
- Environmental metric: the impact is measured based on the fallouts on the environment and ecosystem.
- Health & safety metric: the impact is measured based on the effects on the health of both Eni and third parties' personnel, or any other individual concerned.
- Social metric: the impact is measured based on any social damage to local communities and populations adjacent to industrial plants.

In order to assess the overall magnitude of the risk, the impact is combined with probability/frequency, which is apportioned over a 5-level rating scale: 1- rare, 2- unlikely, 3- moderate, 4- possible, 5- likely. The resulting risk score (probability x impact) is plotted in a

probability/impact matrix in which each risk is displayed at both inherent and residual level; the length of the line drawn between the two scores shows how effective the mitigations in place are.

All risks that have a risk score of 8 or higher, at the residual level, are considered as “substantive” i.e. “top” risk, and, as such, treated differently and monitored/assessed on a quarterly basis. Based on what above, a substantive financial impact occurs when a risk scores 8 or above (residual level) with the higher impact registered on the economic-financial metric (that means, plotted the risk in the matrix, at least a “significant” economic-financial impact with reference to a risk event classified as “possible”).

A strategic impact occurs, in general terms, whenever an impact is registered such that the strategy is modified. However, by adopting the qualitative-descriptive metric that includes strategy modifications at levels 4 and 5 of the impact metric, a substantive strategic impact will occur for risks scoring 8 or higher (residual level) in connection to a “very relevant” or “extreme” qualitative-descriptive impact. Lastly, a substantive change according to IRM methodology occurs when the residual score of a selected risk escalates up to 8 or higher in Eni probability/impact matrix, compared to the previous assessment or when a “top” risk escalates from the so-called “tier 2” area to “tier 1” area of the matrix, the latter being associated to the most severe risks.

Climate-related risks have scored 25 at an inherent level in the latest annual risk assessment, based on top scores in both probability and impact registered on the qualitative/descriptive metric and that largely due to the adoption of Eni long term decarbonization strategy, its inclusion in the 4-y strategic plan and its all-pervasive effect on Eni business model and organization. At the residual level, the risk has always been assessed as a “top” risk, however, in 2020 it registered a substantive change as above defined. The process to identify and assess the risk is carried out at a global, i.e. aggregated, level, at business lines level as well as at specific project level. Quantifiable indicators upon which climate-related risks are regularly monitored include carbon emissions thresholds and targets which are directly used to set the trend of risk and indirectly, i.e. in combination with price assumptions and connected strategic targets, determine economic/financial impact.

The current threshold used for a “significant” financial impact in relation to an event with a likelihood of occurrence classified as “possible”, determines a net profit or Cash flow reduction that would lie above €100 million.

C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered

Direct operations

Upstream
Downstream

Risk management process

Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment

More than once a year

Time horizon(s) covered

Short-term
Medium-term
Long-term

Description of process

The process for identifying and assessing climate-related risks and opportunities is part of Eni's Integrated Risk Management (IRM) Model, which is developed to ensure that management takes risk-informed decisions, taking into account current and potential future risks, including medium -long term ones, in the frame of an integrated and comprehensive approach. The IRM model is an integral part of the Internal Control and Risk Management System, structured on three control levels: the risk owners, the risk control functions and the independent assurance provider. IRM assessment and monitoring results are presented to the Control and Risk Committee and the BoD quarterly. "Climate change" risk is one of Eni's top strategic risks and it is analysed, assessed and monitored by the CEO as part of the IRM process. The climate-related risks and opportunities analysis is carried out using an integrated and cross-cutting approach which involves specialist departments (i.e. Long-Term Strategy, HSE, Investor Relations, R&D, Planning & Control, Sustainability, IRM) and business lines, and considers the 5 drivers related to energy transition (market, policy and legal, technology, reputation) and physical aspects (extreme/chronic climate phenomena), as recommended by TCFD. The process is carried out at a global aggregated level, at business lines level as well as at a specific project level.

As to the process for managing risks and opportunities connected to strategy objectives, the IRM model takes a top-down and risk-based approach which is applied to the definition of Eni's Strategic Plan (risk strategy) in order to identify specific de-risking objectives and strategic treatment actions and analyse the underlying risk profile of the Plan, also performing stress tests for economic-financial resiliency vs strategic targets. These activities are performed coherently and integrated with the strategic planning process and support the Board's assessments regarding the acceptability of the risk profile of the strategic plan subject to his attention. The process continues with the periodic risk assessments & treatment and monitoring, the risk profile analysis of major transactions, as well as integrated analysis of risks assessed jointly with certain businesses and/ or functions. To better understand physical risks envisaged for productive assets (e.g. Gulf of Mexico) and exploration assets (e.g. Vietnam concessions) IRM builds up tools of analyses via a dedicated function.

In line with the IRM process described above, the following gives an example of how it applies to physical risks:

CASE STUDY PHYSICAL RISKS: In 2020, a study has been started on Eni's assets in

Ghana to assess the impact of climate-related physical risks, both chronic and acute.

The methodology foresees:

- definition of natural events categories relevant to the asset in operation in the areas of interest to Eni;
- analysis of current and prospective scenarios (if available) for the categories of natural events;
- evaluation of the exposure of Eni's assets to the relevant natural events and assessment of potential impacts;
- identification of potential mitigation actions to be implemented such as the adoption of additional technical measures to protect wells, plants and structures in areas most exposed to extreme events and the introduction of more stringent design and control criteria for new projects, which consider the effects of climate change scenarios.

This pilot study has been finalized in 2021 and set the basis for the development of a new risk management process to be progressively extended to all the areas/countries of interest of Eni. With reference to physical risks, Eni's current asset portfolio has a geographical distribution that does not result in high risks concentrations. The most vulnerable area for Eni is the Gulf of Mexico, where the company holds interests 48 exploration and production blocks, and therefore assessed the potential economic exposure in terms of damages to assets and loss of production and identified mitigation actions. The analysis shows a marginal decrease in the exposure of both risk to asset (covered by specific insurance) and business interruption (average of 985 boe/y lost for hurricanes). In the worst-case scenario (total loss of the platform at highest risk) the maximum potential financial impact is €350 million, which becomes €215 million net of the insurance coverage.

The selection of transition risks and opportunities takes place by integrating a bottom-up and top-down approach. The first is applied during the risk assessment process described above at the subsidiary and business line level. Through interviews with risk owners aimed at mapping the company's risk portfolio, climate-related risks are investigated in the market areas (e.g. evolution of the competitive context of renewables), policies (e.g. impact of the implementation of REDII on bio-refining), technology and reputation. Risks are assessed in terms of probability and impact and represented on a dashboard that allows them to be sorted by relevance.

This approach is combined with a top-down approach: a multidisciplinary team, composed of subject-matter experts, usually from Corporate functions, for the topics under analysis (e.g. R&D for technology, Public Affairs and Legal, etc.) has the objective to identify new elements and changes in the context. To do this the team uses both external sources such as the scenarios published by the IEA to identify possible market trajectories and internal sources like the output of periodic monitoring such as, for example, the tracking of regulatory developments and disputes related to Climate Change. The combination of the Top-Down analysis with the results of the bottom-up Risk Assessment identifies the main transition risks. The Top-Down analysis output considered in relation to the Strategic Plan and the Long Term Plan of the company makes it possible to intercept climate-related opportunities, as described in the example below:

CASE STUDY TRANSITION RISKS: during 2020 the combination of bottom-up Risk Assessment for Green Refineries Line of Business and Top-Down analysis which, in this

case, focused principally on market (growth in HVO consumption; availability of II and III gen. feedstocks vs world vegetable oil consumption; fragmentation and high competition in II and III gen. feedstocks supply chain) and policy (adoption of Renewable Energy Directive - RED II) identified 4 main transition risks: market: growth of alternative feedstock prices after palm oil phase-out; policy: changing in US and EU regulations that can impact on HVO and SAF demand in LT; technology: technological breakthrough in mobility that can impact HVO demand; (market) difficulty in supply feedstock. As part of its long-term decarbonization strategy, Eni is targeting to eliminate palm oil use in its biorefineries by 2023, relying on a diversified portfolio of alternative and advanced feedstocks.

C2.2a

(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

| | Relevance & inclusion | Please explain |
|--------------------|---------------------------|--|
| Current regulation | Relevant, always included | <p>Eni is present in 68 countries around the world with upstream and mid-downstream activities. Current or future regulations related to climate change in these countries could have an impact on the business, such as:</p> <ul style="list-style-type: none"> - Increase in operating and investment costs; - Declining demand for oil products. <p>Currently, about 50% of Eni's direct emissions are already subject to carbon pricing schemes, mainly the European Emission Trading Scheme, which covers all the major plants in the mid-downstream businesses.</p> <p>As an example, the new European Green Deal sets out the goal for Europe's economy and society to become climate-neutral by 2050. This goal implies a more ambitious EU GHG reduction target for 2030, therefore the EU-ETS allowances supply will be further reduced, pushing the prices up. Eni's installations located in Europe could face the risk of a loss of competitiveness on an international scale, towards competitors located outside the EU, which will not be borne at the same level of environmental cost. However, risk mitigation may arise by the proposed EU legislation on the Carbon Border Adjustment mechanism, which will apply a price on EU imported products, based on their level of embedded emissions. This aims at keeping a level playing field between EU and non-EU companies, even in a context of free allowances reduction. Moreover, new sectors could be added to the EU ETS, such as buildings, road transport and maritime sectors. In the light of this change, Eni could face additional costs, depending on the point of regulation and the market context (i.e. the capability to pass the cost through the final customer). In 2020, for its own operated assets, Eni</p> |

| | | |
|---------------------|---------------------------|--|
| | | <p>purchased on the European carbon market about 10.5 million emissions permits - European Union Allowances (EUAs) with a cost of around €260 million.</p> <p>Current regulation risks and opportunities are internally analysed, assessed and managed through Eni's Integrated Risk Management process, which analysis all the climate-related drivers formalized by TCFD.</p> |
| Emerging regulation | Relevant, always included | <p>Eni is present in 68 countries around the world with upstream and mid-downstream activities. Current or future regulations related to climate change in these countries could have an impact on the business, such as:</p> <ul style="list-style-type: none"> - Increase in operating and investment costs; - Declining demand for oil products. <p>Currently, about 50% of Eni's direct emissions are already subject to carbon pricing schemes, mainly the European Emission Trading Scheme which covers all the company's major plants in the mid-downstream businesses. In 2020, six new carbon pricing instruments were put in operation worldwide and the trend is continuously growing. Therefore, the risk of additional costs for Eni's Oi & Gas operations - generated by new carbon pricing instruments - is real. Countries relevant for Eni in this respect could be Australia, Mexico Kazakhstan and China, where, although carbon regulations of some form are already in place, the scenario is evolving, and we envisage a possible strengthening of the regulatory framework on carbon pricing.</p> <p>Emerging regulation risks and opportunities are internally analysed, assessed and managed through Eni's Integrated Risk Management process, which analysis all the climate-related drivers formalized by TCFD.</p> |
| Technology | Relevant, always included | <p>A low carbon energy system will require technologies for GHG capture and reduction, the production of hydrogen from methane and technologies for methane emissions control. Moreover, low and zero carbon technological developments in the field of production and storage of energy from renewable sources could have impacts on the demand for hydrocarbons and therefore on Eni's traditional businesses. Eni is currently working on a wide range of low carbon technologies focusing on three main drivers: carbon neutrality, circular economy and operating excellence. Consequently, the technology risk for Eni could be associated with the potential failure and subsequent lack of deployment of given low carbon technology, together with the loss of resources spent.</p> <p>In this field, Eni is both developing proprietary technologies, while pursuing international collaborations.</p> |

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| | | <p>With regards to proprietary technologies, Eni is focusing on the area of renewable energy production, in particular the latest generation of solar systems (CSP and OPV). Carbon Capture Utilisation and Storage (CCUS) represents another important innovation stream: innovative solutions are being studied in terms of carbon capture technologies, utilization solutions as well as new energy generation systems with integrated capture. Eni adopts an Open Innovation approach through Eni Next and OGCI-Climate Investments, cultivating its innovation network with universities, research centres, start-ups and hi-tech companies focused on low carbon energy. Eni continues the international cooperation with the Massachusetts Institute of Technology and Commonwealth Fusion Systems by investing in the industrial development of technologies for the production of energy by magnetic confinement fusion.</p> <p>Moreover, in January 2020, Eni and ENEA signed an agreement for a large scientific-technological pole on DTT (Divertor Tokamak Test) fusion, to be set up at the ENEA Research Centre by a company in which Eni will hold a 25% share.</p> <p>The estimated tangible value generated by applying innovative technologies developed both in-house and with third parties, in 2020 was €951 million, which, although down compared to 2019, is a significant value considering all the limitations in operations due to the pandemic scenario.</p> <p>Low carbon technology risks and opportunities are internally analysed, assessed and managed within Eni's Integrated Risk Management process, which includes all the climate-related drivers formalized by TCFD.</p> |
| Legal | Relevant, always included | <p>From a legal perspective, for Oil & Gas companies the climate change draws the risk of being involved in contentious matters. Currently, there is a worldwide trend of lawsuits filed by public and private entities seeking to hold Oil & Gas companies liable for alleged climate-related damages, partially based on tort law principles and partially based on the alleged violation of human rights established in international standards and principles (e.g., the recent Milieudefensie et al. v. Royal Dutch Shell plc case).</p> <p>Nowadays, Eni is involved in 7 tort law-based proceedings ongoing in California and currently stayed pending resolution on the issue of the competent jurisdiction (Federal versus State jurisdiction).</p> <p>In particular, in 2017 and 2018, some local government authorities and a fishing association filed in the courts of the State of California seven proceedings against Eni and other Oil & Gas companies, claiming compensation for the damages attributable to the increase in sea level and temperature, as well as to the hydro-geological instability. The cases have been transferred from the State Courts to the Federal</p> |

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| | | <p>Courts upon the defendants' request alleging the lack of jurisdiction of the State Courts. The Federal Court ruled the cases should be returned to the State Court. The defendants filed an appeal to the Ninth Circuit Court of Appeal. On 26th May 2020 the proceedings have been remanded to the State Courts.</p> <p>On 9th July 2020, Eni filed, along with other co-defendants, a petition for rehearing en banc to seek a review of the remand decision. The 9th Circuit Court denied said petition.</p> <p>In January 2020, the defendants then filed a petition for certiorari with the US Supreme Court which sent the proceedings back to the 9th Circuit Court in May 2021, requiring the Ninth Circuit to consider all grounds for removal to the Federal Courts.</p> <p>In June 2021, the defendants submitted to the Ninth Circuit a "Consent Motion for Supplemental Briefing and Oral Argument" to suggest more arguments in support of the federal jurisdiction. In early July 2021, the Ninth Circuit rejected the said motion. The decision of the Ninth Circuit on the jurisdiction is expected within one year.</p> <p>The legal risk associated with climate change is included in the process of integrated risk assessment and managed by Eni's competent functions through dedicated analysis and actions, as recommended by TCFD.</p> |
| Market | Relevant, always included | <p>As an integrated energy company, Eni refers to the IEA's Sustainable Development Scenario (SDS) to analyse the energy transition market's risks and opportunities. Recognizing the IPCC position expressed in its 2018 1.5°C Special Report, in May 2021, the International Energy Agency released its "Roadmap to Net Zero Emissions by 2050" which is detailed a set of actions needed to limit the global temperature rise to 1.5°C. Eni will carefully evaluate the NZE2050 scenario together with the other set of assumptions related to low carbon scenarios available on the market, within the main elements taken as reference for the portfolio resilience tests of the Company.</p> <p>For the interested reporting period, Eni considered the SDS as the reference scenario, in which the fossil fuels are expected to retain a central role in the energy mix (Oil & Gas equal to 46% of the mix in 2040), although the global energy demand by 2040 is expected to drop as compared to its present level (-9,6% vs. 2019, CAGR 2019-2040 - 0.5%). Natural gas is expected to retain its share of the mix as the fossil fuel with the best future prospects both for integration with renewable sources and for replacement of other sources with higher environmental impacts, especially in emerging Countries. In 2020 Incidence of natural gas on Eni's total equity hydrocarbon production was 48%, and it is expected to grow to around 60% share in Eni's production mix in 2030 and more than 90% in 2050.</p> |

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| | | <p>However, Eni's current business portfolio is strongly linked with the global demand for oil and natural gas. Potential risk factors for Eni are linked with lower hydrocarbons demand. Other market-related risk factors are:</p> <ul style="list-style-type: none"> - Loss of results and cash flow. - "Stranded asset" risk. - Impacts on shareholders' returns. <p>Scenario and market risks and opportunities are internally analysed, assessed and managed within Eni's Integrated Risk Management process, which includes all the 5 climate-related drivers formalized by TCFD.</p> |
| Reputation | Relevant, always included | <p>Oil & Gas companies are increasingly perceived by institutions and the general public as entities primarily responsible for global warming due to GHG emissions across the value-chain, particularly related to the use of energy products. Furthermore, a growing number of financing institutions, including insurance companies, appear to be considering limiting their exposure to fossil fuel projects and activists' investors are assuming relevant roles in the Top management of various Majors. This could make Eni's shares less attractive to investment funds and individual investors assessing the risk profile of companies against their carbon footprint when making investment decisions.</p> <p>Accordingly, our ability to obtain financing for future projects or to obtain it at competitive rates may be adversely impacted</p> <p>Once again in 2020, Eni was confirmed as a leading company for the transparency in climate change reporting and strategy recording an A-rating in the Climate Change disclosure program of CDP. In addition, in 2020, the TPI assessment awarded Eni, for the first time, the highest rating in the area of management quality, due to the completeness of the decarbonisation strategy, and a high ranking on the emission performance of the products sold (carbon performance). In the same period, Carbon Tracker published an analysis of the potential investment risk of the upstream sector of the main Oil & Gas companies in transition scenarios, in which Eni ranked first, distinguishing itself for the ambition of its GHG emission reduction targets, the competitiveness of future projects and for a medium-long term hydrocarbons price scenario among the most conservative in the sector. In March 2021, the first CA100+ Net-Zero Company Benchmark¹⁸ showed Eni as one of the companies most closely aligned with the coalition's requirements, confirming its leadership role on climate reporting and ambition.</p> <p>Concerning partnerships and associations, in February 2020 Eni published its guidelines on responsible engagement on climate change within the industry associations. These guidelines set the principles followed by Eni to defend the climate, in line with its own strategy.</p> |

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| | | <p>Reputation risks and opportunities are internally analysed, assessed and managed within Eni's Integrated Risk Management process, which includes all the climate-related drivers formalized by TCFD.</p> |
| Acute physical | Relevant, always included | <p>According to the Intergovernmental Panel on Climate Change (IPCC), the physical impacts of climate change (e.g. increase of the average global temperature and sea level, hurricanes, cyclones, floods, droughts) observed in recent decades could increase its intensity and frequency of occurrence in the future.</p> <p>This could lead to potential risk factors such as:</p> <ul style="list-style-type: none"> - Interruptions of industrial operations. - Damage to plants and infrastructures. - Recovery and maintenance costs. <p>As to the intensification of extreme events, Eni's current asset portfolio is widespread in geographies so that there is no high-risk concentration. The area most vulnerable to extreme events is for Eni the Gulf of Mexico - historically hit by tropical storms and hurricanes - where Eni holds interests in 48 exploration and production blocks, in the shallow and deep offshore, of which 16 are operated by Eni itself. In 2020 Eni applied the Emergency Plan 5 times due to Hurricanes (Cristobal, Marco, Sally, Delta and Zeta) that led to temporary interruption of operations in four facilities operated by Eni in the Gulf of Mexico.</p> <p>Acute physical risks and opportunities are internally analysed, assessed and managed within Eni's Integrated Risk Management process, which includes all the climate-related drivers formalized by TCFD.</p> |
| Chronic physical | Not relevant, included | <p>According to the Intergovernmental Panel on Climate Change (IPCC), the physical impacts of climate change (e.g. increase of the average global temperature and sea level, hurricanes, cyclones, floods, droughts) observed in recent decades could increase the intensity and frequency of occurrence in the future.</p> <p>This could lead to potential risk factors such as:</p> <ul style="list-style-type: none"> - Interruptions of industrial operations - Damage to plants and infrastructures - Recovery and maintenance costs. <p>For more gradual phenomena such as the rise in sea level, the vulnerability of Eni assets involved is limited and it is, therefore, possible to implement specific mitigation actions over the medium to long term.</p> <p>A qualitative assessment has been carried out based on the perspective scenarios available in the literature (IPCC scenarios) for chronic climate-change-related phenomena. The analysis was focused</p> |

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| | | <p>on the potential effects of the coastal erosion in Egypt's Nile Delta, where some of Eni's onshore assets are located. The vulnerability of these assets resulted limited and specific mitigation actions can be implemented to reduce such effects.</p> <p>In 2020, a study was carried out on Eni's assets in Ghana to assess the impact of climate-related risks, both chronic and acute. The result of the assessment showed these risks have a very limited impact on Eni's assets present in the country. This case study made it possible to apply for the first time a methodology defined to extend this analysis to all Eni's assets, both Upstream and Downstream.</p> <p>Chronic risks and opportunities are internally analysed, assessed and managed within the Integrated Risk Management process, which includes all the climate-related drivers formalized by TCFD.</p> |
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C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Emerging regulation

Mandates on and regulation of existing products and services

Primary potential financial impact

Other, please specify

Development of laws, regulations, treaties, or international agreements related to GHG and climate change that could affect Eni's results of operations, liquidity, business prospects and shareholders' returns

Company-specific description

In the next decades, the energy sector is expected to respond to a dual challenge: meeting the rising energy needs of a growing population, ensuring adequate access to clean energy and limiting GHG emissions, to contribute to the decarbonization process. The future evolution of the energy system is modelled by IEA (International Energy

Agency) according to two main scenarios:

- STEPS, Stated Policies Scenario, that considers policies already in place and planned by Governments, with global energy demand increasing by 1% per year;
- SDS, Sustainable Development Scenario, that pursues the main energy goals for sustainable development, including full access to energy and limitation of the temperature increase to well below 2°C. In this scenario oil and gas continue to maintain a central role up to 2040 covering around 46% of energy needs (vs 55% today). Low-carbon sources, including nuclear, are expected to more than double their share in the energy mix reaching around 44% of the energy demand by 2040 (vs 19% today). In addition, in May 2021 IEA released its “Roadmap to Net Zero by 2050” (NZE2050), which describes a possible pathway for the energy system compatible with the 1,5°C objective.

Eni is an integrated energy company whose business depends on the evolution of the global energy demand and also on the future role of hydrocarbons. Eni is committed to the full decarbonization by 2050 of its product portfolio, where hydrocarbons will still have a role, coupled with mitigation technologies and Nature-Based Solutions. In 2020, Eni’s revenues related to Exploration & Production of oil and gas have been around 30% of the Company’s total representing more than 80% of the overall adjusted operating profit. Emerging regulations, treaties, or international agreements related to climate change could affect Eni’s results of operations, liquidity, business prospects and shareholders’ returns.

Eni tests annually the exposure of its portfolio against the low carbon transition risk. Eni assesses potential costs associated with GHG emissions from new capital projects and their impact on projects’ returns according to the SDS’ hypotheses on carbon pricing and hydrocarbon prices. Furthermore, management performs a sensitivity analysis of the recoverability of the book values of the Company’s Oil & Gas assets to evaluate the potential risk of stranded assets. This stress test covers the O&G cash-generating units that are regularly tested for impairment under IAS 36.

Time horizon

Medium-term

Likelihood

About as likely as not

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

3,600,000,000

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

On annual basis the management run a sensitivity analysis to test the book value resilience to IEA SDS scenario. This review covers all the O&G Cash Generating Unit (CGUs) that are regularly tested for impairment in accordance to IAS 36. The overall outcome of the stress test is the result of two differential impacts on Eni's forecasts, caused respectively by:

- IEA SDS's hydrocarbons price scenario vs Eni's scenario;
- IEA SDS CO2 price scenario vs the current CO2 regulation.

IEA SDS assumptions on CO2 emissions costs in 2040 would reach up to 140 \$ per ton in real terms 2019 (referred to Advanced Economies), which is higher than Eni's CO2 pricing trends and assumptions for the medium-long term.

Financial figures represent the overall impact on asset fair value. In 2020 the stress test gave a €3.6 billion reduction on asset fair value (-5%). Running also a worst-case theoretical sensitivity where there is no recognition of the contractual and fiscal recoverability of the CO2 charge, the impact on the total asset value would grow up to €7.9 billion (-11%).

Moreover, under the more conservative set of the assumptions which envisages a flat long-term Brent price of 50 \$/bbl and at a flat Italian gas price of 5 \$/ mmBTU, management is estimating that approximately 81% of the Company's proven and probable/possible reserves (risked at 70% and 30% respectively) will be produced within 2035 and 93% of their net present value will be realized.

Cost of response to risk

500,000,000

Description of response and explanation of cost calculation

Situation: A continuous growth in a fast-developing energy market must go along with a significant reduction of companies' carbon footprint also in light of a growing CO2 price trend.

Task&Action: With specific reference to short-term upstream decarbonization targets, defined on operated assets and accounted on a 100% basis, Eni keeps on ensuring:

-Reduction upstream GHG emissions intensity index of 43% by 2025 against 2014: in 2020, the index recorded a value of 20.0 tonCO₂eq./kboe, an overall reduction of 26% compared to 2014.

- Zero routine gas flaring by 2025: in 2020, the volumes of hydrocarbons sent to routine flaring, equal to 1.03 billion Sm³, fell by 14% compared to 2019 and by nearly 40% compared to 2014, in relation to the completion of projects to reduce flaring, in particular in Angola.

-Reduction of upstream fugitive methane emissions of 80% by 2025 against 2014: fugitive emissions from upstream operated assets were 11.2 ktCH₄ in 2020, down by approximately 50% from 2019, also thanks to monitoring and maintenance activities, carried out as part of the Leak Detection And Repair (LDAR) campaigns that are conducted periodically and to date cover approximately 60 assets. The overall reduction compared to 2014 is 90%, confirming the achievement in advance of the 80% reduction target set for 2025.

Result: The estimated cost of management - approximately €500 million - represents Eni's decarbonization investments included in the 4-year plan (2021-2024) aimed at

reducing GHG direct emissions. In particular €260 million are dedicated to upstream decarbonization activities such as flaring down, fugitive emission reduction, carbon efficiency and GHG emission intensity improvement, while the remaining €240 million are related to efficiency projects in power generation, refining and chemical businesses.

Comment

Identifier

Risk 2

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Current regulation

Carbon pricing mechanisms

Primary potential financial impact

Other, please specify

Increased compliance cost of the European Union Emission Trading Scheme (EU-ETS)

Company-specific description

The likely increase of the compliance cost of the EU Emissions Trading Scheme (EU-ETS) is driven by a predictable rise in the emission allowances price and by the expected growth in the emissions allowance's deficit.

The European Union established in 2019 the Market Stability Reserve in the EU-ETS to progressively cut the allowances supply, tightening the market. On the other hand, the new rules for the allocation of free allowances reduced their number in the 2021-2030 plan, increasing the allowances deficit for the sector covered.

On top of this, the European goal of becoming climate-neutral by 2050 will imply the definition of a more ambitious EU GHG reduction target for 2030. The EU-ETS allowances supply is expected to be reduced, consistently with a lower EU-ETS cap, pushing up the EUA (European Union Allowance) price. The market has already partially priced in the expected supply squeeze caused by the new 2030 GHG reduction target (EUA price increased by 130% between October 2020 and June 2021).

Considering all these components, the EU-ETS compliance cost will likely rise in the IV phase (2021-2030). As a consequence, Eni's installations located in Europe and subject to the EU-ETS could face the risk of a loss of competitiveness towards competitors outside the EU. Moreover, a potential extension of the EU ETS to other sectors could impact Eni's supply of fuels for buildings, road transport and maritime sectors. Finally, the lack of the harmonization of the compensation for indirect costs caused by the EU-ETS could have an effect of market distortion between sectors and countries within the EU. However, the Carbon Border Adjustment mechanism could potentially safeguard the EU competitiveness, in the medium-long term.

In 2020, almost 50% of Eni's operated direct GHG emissions have been under EU-ETS.

In that year, Eni has operated 39 installations subject to the EU-ETS, of which 33 are located in Italy, 5 in the UK, 1 in France. Overall, Eni received a total amount of 6,8 million free allowances, that covered the 39% of the operated assets emissions covered by EU-ETS (17.3 MtCO₂). Within Eni, the power sector has the highest exposure on the carbon market, as it does not receive free allowances and accounts for 55% of the Eni operated assets emissions subject to EU-ETS.

By 2024, the last year of the 4-year plan, the emissions of the operated assets are expected to increase by 19%, while free allowances are expected to be reduced by 9%, compared to 2020.

Time horizon

Medium-term

Likelihood

Very likely

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

480,000,000

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

The potential financial impact has been assessed considering the increased cost to be borne by Eni in 2024 compared to 2020 for the purchase of the allowances required for the EU-ETS compliance (gross of any potential cost pass-through to final customers). In 2024, Eni's extra cost for allowances purchase compared to 2020, on an equity basis, could be about €480 million. In detail, to calculate the financial impact Eni estimated its deficit in 2024, based on the business plan projections for existing assets and related emissions profiles and adjusting the free allocation year by year taking into account the activity level change.

The allowances purchased in 2020, on an equity basis, were about 10.8 million EUA and they are expected to increase to 13.9 million EUA in 2024. The price considered for the valorisation of the deficit in 2020 was 24.7 €/tCO₂, resulting in a cost of around €260 million, while in 2024 is expected to reach 53.2 €/tCO₂, resulting in a cost of around €740 million. The extra cost foreseen in 2024 compared to 2020 is therefore €480 million.

The financial exposure is only a preliminary estimation since the updated amount of free allowances is still to be published by the European Commission.

Cost of response to risk

230,000,000

Description of response and explanation of cost calculation

Situation: Given the current legislation in place, Eni has estimated an additional cost for allowances purchase in 2024 compared to 2020.

Task: Eni is committed to improving the carbon efficiency of its production assets, including the ones which participate in EU-ETS, to minimize the need of purchasing CO2 permits.

Actions: Eni has defined a set of decarbonization actions to reduce its carbon footprint and consequently also the cost paid within the EU ETS. Indeed Eni has defined a target to improve its carbon efficiency index (Scope 1+2), which includes all Eni's businesses, by 2% per year between 2014 and 2021. With particular reference to its downstream business, including power, Eni has invested €230 million in new projects in the 2021-2024 period, that will guarantee, at full operation, energy savings and emissions reductions. Additional GHG savings could come from the use of low-carbon fuels made available by R&D programs.

Result: In 2020, the carbon efficiency index was 31.6 tonnes CO₂eq/kboe, essentially stable compared to 2019 (31.4 tCO₂eq/kboe) mainly due to the decrease in production attributable to the health emergency. This effect was partially offset by the energy efficiency projects launched or completed during the year that, once fully operational, will allow fuel savings of 287 ktoe/year (mostly upstream), with a benefit in terms of emissions reduction of approximately 0.7 million tonnes of CO₂eq. Although the target for reduction set for 2021 has already been achieved, Eni continues to strive towards progressive 2% improvement over the coming years.

The estimated cost of management is equal to €230 million and represents the value of downstream decarbonization measures and technical investments to be implemented in the period 2021-2024. In particular, around €60 million are dedicated to energy efficiency measures on Eni power plants and the preliminary studies concerning the CCUS projects, €170 million will be spent on interventions within Versalis production and Refining and Marketing businesses.

Comment

Identifier

Risk 3

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Acute physical

Increased severity and frequency of extreme weather events such as cyclones and floods

Primary potential financial impact

Increased direct costs

Company-specific description

The intensity and frequency of physical impacts of climate change are expected to increase in the next future according to the IPCC V Assessment Report and other more recent studies, that indicate a potential intensification of both acute phenomena (extreme weather conditions, in the short term, such as hurricanes) and chronic phenomena (sea-level rise, coastal erosion whose effects are estimated more gradual over time), having direct and indirect impacts on industrial assets as well as ecosystems and populations (e.g. loss of biodiversity, desertification and water stress, migrations and famine).

As to acute phenomena such as the intensification of extreme events, Eni's current asset portfolio has a geographical distribution that does not result in high risks concentrations. The most vulnerable area to extreme events for Eni is the Gulf of Mexico - historically affected by tropical storms and hurricanes - where Eni holds interests in 48 exploration and production blocks, in the shallow and deep offshore, of which 16 are operated by Eni. In this area in 2020, Eni applied the Emergency Plan 5 times due to Hurricanes that led to temporary interruption of operations. In the case of extreme events in the Gulf of Mexico, Eni has assessed the potential economic exposure in terms of damages to assets and loss of production and has identified potential mitigation actions.

As to chronic and more gradual phenomena such as the rise in sea level, the vulnerability of Eni assets is limited, and it is, therefore, possible to implement specific mitigation actions in the medium to long term. According to our model, the risk of chronic events is not relevant.

With regards to adaptation measures, Eni completed a dedicated adaptation project aimed at identifying risks and opportunities linked to climate change in Countries of interest to Eni, with the cooperation of academic and research institutes such as Eni Enrico Mattei Foundation (FEEM) and the Istituto Superiore Sant'Anna (ISSA). The goals of the project were to define guidelines addressed to the industrial activities and adaptation measures that can support local communities to adapt to the extreme impacts due to the global effect of Climate change.

Moreover, Eni is developing a methodology to define indicators and adaptation measures from a local, environmental and industrial view at the national and subnational level. This methodology has been applied as a case study in Ghana.

Time horizon

Short-term

Likelihood

Very unlikely

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

350,000,000

Potential financial impact figure – minimum (currency)**Potential financial impact figure – maximum (currency)****Explanation of financial impact figure**

With reference to the US Gulf of Mexico, Eni holds interests in 48 exploration and production blocks in the shallow and deep offshore, of which 16 are operated by Eni. In 2020 Eni's production in the Gulf of Mexico (US and Mexico) was about 61,4 kboe/d, corresponding to about 5,5% of Eni equity production in 2020. The analysis shows a marginal decrease in the exposure of risk to assets (covered by specific insurance) and an increase in business interruption (average of 985 boe/y lost for hurricanes). In the worst-case scenario (total loss of the platform at highest risk) the maximum potential financial impact related to property damage is €350 million, which decreases up to €215 million net of insurance coverage.

Cost of response to risk

4,633,000

Description of response and explanation of cost calculation

Situation: Eni holds interests in several exploration and production blocks in the Gulf of Mexico in the shallow and deep offshore, which might be exposed to physical risks related to extreme climate events.

Task: Analyse and quantify physical risks related to climate change, as well as identify adaptation strategies.

Action: Eni has developed a model for the quantitative assessment of the differential risk exposure to simulate the impacts of the intensification of the extreme events from climate change scenarios based on historical data, by increasing wind speed and hurricane trajectory variation. In addition, Eni concluded a project for the definition of guidelines and adaptation measures addressed to the industrial activities and Countries of interest to Eni, also from the viewpoint of business continuity and the contribution to the local development of communities.

Result: Eni's current asset portfolio has a geographical distribution that does not result in high risks concentrations. The most vulnerable area is the Gulf of Mexico where we hold interests in 48 exploration and production blocks, in the shallow and deep offshore, of which 16 are operated by Eni. The analysis shows a marginal decrease in the exposure of risk to assets and an increase in business interruption. With regards to studies on "Adaptation to climate changes", appropriate guidelines have been defined for developing adaptation actions that include risk, potential impacts and opportunities assessments. These guidelines introduce a methodological approach for an economic evaluation of actions or inactions that correspond to the benefit (i.e. avoided damage) produced by adaptation action. This methodology has been applied in Ghana as a case study.

The analysis' results allowed to identify as mitigation actions the integration of appropriate technical measures to the assets with greater exposure to hurricanes; the inclusion of the climate change risk in the project Risk Register and in the definition of the Basis of Design; adequate insurance coverage for hurricane risk.

The estimated cost of management is equal to around €4.6 million of which €4,5 million represents the insurance costs for damages to assets due to hurricanes' impact in the Gulf of Mexico and €98,000, the costs associated to the project on Adaptation to climate changes.

Comment

Eni is drafting a Position paper on adaptation to Climate Change that takes into account the needs of adapting its operating realities with those of the surrounding environment and local communities, based on actions aimed at achieving the Sustainable Development Goals (SDGs), in line with its mission in countries that have or are implementing international (NAP and NAPA) and national (NDC) adaptation strategies and/or action plans.

Identifier

Risk 4

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Current regulation

Mandates on and regulation of existing products and services

Primary potential financial impact

Decreased revenues due to reduced production capacity

Company-specific description

The Italian regulation (PNIEC - Piano Nazionale Integrato Energia e Clima 2030) foresees a share of renewable energy in the transport sector of 22%, much higher than the comprehensive EU target set at 14%. However, the European regulatory framework is currently under revision. The new goal for Europe's economy and society to become climate-neutral by 2050 will imply a more ambitious renewable target overall and also in the transport sector, for 2030. Moreover, regarding feedstock use, the EU REDII Directive sets gradually phase-out of the feedstocks with "high indirect land-use change-risk" between 2023 -2030. This rule will strongly limit the availability of palm oil and derivatives as primary feedstock.

Biorefineries play a key role in Eni's energy transition as they contribute to achieving total decarbonization of all products and processes by 2050. Growth of biofuels is one of the objectives of decarbonization strategy, is ensured by our downstream activities and relevant investments: Eni "bio" refining capacity will grow up to 2 Mt/y by 2024, targeting at least 5 Mt/y in 2050. Furthermore, by 2023, biorefineries will be palm oil free, employing alternative feedstocks (used cooking and frying oils, animal fats and vegetable oil processing waste) and advanced feedstocks (lignocellulosic material and bio-oils).

In 2020 Eni reached a total processing capacity of 1.1 Mt/y, treated in its ex-traditional and now bio-refineries in Porto Marghera and Gela. Porto Marghera is the world's first example of a traditional refinery converted into a biorefinery. It has a capacity of 360

kt/y, which will rise by 2024 to 560 kt/y with an increasing share of feedstock coming from food production and waste. Gela's plant has a capacity to process 750 kt/y of used vegetable oils, frying fats, animal fats, algae and waste by-products from leftover or energy crops in desert or pre-desert lands to produce quality biofuels. In addition, in March 2021, the new Biomass Treatment Unit was started up and tested, which will make it possible to use up to 100% of biomass that is not in competition with the food chain. The aim is to create a circular economy model for the production of HVO (hydrotreated vegetable oil) such as HVO diesel, HVO naphtha, HVO LPG and HVO jet fuel. Currently, the feedstock used by Eni's bio-refineries is 57% palm oil, targeting 0% by 2023, as the economics and marketing of HVO originated from palm oil could be affected by new regulations.

Time horizon

Medium-term

Likelihood

About as likely as not

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

80,000,000

Potential financial impact figure – minimum (currency)**Potential financial impact figure – maximum (currency)****Explanation of financial impact figure**

The financial impact of €80,000,000 is associated to the potential reduction of biofuel capacity due to the alternative feedstock shortage (advanced/unconventional). With reference to our bio-refineries and the policy driver, a sensitivity analysis has recently been performed in order to evaluate maximum financial impact indirectly caused by "legal" constraints regarding feedstocks as adopted in the REDII and proposed in the Italian regulation. The alternative feedstocks could not be available in the quantities required and as a consequence bio-refineries would run at a slower pace. Due to the shortage of alternative feedstock up to around 50% of the total feedstock capacity, the maximum financial impact of €80,000,000 is calculated assuming a proportional reduction of the Ebit in 2025.

Cost of response to risk

80,000,000

Description of response and explanation of cost calculation

Situation: The REDII limits the share of unsustainable crop-based biofuels and promotes biofuels produced from sustainable waste and residues. Biofuels are not derived from fossil fuels, but from biomass and waste and can make an immediate contribution to the decarbonization of the transport sector, as they are already compatible with existing with current motorizations and distribution infrastructures.

Task: Eni aims to be 100% palm oil free by 2023 with a total biofuel capacity of 2 Mton by 2024 and above 5 Mton by 2050.

Action: These objectives will be achieved by investing in R&D and process plant improvement, aimed at producing advanced feedstocks and increasing the supply of alternative feedstocks available in the domestic market., such as:

- Cultivation of castor beans on pre-desert soils: unusable for food crops in a North African country, with first harvesting by 2023 at the best. This cultivation provides a bio-oil from biomass suitable for the Eni biorefineries;
- Used cooking oils (UCO) from urban waste: properly collected UCOs can be used as an alternative feedstock to vegetable oils processed in biorefineries, Eni is planning to develop these projects in countries where Eni already operates, mainly in Africa.
- Organic waste from separated urban waste collection, can be used to produce a low sulphur bio-oil that can be used either directly in blending as a low sulphur fuel for shipping or refined into biofuels, in addition to the research projects already mentioned on biofuels and hydrogen.

Result: in 2020 Eni reached a total feedstock capacity of 1.1 million tonnes. Considering all the actions in place part of Eni long Term strategy, Eni is in the condition to reach the target of 100% palm oil free in 2023 using a diversified portfolio of alternative feedstocks (e.g. used cooking and frying oils, animal fats and vegetable oil processing waste) and advanced feedstocks (e.g. lignocellulosic material and bio-oils).

The estimated cost of management in 2021-2024 is equal to €80 million and represents the capex to produce biofuels from sustainable waste and residues (advanced / unconventional feedstocks). Around €50 million are dedicated to the new Waste to Fuel plants or equivalent waste treatment projects, while the remaining €30 million are dedicated to castor bean projects.

Comment

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Opp1

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Products and services

Primary climate-related opportunity driver

Development and/or expansion of low emission goods and services

Primary potential financial impact

Increased revenues resulting from increased demand for products and services

Company-specific description

According to IEA SDS, among fossil sources, gas will continue to play a central role also in the energy transition, acting as a bridging solution to compensate for intermittent renewables and ensure the security and balance of electrical systems on a global scale. Natural gas is considered the ideal partner for the development of renewables, while gas projects carried out near growing markets in emerging economies are considered not only as a progress in access to energy but often also represents an improvement in the decarbonization process since natural gas can displace more polluting alternatives.

Eni is a major player in the natural gas value chain and it provides also energy to local markets. In 2020 over 71% of the total gas sold was produced for local markets, while in 12 Countries this percentage reached 100%.

Especially in Africa, Eni invests in the construction of thermal power stations by using the associated gas, traditionally flared, to diversify the energy mix (50% biomass and coal) by introducing a cleaner source such as natural gas. Some examples are:

- Egypt: between 2017 and 2018 the acceleration of the Nooros and Zohr projects allowed Egypt to become self-sufficient and to save more than US\$ 7 billion in LNG imports;
- Nigeria: Okpai power station, with a primary installed capacity of 480 MW, in 2020 generated approximately 1,400 GWh, contributing around 7.7% of the total energy fed into the national transmission grid of the capacity available in the Country. Two additional gas turbine generation sets were completed in 2019 and 2020 bringing Okpai's total generation capacity to over 800 MW;
- Ghana: in 2020, 98% of Ghana's thermal power was generated by gas, more than 50% of which came from the OCTP project, in which Eni is the operator. In addition, Eni completed the Takoradi-Tema Interconnection Project (TTIP) in 2020, through which it transports gas from the Western Region to the eastern part of the Country;
- Iraq: the start-up phase of the power generation plant in Zubair continues. The plant is equipped with 4 gas turbines, capable of generating up to 520 MW of power;
- Congo: The Centrale Electrique du Congo (CEC), created in 2010 in Pointe-Noire and expanded in 2019 to reach a total installed capacity of 484 MW, contributes around 70% of the Country's total electricity generation.

Time horizon

Short-term

Likelihood

Likely

Magnitude of impact

High

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

3,900,000,000

Potential financial impact figure – minimum (currency)**Potential financial impact figure – maximum (currency)****Explanation of financial impact figure**

The financial impact estimation of €3.9 billion takes into account the revenues in 2020 from domestic sales of natural gas. Egypt, Pakistan, Nigeria, Libya, Ghana, Congo, account for about 70% of the total amount, with a 2020 total revenue of €2.8 billion. The remaining 30% of revenues are generated in other countries where Eni operates, such as Italy, UK, Indonesia, Kazakhstan, Venezuela and Australia.

Cost to realize opportunity

11,000,000,000

Strategy to realize opportunity and explanation of cost calculation

Situation: Gas is a bridge solution to a low carbon future, especially in Africa, where the energy mix is currently composed of 60% biomass and coal.

Task: Therefore, Eni targets a 60% share of natural gas in the production mix by 2030 and over 90% by 2050.

Action: In order to reach its goals, Eni intends to maximize the use of gas as a bridge fuel for the long-term energy transition, making the portfolio of the Group more sustainable through various activities:

- in emerging Countries with growing energy needs, especially in Sub-Saharan Africa, Eni is committed to research and develop gas resources for local markets to access energy and energy mix diversification with low impact sources.
- in the LNG sector, growing its traded volumes portfolio to 14 MTPA by 2024, driven by new projects in Indonesia, Nigeria, Angola, Mozambique and Egypt.
- exploiting technological solutions like Carbon Capture and Storage applied to electricity generating plants, LNG plants and for production of blue hydrogen to reduce the carbon footprint of gas originating from equity production.
- promoting the implementation of voluntary action and partnerships in various initiatives e.g. European EPS, that promote the use of fuels with lower emission intensity and natural gas consumption.

Results: In 2020 natural gas accounted for over 50% of Eni's hydrocarbon production and in the 2021-2024 plan, 44% of overall upstream investments are addressed to gas projects.

The estimated cost to realize the strategy is equal to about €11 billion and represents the share of upstream investments addressed to gas projects. In detail around €9 billion is dedicated to gas projects development, while the remaining €2 billion is dedicated to exploration and other investments.projects.

Comment

Identifier

Opp2

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Products and services

Primary climate-related opportunity driver

Development and/or expansion of low emission goods and services

Primary potential financial impact

Increased revenues through access to new and emerging markets

Company-specific description

According to the IEA STEPS scenario, by 2040, renewables will increase their share in the global power mix from 27% to 47%. In the SDS scenario, this share will reach 72% (with a further upside in the Net Zero Scenario: up to 88% by 2050).

In the next decades, in all regions, renewables will be the sources with the highest growth rate, driven by solar and wind installations, which will benefit from an expected and relevant cost decline.

Eni confirms its strategic interest in the renewable energy business also through the recent business synergies between its renewables segment and Eni Gas e Luce retail business. By 2024 Eni plans to reach 4 GW of installed electrical power from renewable sources, with further long-term targets of 5 GW in 2025, 15 GW in 2030, over 25 GW in 2035 and 60 GW in 2050, fully integrated with Eni's retail sector.

The initiatives completed in 2020 confirm the validity of Eni's distinctive model based on a global presence of Eni and the large portfolio of industrial assets, consolidated experience in managing complex large-scale projects in a number of different domains, strategic and commercial partnerships and international cooperations. Installed capacity at the end of 2020 exceeded 300 MW, almost doubling compared to the end of 2019 (around 170 MW, +76%), while electricity production more than quintupled from around 61 GWh in 2019 to around 340 GWh at the end of 2020. In particular, the growth in installed capacity was realized through the strategic partnership with Falck Renewables, thanks to which Eni entered the US market by acquiring operating photovoltaic and wind

power plants for about 90 MW in Eni's share, and via the completion of two Australian photovoltaic plants, Batchelor and Manton, with a total capacity of 25 MW. The solid increase was achieved also thanks to the production of the Badamsha wind farm in Kazakhstan (111 GWh) and the Porto Torres photovoltaic plant (49 GWh). Worthy of note is Eni's entry into the offshore wind power sector with the acquisition of a 20% stake from Equinor and SSE Renewables of the Dogger Bank project (A and B) in the United Kingdom, which envisages the installation of 190 latest-generation turbines of 13 MW, for a total capacity of 2.4 GWp (at 100%). When fully operational, the project (3.6 GWp, 100%) will be the largest offshore wind farm in the world.

Time horizon

Medium-term

Likelihood

Likely

Magnitude of impact

High

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)
Potential financial impact figure – minimum (currency)

200,000,000

Potential financial impact figure – maximum (currency)

500,000,000

Explanation of financial impact figure

The financial impact is estimated equal to approximately €0.2-0.5 billion and it refers to annual revenues from renewables once the 5 GW of installed capacity will be operational in 2026. This reflects a mix of portfolio projects and technologies employed currently in operations or under development/scouting in different Countries. In general terms, our remuneration profile has been estimated using the following assumptions:

- for projects already developed, the expected projection of contracted prices of existing PPAs, Feed-in Tariff, or merchant price forecasting (e.g. in Italy or in other OECD Countries, where the renewable market is more structured and mature);
- for projects under development or scouting we refer to internal estimates and evaluations for selling price and producibility, defined on the basis of market consensus and databases of main market info-provider

In order to define the utilization rate of installed capacity by 2025, an average Load Factor equal to approximately 25% has been used.

Taking into account these factors, our renewables projects are highly valuable, with unlevered IRR in the range of 6-9%, and double digits after financing.

Cost to realize opportunity

4,000,000,000

Strategy to realize opportunity and explanation of cost calculation

Situation: According to IEA scenarios, renewables will increase their share within the energy mix and decrease their cost of production. Therefore, they will create a huge business opportunity within the energy sector.

Task: Eni's medium to long-term strategic goal is to maximize renewables development, leveraging on strategic and commercial partnerships with third parties and synergies with other Eni's businesses. Eni retail&renewable business recently merged, will expand mainly in OECD countries, where there is a large retail base, and in other areas in which Eni is already present, such as North Africa, Australia and the Middle East. Growth will follow a technology-neutral approach, with a significant contribution of wind technology and tight cooperation with the R&D function, to enable the introduction of innovative technological solutions that are currently being studied.

Action: Eni confirms its commitment towards a progressive global growth of the renewables business, up to an installed capacity of 60 GW by 2050, through the selection of expansion areas linked to the presence of Eni's customers and the maximization of synergies deriving from the integration with the retail business. This capacity is set to reach 4 GW in 2024, 5 GW in 2025, 15 GW in 2030 and over 25 GW in 2035.

Result: In 2020, installed capacity exceeded 300 MW, almost doubling compared to the end of 2019 (around 170 MW, +76%). An important contribution to the development of the sector and the achievement of these objectives will come from the reinforced position in Italy and the United States thanks to the partnerships with CDP and Falck Renewables and from entering into new markets in southern Europe, in particular in Spain.

In 2021-2024 period, the estimated cost to realize renewables strategy in combination with Eni's retail business is equal to approximately €4 billion mainly related to boosting renewable capacity and increasing Eni's customer base. In 2024 to the expected mix of renewable capacity will be 60% solar and 40% onshore and offshore wind.

Comment

Identifier

Opp3

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Products and services

Primary climate-related opportunity driver

Development of new products or services through R&D and innovation

Primary potential financial impact

Increased revenues resulting from increased demand for products and services

Company-specific description

The liquid biofuels industry – mainly producing ethanol and biodiesel – has had a turbulent 2020, with a combination of low demand for transport fuels and low oil prices returning the supply of biofuels to levels last seen in 2017. In the IEA STEPS scenario, global biofuels demand returns to its 2019 level in 2021 and expands robustly to 2030: demand increases by 1.5 mboe/d (million barrels of oil equivalent per day) in the 2019-30 period and by an additional 1.5 mboe/d from 2030 to 2040. In the IEA SDS scenario, the assumption of even stronger policy action pushes biofuel use up by 4.2 mboe/d by 2030, with a further increase by 1.2 mboe/d over ten years to 2040; more than half of the 2019-40 growth comes from advanced biofuels.

Eni promotes a circular economy starting from one of its core businesses: refinery. Eni set the goal of doubling 2020 total capacity (1.1 Mton) by 2024, overpassing 5 mln tons by 2050, starting from a range of diversified feedstocks to become palm oil free by 2023. Alternative feedstocks (e.g. used cooking and frying oils, animal fats and vegetable oil processing waste) and advanced feedstocks (e.g. lignocellulosic material and bio-oils) will be used. Italian sites will be converted to produce hydrogen, methanol, bio-methane and products from waste.

Eni paired its traditional downstream business with the production of green fuels by converting traditional refineries into biorefineries, using the Ecofining proprietary technology (production of green diesel with a high level of performance through a flexible hydrogenation process and with different types of biological raw materials). The initiatives implemented in Gela and Venice reached a feedstock capacity of over 1 Mton in 2020. Moreover, in March 2021, Eni acquired FRI-EL Biogas Holding, a leading national producer of Biogas. With this acquisition, Eni reinforces its growth by laying the foundations to become the leading producer of biomethane in Italy. During 2020, biorefineries obtained ISCC-PLUS certification, which allows them to be integrated into the circular economy products value chain.

Time horizon

Medium-term

Likelihood

Likely

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

1,600,000,000

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

Eni targets to double its actual biofuels capacity within 2024, reaching a production of 2 million tons of biofuels. In 2025 the financial impact of those volumes is €1,6 billion, estimated as yearly expected revenues from the circular economy and green business activities (i.e. green refineries) without renewables. To calculate those revenues, target volumes are multiplied by consensus scenario prices. Around €1,55 billion come from the annual revenues of Gela and Porto Marghera biorefineries and the rest from Waste to Fuel plants from Eni Rewind.

Cost to realize opportunity

1,000,000,000

Strategy to realize opportunity and explanation of cost calculation

Situation: In line with its decarbonization strategy and to seize once the opportunities related to increasing interest in more sustainable products in the mobility sector (see REDII directive).

Task: Eni's objective is to double by 2024 its bio-fuels installed capacity. In 2050 Eni will reach more than 5 MTPA bio-fuels capacity, diversifying feedstocks to become Palm Oil free by 2023 and producing hydrogen, methanol, bio-methane and other products from waste. In 2050 100% of service station products will be blue, green and bio.

Action: Eni has been converting traditional refineries into bio-refineries, using proprietary technology to produce green diesel from raw materials and other feedstock (waste, oils, animal fats, by-products from the food industry, etc.). Moreover, In Gela a Waste-to-fuel pilot system is currently testing Eni's proprietary technology to produce second-generation biofuel from the organic fraction of solid urban waste (FORSU), which could be used as low sulphur marine bunker oil or as feedstock in the green-diesel production, recovering 70% of the water contained.

Result: In 2020 Eni processed almost 710 thousand tonnes of biomass at Venice and Gela biorefineries to produce 523 thousand tons of green diesel, 84 thousand tons overall of green naphtha and green LPG, with emissions savings of about 900 thousand tons of CO₂ compared to traditional processes.

The cost to realize opportunity refers to Capex in the circular economy in 2021-2024 period, the total amount is €1 billion. In particular, around €800 million are dedicated to R&M projects such as biorefineries' upgrading and the remaining €200 million to Eni Rewind projects e.g. solid urban waste (FORSU) conversion plants.

Comment

Identifier

Opp4

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Resilience

Primary climate-related opportunity driver

Resource substitutes/diversification

Primary potential financial impact

Other, please specify

Reduced exposure to GHG emissions and therefore less sensitivity to changes in cost of carbon

Company-specific description

Acknowledging the important role of Natural Climate Solutions (NCS) in limiting global warming to 1.5°C, as envisaged by the more ambitious goals of the Paris Agreement, Eni considers as crucial the inclusion of such solutions in its strategy to achieve global carbon neutrality goals in the long term. In the framework of global efforts to reduce GHG emissions in line with the objectives of the Paris Agreement, Eni aims to achieve Net Zero Carbon Footprint (Scope 1+2 GHG emissions, equity basis) of upstream activities by 2030, as part of its roadmap towards decarbonization of its processes and products by 2050.

This will be achieved by increasing the efficiency of its upstream activities, reducing GHG emissions, also through the elimination of routine flaring and reducing fugitive emissions, while developing forestry conservation projects to offset the residual emissions that are difficult to abate with current technologies (so-called hard-to-abate). To this end, Eni's approach includes halting deforestation and forest degradation and pursues the role of conservation, sustainable management of forests and enhancement of forest carbon sinks implementing REDD+ projects (Reducing Emissions from Deforestation and Forest Degradation) under the framework established by UNFCCC (United Nations Framework Convention on Climate Change).

These projects aim to reduce deforestation, increase carbon storage capacity and preserve and protect biodiversity, while also ensuring social benefits for local populations. Eni directly supports developing Countries in implementing REDD+, depending on Country needs, as direct participation in the projects is essential to ensure adherence to the REDD+ scheme and thus alignment with the highest international standards for certification of carbon reduction such as the Verified Carbon Standard (VCS) and the Climate Community and Biodiversity Standard (CCB), issued by the international body VERRA, which certifies the impacts.

Also, the methodology will be consistent with both the Country's REDD+ framework and methodological approach. Projects, indeed, will enable economic diversification activities with the creation of new employment, easing local development, in line with the National Development Plans and the Agenda 2030.

Time horizon

Medium-term

Likelihood

About as likely as not

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

1,100,000,000

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

A potential financial impact of €1.1 billion is assessed to be created in 2030 by investing in forestry projects in developing countries. This figure represents the potential saving that would be achieved in 2030 by offsetting the Company's direct CO₂ emissions with forestry carbon credits, as opposed to paying a full CO₂ tax price for the totality of the Company's direct CO₂ emissions. This opportunity is conditional upon the full recognition of credits generated by voluntary markets, which may occur when:

- REDD+ related carbon credits would be integrated into the new Paris Agreement international carbon credits markets;
- National NDCs would allow international companies to use locally-produced carbon credits to offset their global emissions.

For the purpose of this calculation, the valuation of CO₂ costs is carried out considering the 2020 IEA SDS CO₂ price outlook:

- for advanced economies, it is forecasted a CO₂ price equivalent to 63 \$/tCO₂ in real terms 2019 @2025 and 140 \$/tCO₂ in real terms 2019 @2040;
- for developing economies, it is forecasted a CO₂ price equivalent to 43 \$/tCO₂ in real terms 2019 @2025 and 125 \$/tCO₂ in real terms 2019 @2040.

Cost to realize opportunity

160,000,000

Strategy to realize opportunity and explanation of cost calculation

Situation: Literature studies defined 20 Natural Climate Solutions (NCS) options that could deliver more than a third of the GHG reductions needed to meet the Paris goals by 2030 at less than \$100/t, with 1/3 of those below \$10/t.

Task: Carbon offsets generated by REDD+ projects could be voluntarily used by Eni to offset part of its emissions, achieving net-zero carbon footprint in Upstream activities by 2030, and Eni targets to have in place projects to offset around 6 Mton/y of CO₂ by 2024, 20 Mton/y of CO₂ by 2030 and more than 40 Mton/y by 2050.

The final aim is to be directly involved in the planning and execution of projects, guaranteeing that all social and environmental benefits are delivered to the local communities and the hosting Countries with the consequential additional benefit of the preservation of carbon sinks. Projects selection will see the direct involvement of governments, ensuring synergies with their NDCs.

Action: Eni will develop and participate in REDD+ projects to preserve primary and secondary forests and biodiversity, supporting the UN Sustainable Development Goals. Eni plans to implement REDD+ projects using a strategy based on cooperation

agreements with international and experienced developers. Geographies currently being explored have the highest potential in terms of abatement and a REDD+ framework in an advanced status.

Results: Eni has already signed agreements with international developers and started the opportunities selection process. Eni has already signed a long-term purchase agreement for a REDD+ project in Zambia. In November 2019 this agreement has been amended in order to allow Eni to be an active part of the governance of the project.

Eni is assessing various initiatives in a number of countries including Zambia, Mexico, Malawi, Mozambique, Ghana, Angola, Indonesia, Vietnam and Malaysia. Moreover, in 2020, Eni benefited from offsetting through forestry credits amounting to 1.5 million tonnes of CO₂eq. The cost to realize the strategy is €160 million equal to the investments on REDD+ projects in 2021-2024 plan, of which circa 80% spent in project development in Africa and residual 20% mostly in Latin America and the Far East.

Comment

Eni decided to take advantage of the opportunity to invest around €160 million in the 2021-2024 plan, aiming at developing REDD+ projects certified with the most accredited standards worldwide and capable to deliver permanent emissions reductions and social/economic development for the local communities living in the area, where REDD+ projects are carried on.

Identifier

Opp5

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Products and services

Primary climate-related opportunity driver

Development of new products or services through R&D and innovation

Primary potential financial impact

Increased revenues through access to new and emerging markets

Company-specific description

The shift to a low-carbon energy sector is linked to the development of innovative/breakthrough technological solutions and the consequent need of upgrading the energy infrastructures.

Eni is working on a range of technologies focusing on three main drivers: circular economy, carbon neutrality, which includes new advanced systems for conversion of renewable energies and transformation of CO₂ into useful products, and operating excellence, oriented towards improving existing business areas in terms of efficiency and economic and environmental sustainability.

The R&D department is currently working on many activities, for example:

- In the field of CCUS, Eni is developing capture projects, also through an innovative

proprietary ionic liquid technology, aimed at creating storage poles for the decarbonization of Eni's industrial activities, (power plants, refineries and plants of third party companies). In the management of CO₂, its reuse is becoming increasingly important, thanks to technologies such as bio-fixation of CO₂ with microalgae and the mineralization process which chemically fixes carbon dioxide in mining residues, obtaining a stable, inert and non-hazardous product that can be used in the cement formulation process.

- Renewable sources: Eni is developing innovative technologies that can be easily integrated into upstream and downstream activities, in particular the latest generation of solar systems, based both on concentrated solar power (CSP), and on organic photovoltaics (OPV), an innovative technology that, by using semiconducting polymers as the photoactive element in place of the traditional silicon and other inorganic semiconductors, are characterized by lightness, flexibility, easy installation and a high level of recyclability. Eni is also investing in the production of electricity from the movement of waves, with a floating system that turns the motion of sea waves into electricity, to power offshore plants or small communities along the coast. A pilot plant is already in operation in Ravenna, connected to the PC80 platform and integrated into a hybrid smart grid system unlike any other in the world made up of photovoltaic cells and an energy storage system.
- Create energy from waste: Eni is also researching Waste to Fuel technologies that exploit hydrothermal liquefaction to process organic urban waste to obtain bio-oil.

Time horizon

Medium-term

Likelihood

Likely

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

1,700,000,000

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

An internal procedure has been developed to quantify the potential value generated by the application of innovative technologies under development. For each technology, three deployment scenarios are evaluated (min, med, max) in terms of diffusion of deployment and technology performance. The potential financial impact figure is based on the medium scenario of the main technologies focused on circular economy and

carbon neutrality in the next 10 years (gross). All the technologies have been successfully tested at least at the large prototype stage in the last 4 years. Among the technology areas considered, CCS and biofuels cover a significant share of the investments, with a share of 13% and 15% respectively of the average R&D spending in the past three years.

Cost to realize opportunity

558,000,000

Strategy to realize opportunity and explanation of cost calculation

Situation: Research and Development on carbon neutrality issues is a key tool to develop technologically innovative initiatives targeted at reducing GHG emissions, supporting the development of a resilient project portfolio with low carbon content.
Task: Eni's transformation into an integrated energy company with an ever-lower carbon footprint must focus on R&D, to develop cutting-edge technological competencies, and multiply the scope of the identified energy solutions. Innovation is for Eni a lever to create value, through the development of new technologies and their rapid field implementation on an industrial scale.

Action: In the 2021-2024 period, 70% of R&D expenditure will be allocated to projects related to carbon neutrality and circular economy. Research projects regard every aspect of the value chain from increasing efficiency to sustainability in products, plants and processes. Efficiency also pertains to the minimization of direct CO₂ emissions, the reduction of waste and the valorization of scrap. The difficult context due to the pandemic led to a slowdown in some operational activities. A great effort was made to preserve most of the activities that could be carried out safely and to ensure rapid resumption of activities in operational sites as soon as conditions permitted. All this has allowed an overall increase in the level of technological maturity, while preserving the implementation of demonstration and pre-commercial plants, to support an effective energy transition of the business

Result: In 2020, the estimated tangible value generated was €951 million which, although down compared to 2019, is a significant value considering all the limitations in operations due to the pandemic scenario. Among the technologies used, great attention was dedicated to increasing the energy efficiency of operations, such as those to improve the ability to describe the subsoil or software and hardware to improve and ensure the monitoring and asset integrity of plants. In the field of refining, great attention was paid to circular economy issues with the definition of new feedstock for biorefineries. The cost to realize the opportunity is €558 million i.e. the total spending in planned research over the next 4 years aimed at carbon neutrality (€322 million) and circular economy (€236 million).

Comment

Eni also supports the Oil and Gas Climate Initiative on new carbon capture and storage technologies with a US\$ 10 million/year for 10 years from 2017 and the Commonwealth Fusion Systems for fusion power generation technology industrial development in collaboration with the Massachusetts Institute of Technology (initial investment of \$50 million).

C3. Business Strategy

C3.1

(C3.1) Have climate-related risks and opportunities influenced your organization's strategy and/or financial planning?

Yes, and we have developed a low-carbon transition plan

C3.1a

(C3.1a) Is your organization's low-carbon transition plan a scheduled resolution item at Annual General Meetings (AGMs)?

| | Is your low-carbon transition plan a scheduled resolution item at AGMs? | Comment |
|-------|---|---|
| Row 1 | No, and we do not intend it to become a scheduled resolution item within the next two years | According to Italian law, the AGM cannot vote on subjects other than those reserved to it by law whereas the climate strategy is a matter reserved to the oversight of the Board of Directors. In response to the Say on Climate initiative, which asked companies to submit their Transition Plans to a non-binding shareholder vote at the Annual General Meeting, Eni's CEO released a letter on the path to energy transition undertaken by the company. The message reaffirmed Eni's transition strategy to become an integrated energy company providing a wide range of fully decarbonized energy products pursuing the objective of reaching full carbon neutrality by 2050, in line with the reductions required by the Paris Agreement to limit the global temperature increase to 1.5°C by the end of the century. |

C3.2

(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?

Yes, quantitative

C3.2a

(C3.2a) Provide details of your organization's use of climate-related scenario analysis.

| Climate-related scenarios and models applied | Details |
|--|---|
| IEA Sustainable development scenario | Eni supports the goals of the Paris Agreement to limit temperature increases to well below 2 °C. The IEA SDS sets out an energy pathway consistent with this goal and is taken as a reference for the energy sector and in particular for the definition of Eni's long term Decarbonization strategy, in order to assess energy |

| | |
|--|--|
| | <p>transition risks both regarding:</p> <ol style="list-style-type: none"> 1. Evaluation of the resilience of Eni's asset portfolio 2. Definition of KPI and Company reduction trends up to 2050, aligned with the targets of the Paris Agreements, <p>1 - The resilience of the investment's portfolio is measured through a monitoring process aimed at identifying and assessing the potential risks deriving from the market scenario and legislative and technological evolution, focused on Oil&Gas Cash Generating Units (CGUs). The profitability of the most important new investment projects is subjected to a sensitivity to carbon pricing using two sets of assumptions:</p> <ul style="list-style-type: none"> • Eni's hydrocarbon price and CO2 cost scenario; • IEA SDS assumptions on hydrocarbon price and CO2 cost <p>By adopting the IEA SDS scenario, which envisages the global application of a steeply rising cost for direct CO2 emissions, the overall IRR would be reduced by 1.3%. The resilience of Eni's asset portfolio also reflects the sensitivity analysis to which the upstream CGUs are subjected. The stress test conducted on the IEA SDS scenario has shown the overall stability of the book values of the upstream assets with an 11% reduction of the fair value assuming non-deductibility of the costs of CO2 emissions, that is 5% in the event of recognition of the contractual and fiscal recoverability of CO2 charges. Analysis of the production profile for the 3P reserves demonstrates the resiliency and flexibility of Eni's current portfolio.</p> <p>-The hydrocarbons pricing assumptions of the IEA SDS scenario are slightly lower than Eni's pricing assumptions regarding crude oil (for example in 2040 the price of crude oil is projected to be 10% lower in the IEA SDS scenario compared to Eni's own assumptions), while gas prices in the IEA SDS scenario are projected to be slightly higher than Eni's scenario.</p> <p>-CO2 emissions costs are valorized according to the IEA SDS CO2 tax scenario, which shows a strong uptrend consistent with the goal of encouraging the adoption of low carbon technologies. The projects CO2 emissions costs in advanced economies reach 140 \$ per ton in real terms 2019 by 2040, In the following decade (2040-2050) this scenario is extended assuming a Compounded Annual Growth Rate equal to 4% for Advanced Economies and 4,7% for Developing Economies.</p> <p>IEA SDS CO2 tax scenario is higher than Eni's CO2 pricing trends and assumptions for the medium-long term.</p> <p>2- Eni relaunched in 2021 its medium and long-term emissions reduction targets, announcing the Net Zero target by 2050 on GHG Scope 1, 2 and 3 emissions and the associated emission intensity, referred to the entire life cycle of the energy products sold. Eni's decarbonization path is compatible with the SDS forecasts and the Paris agreement most ambitious objective of limiting at 1.5°C the global temperature increase. The evolution of the business portfolio will have a significant impact on Eni's carbon footprint reduction, aiming to</p> |
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|----------------------------------|---|
| | reach a fully decarbonized set of products by 2050; hence the company has also accompanied its decarbonization objectives with operational targets. In line with the SDS scenario that envisages doubling the share of renewables in the energy mix by 2040, Eni has included in its strategic plan a set of targets for increasing installed renewable energies' capacity from 0.4 GW in 2020 to 4 GW in 2024, 15 GW in 2030 and exceeding 60 GW in 2050. To maximize the generation of value along the entire green energy chain, in recent months the merger of Eni's renewables business with its retail business has been completed, to leverage on the retail sector growth from the current 10 mln costumers to 15 mln in 2030 and over 20 mln in 2050. |
| IEA NPS | The Stated Policies Scenario (STEPS2, former NPS), is the IEA's reference scenario. It incorporates today's policy intentions and targets and considers only specific policy initiatives that have already been announced. In this scenario global energy demand rebounds to its pre-crisis level in early 2023, increasing by 1% per year in 2020-40. With demand in advanced economies on a declining trend, all of the increase comes from emerging market and developing economies, led by India. CO2 emissions will rise from 34 Gt in 2020 to 36 Gt in 2030 and will remain around this level until 2050. This would lead to a temperature rise of around 2.7 °C by 2100 (with a 50% probability). Although Eni's scenario analysis is based on IEA SDS, the STEPS scenario is used as a benchmark in defining and measuring emission reduction trends of the Company's long-term decarbonization strategy with respect to the goals of the Paris Agreements. |
| Other, please specify IEA NZE | The IEA has elaborated in its WEO 2020 a new detailed modeling called the Net Zero Emissions 2050 case (NZE2050) to examine what more would be needed compared to the SDS in the next decade to put global CO2 emissions on a pathway to net zero by 2050. The set of actions contemplated by the IEA NZE2050 case comprise a dramatic increase in investments in low-emission electricity, infrastructure and innovation as well as demanding behavioral changes on part of the consumers. The NZE scenario was published in May 2021, and Eni will carefully evaluate it together with the other set of assumptions related to low carbon scenarios available on the market, within the main elements taken as reference for the portfolio resilience tests of the Company. |

C3.3

(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.

| Have climate-related risks and opportunities influenced your strategy in this area? | Description of influence |
|---|--------------------------|
| | |

| | | |
|------------------------------|------------|---|
| <p>Products and services</p> | <p>Yes</p> | <p>Risks: Current&emerging regulation (Risk1, Risk2, Risk4) Opportunities: Development and/or expansion of low emission goods and services (Opp1 and Opp2); Development of new products or services through R&D and innovation (Opp3, Opp5). Magnitude of impact: High</p> <p>the growing need of providing to the market decarbonized products and services materially impacts Eni's business and strategy that today is exposed to carbon-intensive products. To this end, Eni defined operational objectives up to 2050, which outline the evolutionary and integrated path of the individual businesses:</p> <ul style="list-style-type: none"> - for R&M, the progressive conversion of traditional Italian refining sites through new plants for the production of hydrogen, methanol, biomethane and products from the recycling of waste materials; - evolution of product mix sold in retail outlets, reaching 100% decarbonized products by 2050; - expansion of power capacity from renewables to more than 60 GW by 2050; - focus on the marketing of equity products: natural gas, bio-methane, blue energy and hydrogen; - progressive reduction of hydrocarbons production, with a rising share of gas; - projects to capture CO2 of over 50 million tons per year by 2050, with the first project under study for the Ravenna hub in Italy, to capture CO2 from neighboring industrial sites and gas-powered electricity generation; <p>In the case of renewables, installed capacity at the end of 2020 exceeded 300 MWp, almost doubling compared to 2019 (+76%), while electricity production more than quintupled to around 340 GWh at the end of 2020 (+460%), mainly due to a strategic partnership with Falck Renewables, thanks to which Eni entered the US market by acquiring operating photovoltaic and wind power plants for about 90 MWp in Eni's share and completion of two Australian photovoltaic plants, Batchelor and Manton, totaling 25 MWp. In 2021 Eni entered into the offshore wind power sector acquiring, from Equinor and SSE Renewables, 20% of the Dogger Bank project (A and B) in Great Britain, (installation of 190 latest-generation turbines of 13 MW each at a distance of over 130 km from the British coast, for a total capacity of 2.4 GWp at 100%). The project will consist of two phases, the first of which will be completed by 2023 and the second by the end of 2024. When fully operational, the project (3.6 GWp, 100%) will be the largest offshore wind farm in the world.</p> |
|------------------------------|------------|---|

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|---------------------------------|-----|--|
| Supply chain and/or value chain | Yes | <p>Opportunities: Development/ expansion of low emission goods and services (Opp1)</p> <p>Magnitude of impact: High</p> <p>According to the IEA SDS scenario, among fossil sources, gas will continue to play a central role also in the energy transition, acting as a bridging solution to compensate for intermittent renewables and ensure the security and balance of electrical systems on a global scale. Natural gas is widely considered the ideal partner for the development of renewables, while gas projects carried out near growing markets in emerging economies is considered not only as a progress in access to energy but often also represents an improvement in the decarbonization process, since natural gas can displace more polluting alternatives. Eni intends to maximize the use of gas as a bridge fuel along all its value chain, particularly in electricity generation, and to promote its use in the transportation sector. Eni is a major player in the natural gas value chain and it provides also energy to local markets. In 2020 over 71% of the total gas sold was produced for local markets, for a total of approximately 57 billion Sm³, while in 12 Countries this percentage reached 100%. Especially in Africa, Eni invests in the construction of thermal power stations by using the associated gas, traditionally flared, to diversify the energy mix (50% biomass and coal) by introducing a cleaner source such as natural gas.</p> <p>Also, LNG has a high impact on Eni's business and is crucial in order to optimize gas value. Given the significant investment required to build liquefaction and regasification plants, producers must sell the majority of the LNG they produce on long-term contracts (20 years) before the final investment decision (FID) can be taken. As an international gas and LNG operator, integrated with the Upstream sector, Eni is developing a new model to ensure it retains a leading position in the LNG market, both in Europe and in emerging economies. Eni has a global LNG portfolio based on long-term purchasing contracts with reliable suppliers, a network of relationships with end clients and traders all over the world. Over the next few years, the portfolio is expected to grow with forecast traded volumes of 14 MTPA to 2024 an increase of 45% vs. 2020 traded volumes This growth will mainly come from new projects in Indonesia, Nigeria, Angola, Mozambique and Egypt.</p> |
| Investment in R&D | Yes | <p>Opportunities: Development of new products or services through R&D and innovation (Opp3 and Opp5), Development and/or expansion of low emission goods and services (Opp1 and Opp2)</p> |

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| | | <p>Magnitude of impact: High</p> <p>Technologies to capture and reduce GHG emissions, as well as leaks of natural gas along the Oil&Gas value chain, are fundamental for affirming the dominant role of gas in the global energy mix. On the other hand, technological development in the field of renewable energy production and storage and the efficiency of electric vehicles could have impacts on the demand for hydrocarbons and therefore on the business. Low Carbon Research and Development is a key element for Eni's transformation into an integrated energy company. In 2020, Eni spent over €74 million on research and development for decarbonization, in decrease compared to 2019 due to limitations imposed by the pandemic event. In the 2021-2024 four-year period, 70% of total R&D expenditure will be allocated to projects related to carbon neutrality and circular economy, approximately €600 million.</p> <p>During 2020, biorefineries obtained ISCC-PLUS certification, which allows them to be integrated into the circular economy products value chain.</p> <p>For example, Eni's R&D has developed the Waste to Fuel (W2F) technology for the transformation of organic biomass waste into bio-oil and biomethane with recovering of water naturally contained in wet waste. A Waste to Fuel pilot plant was launched in 2018 in the Gela refinery, treating municipal waste (100 kg/day) and aiming to provide useful insights to optimize the W2F technology. In March 2020, Eni established the CircularIT joint venture with Cassa Depositi e Prestiti for the development and industrial-scale management of W2F plants. The first industrial plant, whose start-up phase is planned in 2024, will be developed in Porto Marghera, within Eni's petrochemical area, and will have a treatment capacity of up to 150,000 tonnes per year, equivalent to the OFMSW produced by about 1.5 million inhabitants.</p> |
| <p>Operations</p> | <p>Yes</p> | <p>Risks: Policy and legal: Increased pricing of GHG emissions (Risk 2)</p> <p>Opportunities: Development of new products or services through R&D and innovation (Opp3 and Opp5), Development and/or expansion of low emission goods and services (Opp1, Opp2), Resource substitutes/diversification (Opp5)</p> <p>Magnitude of impact: High</p> <p>One of the three pillars of Eni's business model is "Carbon neutrality by 2050" and this strategy will be pursued through a clear and fixed roadmap that includes: (i) actions on energy</p> |

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| | | <p>mix, maximization of energy efficiency and reduction of direct emissions. These will include:</p> <ul style="list-style-type: none"> -investments to reduce GHG emissions (that in the 2021-24 period will be €0.5 billion) and investments in renewable energy projects (in the next 4 years these investments will equal to €3.2 billion). -development of forest conservation, reforestation or afforestation projects to contain the CO2 in the atmosphere, with positive effects on local communities. These projects will have an offsetting potential of 20 Mton/year of CO2 by 2030. -development of circular economy initiatives aiming at the valorization of waste and biomass and the recovery of disused or reclaimed assets. Actions related to the development of circular economy initiatives will include investments in circular economy that in the next 4 years will equal to approximately €1 billion. <p>To achieve maximum efficiency in the decarbonization process and find innovative solutions to facilitate the energy transition Eni is committed to the implementation of its scientific and technological research activities (R&D) and an example is the % of spending in R&D aimed at carbon neutrality and the circular economy (In the 2021-2024 four-year period it will be 70% of total R&D expenditure, approximately €600 million).</p> |
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C3.4

(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.

| | Financial planning elements that have been influenced | Description of influence |
|-------|---|---|
| Row 1 | Revenues Direct costs Access to capital | <p>As per Revenues, in the future, Eni will have a stronger role as a global player in the world of energy that will be enhanced by the progressive development of the renewables business and by new businesses based on circularity. Low carbon products will cover a growing share of revenues in Eni in consequence of increasing investment in the green business. Some examples of future activities are:</p> <ul style="list-style-type: none"> • Refining & Marketing: Expansion of biorefining capacity to 5-6 million tonnes per year by 2050, manufactured exclusively from sustainable, recycled and advanced feedstocks in target areas such as the Far and the Middle East, Europe and the United States; progressive conversion of traditional Italian refining sites into decarbonized plants for the production |

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| | <p>of hydrogen, methanol, biomethane and products from the recycling of waste materials.</p> <p>Eni has a total processing capacity of 1.1 million tonnes per year and has set a target of doubling the total capacity by 2024, going palm oil free starting from 2023. In 2050, 100% of service station products will be blue, green and bio.</p> <ul style="list-style-type: none"> • Renewables: Progressive expansion of installed global capacity to 60GW by 2050 in selected areas linked to the presence of Eni customers and their growth so as to maximize the value of the integrated model and development activities in the areas where Eni already operates. • Chemicals: Development and integration of chemicals from renewables and mechanical recycling, transformation via pyrolysis of non-recyclable plastics into polymers with identical characteristics to those produced with hydrocarbons and establishment of an integrated platform to exploit synergies with refining in gasification processes involving all types of plasmix. <p>With reference to bioproducts, the goal is to reach around 1 Mt/y production by 2035, where almost half of which from renewables, while by 2050 to exceed a 1Mt/y production of which more than 50% from renewables.</p> <p>The Energy Evolution division, Eni's green business department (renewables, green refineries and green chemistry), is expected to report positive Free Cash Flow, self-financing its sustainable transformation.</p> <p>As per Direct Costs, Eni is incurring in operating costs related to the participation in the European Emission Trading Scheme, whereby we need to purchase on the open markets' emission allowances in case our GHG emissions exceed a pre-set limit established at the European level by regulations in force. In 2020 to comply with this carbon scheme, Eni purchased on the open market allowances corresponding to about 10.8 million tonnes, with a cost of about €260 million.</p> <p>As per Access to Capital, in May 2021, Eni published the world's first Sustainability-Linked Financing Framework ("Framework") in its sector, which fully integrates sustainability in the company's funding strategy. The Framework lays out the guidelines that Eni will follow in issuing new sustainable financing instruments and that will be applied to various financial solutions, including bonds (in public and private format), bank loans (term loans and credit lines) and hedging derivatives. In June 2021 Eni launched the first sustainability-linked bond issue in its sector. As specified in the relevant terms and conditions, the sustainability-linked bond will be linked to the achievement of the following targets:</p> <ul style="list-style-type: none"> • Net Carbon Footprint Upstream (Scope 1 and 2) equal to or lower than 7.4 MtonCO₂eq as of December 31, 2024 (-50% vs 2018 baseline); renewable energy installed capacity equal to or greater than 5 GW as of December 31, 2025. |
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| | | <p>Eni is strongly committed to playing a key role in fostering sustainability and over the last 7 years, it has built a business model that puts sustainability at the core of every business activity, including its financial strategy, and believes that the development and use of sustainability-linked instruments can help promote the energy transition towards a low-carbon future.</p> <p>Eni is a founding member of the “UN Global Compact CFO Taskforce” for the SDGs which, in September last year, published the "CFO Principles on Integrated SDG Investments and Finance" aimed at guiding companies in aligning their sustainability commitments with their financial strategy, with the goal of creating a broad, liquid and efficient market for UN SDG-relevant investments and capital flows.</p> |
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C3.4a

(C3.4a) Provide any additional information on how climate-related risks and opportunities have influenced your strategy and financial planning (optional).

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

Both absolute and intensity targets

C4.1a

(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

Target reference number

Abs 1

Year target was set

2016

Target coverage

Business division

Scope(s) (or Scope 3 category)

Scope 1

Base year

2014

Covered emissions in base year (metric tons CO₂e)

5,327,942

Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)

12.42

Target year

2025

Targeted reduction from base year (%)

100

Covered emissions in target year (metric tons CO₂e) [auto-calculated]

0

Covered emissions in reporting year (metric tons CO₂e)

4,052,638

% of target achieved [auto-calculated]

23.936146452

Target status in reporting year

Underway

Is this a science-based target?

No, but we anticipate setting one in the next 2 years

Target ambition**Please explain (including target coverage)**

This target refers to Eni's commitment to eliminate routine gas flaring from upstream operated assets by 2025, five years in advance of the target year set by the "Zero Routine Gas Flaring by 2030" Initiative launched by the World Bank Global Gas Flaring Reduction Partnership (GGFR), which Eni supports since 2003. Despite this target refers to 2014 as base-year, Eni has been strongly committed for many years to implement flaring down projects and has already reduced the total volume of flared gas by more than 70% since 2007.

Target reference number

Abs 2

Year target was set

2016

Target coverage

Business division

Scope(s) (or Scope 3 category)

Scope 1

Base year

2014

Covered emissions in base year (metric tons CO₂e)

2,894,206

Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)

6.75

Target year

2025

Targeted reduction from base year (%)

80

Covered emissions in target year (metric tons CO₂e) [auto-calculated]

578,841.2

Covered emissions in reporting year (metric tons CO₂e)

280,770

% of target achieved [auto-calculated]

112.873617151

Target status in reporting year

Achieved

Is this a science-based target?

No, but we anticipate setting one in the next 2 years

Target ambition

Please explain (including target coverage)

This target refers to Eni's commitment to reduce by 2025 fugitive methane emissions from upstream operated assets by 80% compared to the estimated 2014 value. Although the target was already achieved in 2019, six years in advance of the 2025 target year, Eni continue in the progressive implementation of periodical monitoring campaigns to identify fugitive methane emissions and implement maintenance and leakage elimination (Leak Detection and Repair campaigns - LDAR).

Target reference number

Abs 3

Year target was set

2020

Target coverage

Company-wide

Scope(s) (or Scope 3 category)

Scope 1+2 (location-based) +3 (upstream & downstream)

Base year

2018

Covered emissions in base year (metric tons CO₂e)

505,000,000

Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)

100

Target year

2030

Targeted reduction from base year (%)

21

Covered emissions in target year (metric tons CO₂e) [auto-calculated]

398,950,000

Covered emissions in reporting year (metric tons CO₂e)

439,000,000

% of target achieved [auto-calculated]

62.2347949081

Target status in reporting year

Revised

Is this a science-based target?

No, but we anticipate setting one in the next 2 years

Target ambition

Please explain (including target coverage)

This target has been relaunched during Eni's strategy presentation in February 2021. The new reduction pathway foresees achieving net-zero GHG lifecycle emissions (Scope 1, 2 and 3) in 2050, in line with the scenarios compatible with keeping global warming within 1.5°C, with two intermediate reduction targets of 25% by 2030 and of 65% in 2040. Target Abs 3 reported last year (-30% by 2035) has therefore been reported here as "revised".

The target is based on a distinctive methodology for the evaluation of all GHG emissions related to Eni's energy products along the value chain. The indicator used for this target (net GHG lifecycle emissions) is part of the new metrics defined by the methodology,

which include Scope 1, 2 and 3 emissions, in absolute and relative terms, linked to the energy products sold accounted on an equity basis. This list of products includes oil & gas, electricity and also new bio products originating from the circular economy business. For each of these products, the methodology envisages the inclusion of all material sources of GHG emissions generated along their value chain, according to a well-to-wheel approach. In 2021, the reporting model was further refined to better represent the actual use of the volumes sold to the market, including non-energy uses (e.g. petrochemicals) or those associated with decarbonized products (e.g. blue hydrogen, power with CCS). Therefore, 2018 base year data has been revised accordingly. The target communicated during Strategy 2021 represents the net absolute emissions reduction by 2030 of 25% at net of carbon sinks.

In line with CDP guidance, the reduction reported in this section (-21% by 2030 versus 2018) represents an estimation of the gross emissions reduction, obtained by subtracting the role of CCS and forestry, that respectively have targets in 2030 equal to 7 and 20 MtCO₂eq.

Target reference number

Abs 4

Year target was set

2020

Target coverage

Company-wide

Scope(s) (or Scope 3 category)

Scope 1+2 (location-based) +3 (upstream & downstream)

Base year

2018

Covered emissions in base year (metric tons CO₂e)

537,000,000

Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)

100

Target year

2040

Targeted reduction from base year (%)

54

Covered emissions in target year (metric tons CO₂e) [auto-calculated]

247,020,000

Covered emissions in reporting year (metric tons CO₂e)

439,000,000

% of target achieved [auto-calculated]

33.7954341679

Target status in reporting year

Revised

Is this a science-based target?

No, but we anticipate setting one in the next 2 years

Target ambition**Please explain (including target coverage)**

This target has been relaunched during Eni's strategy presentation in February 2021. The new reduction pathway foresees achieving net-zero GHG lifecycle emissions (Scope 1, 2 and 3) in 2050, in line with the scenarios compatible with keeping global warming within 1.5°C, with two intermediate reduction targets of 25% by 2030 and of 65% in 2040. Target Abs 4 reported last year will therefore be reported in the "Net Zero" dedicated section C4.2c, and it has been reported here as "revised" giving the new 2040 intermediate reduction target.

The target is based on a distinctive methodology for the evaluation of all GHG emissions related to Eni's energy products along the value chain. The indicator used for this target (net GHG lifecycle emissions) is part of the new metrics defined by the methodology, which include Scope 1, 2 and 3 emissions, in absolute and relative terms, linked to the energy products sold accounted on an equity basis. This list of products includes oil & gas, electricity and also new bio products originating from new circular economy business. For each of these products, the methodology envisages the inclusion of all material sources of GHG emissions generated along their value chain, according to a well-to-wheel approach. In 2021, the reporting model was further refined to better represent the actual use of the volumes sold to the market, including non-energy uses (e.g. petrochemicals) or those associated with decarbonized products (e.g. blue hydrogen, power with CCS). Therefore, base year data has been revised accordingly. The target communicated during Strategy 2021 represents the net absolute emissions reduction by 2040 of 65% at net of carbon sinks.

In line with CDP guidance, the target reported in this section (-54% by 2040 versus 2018) represents an estimation of the gross emissions reduction, obtained by subtracting the role of CCS and forestry. The role of these technologies at 2040 has been considered by linear interpolation of CCS and forestry targets communicated for 2030 (7 MtCO₂e and 20 MtCO₂e respectively) and 2050 (50 MtCO₂e and 40 MtCO₂e respectively).

C4.1b

(C4.1b) Provide details of your emissions intensity target(s) and progress made against those target(s).

Target reference number

Int 1

Year target was set

2016

Target coverage

Business division

Scope(s) (or Scope 3 category)

Scope 1

Intensity metric

Other, please specify

Metric tons CO₂e / kboe

Base year

2014

Intensity figure in base year (metric tons CO₂e per unit of activity)

26.83

% of total base year emissions in selected Scope(s) (or Scope 3 category) covered by this intensity figure

51.66

Target year

2025

Targeted reduction from base year (%)

43

Intensity figure in target year (metric tons CO₂e per unit of activity) [auto-calculated]

15.2931

% change anticipated in absolute Scope 1+2 emissions

0

% change anticipated in absolute Scope 3 emissions

0

Intensity figure in reporting year (metric tons CO₂e per unit of activity)

19.98

% of target achieved [auto-calculated]

59.374702043

Target status in reporting year

Underway

Is this a science-based target?

No, but we are reporting another target that is science-based

Target ambition

Please explain (including target coverage)

This target refers to Eni's commitment to reduce by 43% the GHG emission intensity index associated with total gross operated hydrocarbon production in 2025 compared to 2014. The target refers only to emissions from Upstream operated assets which in 2014 covered 55.8% of total Eni's GHG direct emissions.

Target reference number

Int 2

Year target was set

2016

Target coverage

Company-wide

Scope(s) (or Scope 3 category)

Scope 1+2 (location-based)

Intensity metric

Other, please specify
Metric tons CO₂e / kboe

Base year

2014

Intensity figure in base year (metric tons CO₂e per unit of activity)

41.27

% of total base year emissions in selected Scope(s) (or Scope 3 category) covered by this intensity figure

98.5

Target year

2021

Targeted reduction from base year (%)

13.2

Intensity figure in target year (metric tons CO₂e per unit of activity) [auto-calculated]

35.82236

% change anticipated in absolute Scope 1+2 emissions

0

% change anticipated in absolute Scope 3 emissions

0

Intensity figure in reporting year (metric tons CO2e per unit of activity)

31.64

% of target achieved [auto-calculated]

176.7737956253

Target status in reporting year

Underway

Is this a science-based target?

No, but we are reporting another target that is science-based

Target ambition**Please explain (including target coverage)**

Eni is committed to progressively improve the carbon efficiency index of its production by an average of 2% in the period 2014-2021, equivalent to an overall reduction of 13.2% in the period. The boundary includes Scope 1 and 2 emissions coming from Upstream, Refinery, Chemical and Power businesses operated by Eni. The production is expressed in barrel of oil equivalent converting the energy production of each business through Eni's specific conversion factors. For the Refinery business, the figure throughput was used as a proxy of oil products.

C4.2**(C4.2) Did you have any other climate-related targets that were active in the reporting year?**

Target(s) to reduce methane emissions

Net-zero target(s)

Other climate-related target(s)

C4.2b**(C4.2b) Provide details of any other climate-related targets, including methane reduction targets.****Target reference number**

Oth 1

Year target was set

2016

Target coverage

Business division

Target type: absolute or intensity

Absolute

Target type: category & Metric (target numerator if reporting an intensity target)

Methane reduction target

Other, please specify

Total fugitive methane emissions from Eni upstream operated assets

Target denominator (intensity targets only)

Base year

2014

Figure or percentage in base year

2,894,206

Target year

2025

Figure or percentage in target year

578,841.2

Figure or percentage in reporting year

280,770

% of target achieved [auto-calculated]

112.873617151

Target status in reporting year

Achieved

Is this target part of an emissions target?

The target contributes to the reduction of 43% of the GHG performance index on total gross operated hydrocarbon production compared to 2014 (see C4.1b).

Is this target part of an overarching initiative?

No, it's not part of an overarching initiative

Please explain (including target coverage)

This target refers to Eni's commitment to reduce fugitive methane emissions from upstream operated assets by 80% compared to the estimated 2014 value. Although the target was already achieved in 2019, six years in advance of the 2025 target year, Eni will continue in the progressive implementation of periodical monitoring campaigns to identify fugitive methane emissions and implement maintenance and leakage elimination (Leak Detection and Repair campaigns - LDAR).

C4.2c

(C4.2c) Provide details of your net-zero target(s).

Target reference number

NZ1

Target coverage

Company-wide

Absolute/intensity emission target(s) linked to this net-zero target

Abs3

Abs4

Target year for achieving net zero

2050

Is this a science-based target?

No, but we anticipate setting one in the next 2 years

Please explain (including target coverage)

This target has been announced during Eni's strategy presentation in February 2021. The reduction pathway foresees achieving net-zero GHG lifecycle emissions (Scope 1, 2 and 3) in 2050, in line with the scenarios compatible with keeping global warming within 1.5°C, with two intermediate reduction targets of 25% by 2030 and of 65% in 2040.

The target is based on a distinctive methodology for the evaluation of all GHG emissions related to Eni's energy products along the value chain. The indicator used for this target (net GHG lifecycle emissions) is part of the new metrics defined by the methodology, which include Scope 1, 2 and 3 emissions, in absolute and relative terms, linked to the energy products sold accounted on an equity basis. This list of products includes: Oil & Gas, electricity and also new bio products originating from new circular economy business. For each of these products, the methodology envisages the inclusion of all material sources of GHG emissions generated along their value chain, according to a well-to-wheel approach. In 2021, the reporting model was further refined to better represent the actual use of the volumes sold to the market, including non-energy uses (e.g. petrochemicals) or those associated with decarbonized products (e.g. blue hydrogen, power with CCS).

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO₂e savings.

| | Number of initiatives | Total estimated annual CO ₂ e savings in metric tonnes CO ₂ e (only for rows marked *) |
|---------------------------|-----------------------|--|
| Under investigation | 0 | 0 |
| To be implemented* | 40 | 8,996,825 |
| Implementation commenced* | 6 | 350,624 |
| Implemented* | 25 | 1,164,358 |
| Not to be implemented | 1 | 137,000 |

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category & Initiative type

Other, please specify

Other, please specify

Routine flaring reduction

Estimated annual CO₂e savings (metric tonnes CO₂e)

190,153

Scope(s)

Scope 1

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

0

Investment required (unit currency – as specified in C0.4)

27,000,000

Payback period

No payback

Estimated lifetime of the initiative

Ongoing

Comment

The project was completed in Angola in August 2020 and allowed the elimination of routine flaring.

The zero routine flaring has been achieved thanks to:

- Installation of gas lift manifold that will have as effect the increasing of pressure at the arrival point, so the gas can be diverted to compressors
- Gas treatment capacity increasing, this project composed by different components (modification of separators, compressors gas scrubber and dehydration unit) should reduce the gas flow rate fluctuation (portion of operating flaring) and allow the compressor to handle it.

The investment required reported above is an estimation, as the flaring reduction initiative was embedded in a wider project of process optimization.

Initiative category & Initiative type

Fugitive emissions reductions
Oil/natural gas methane leak capture/prevention

Estimated annual CO2e savings (metric tonnes CO2e)

267,225

Scope(s)

Scope 1

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

0

Investment required (unit currency – as specified in C0.4)

3,600,000

Payback period

No payback

Estimated lifetime of the initiative

1-2 years

Comment

LDAR monitoring campaigns are planned with an average frequency of 1-2 years at single asset. The Annual monetary saving associated with these initiatives is negligible due to the fact that campaigns mostly highlighted that real natural gas leakages are very small compared to standard emission factors. Overall reduction since 2014: 2,61 Mt CO2eq.

Initiative category & Initiative type

Energy efficiency in production processes
Process optimization

Estimated annual CO₂e savings (metric tonnes CO₂e)

699,435.2

Scope(s)

Scope 1

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

94,931,877

Investment required (unit currency – as specified in C0.4)

22,936,357

Payback period

<1 year

Estimated lifetime of the initiative

11-15 years

Comment

Projects completed in 15 affiliates involving the saving of 699.435 tCO₂/y, mostly direct emissions. The investment was estimated since some projects were part of larger projects. Annual monetary savings were estimated assuming 300 €/toe for fuels and 50 €/MWh for electricity.

Initiative category & Initiative type

Energy efficiency in production processes

Process optimization

Estimated annual CO₂e savings (metric tonnes CO₂e)

5,706

Scope(s)

Scope 1

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

89,900

Investment required (unit currency – as specified in C0.4)

8,235,180

Payback period

>25 years

Estimated lifetime of the initiative

11-15 years

Comment

5 new projects involving the saving of 5706 tCO₂/y mostly of Scope 2 emissions. Annual monetary savings were estimated assuming 300 €/toe for fuels and 50 €/MWh for electricity.

Initiative category & Initiative type

Energy efficiency in production processes
Process optimization

Estimated annual CO₂e savings (metric tonnes CO₂e)

1,839

Scope(s)

Scope 1

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

236,400

Investment required (unit currency – as specified in C0.4)

615,910

Payback period

1-3 years

Estimated lifetime of the initiative

11-15 years

Comment

3 new projects involving the saving of 1839 tCO₂/y of direct emissions. Annual monetary savings were estimated assuming 300 €/toe for fuels .

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

| Method | Comment |
|--------------------------|--|
| Internal price on carbon | The return on the main investment projects is tested using a sensitivity to carbon pricing of 45 \$/ton CO ₂ eq in actual terms in 2021, when the Final Investment Decisions (FID) is made and later during the six-monthly monitoring of projects. |

| | |
|---|---|
| Dedicated budget for low-carbon product R&D | Research and Development is a key element for Eni's transformation into an integrated energy company for a low-carbon future and, in fact, the activities related to decarbonization and circular economy account for around 70% of the total research spending. |
| Dedicated budget for other emissions reduction activities | In the period 2021-2024 are planned investments for GHG emissions reductions of €500 million. |
| Employee engagement | On 5 June, in connection with UN World Environment Day, Eni held its first Safety and Environment Day; dedicated entirely to the behaviour and action of the company and its people in the area of safety and environmental protection. To reward the operating areas that have produced excellent results in the areas of safety and the environment, from this year, Eni has added to its Safety Award a new Environment Award. |

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products or do they enable a third party to avoid GHG emissions?

Yes

C4.5a

(C4.5a) Provide details of your products and/or services that you classify as low-carbon products or that enable a third party to avoid GHG emissions.

Level of aggregation

Product

Description of product/Group of products

Eni confirms its medium-long term strategy that includes the progressive global growth of the renewables business, up to an installed capacity of 60 GW by 2050, through the selection of expansion areas linked to the presence of Eni's customers and the maximization of synergies deriving from the integration with the retail business. In 2020, the commitment to the development of the renewable energy business continued on the path of steady growth in terms of installed capacity and, consequently, electricity production. Installed capacity at the end of 2020 exceeded 300 MWp, almost doubling compared to the end of 2019 (around 170 MWp, +76%), while electricity production more than quintupled from around 61 GWh in 2019 to around 340 GWh at the end of 2020 (+460%).

Are these low-carbon product(s) or do they enable avoided emissions?

Low-carbon product

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions

Climate Bonds Taxonomy

% revenue from low carbon product(s) in the reporting year

0.2

Comment

The percentage is calculated considering the share of revenues from sales of power from renewables on the overall revenues from the EGL, Power & Renewables business.

C-OG4.6

(C-OG4.6) Describe your organization's efforts to reduce methane emissions from your activities.

Eni continues its commitment to optimizing its monitoring and reporting processes and reducing methane emissions from Upstream operated assets. Methane emissions are essentially concentrated in the upstream value chain (51 ktonnes, equal to 92% of the Eni total) and are due to fugitive emissions, unburnt methane from flaring and process venting. As part of the **Oil and Gas Climate Initiative (OGCI) partnership, a collective target for reducing upstream methane intensity** (defined as the ratio of total methane emissions to net natural gas production) was announced in 2018 and envisages reaching a value of 0.25% by 2025, with an ambition of 0.20%. The reductions recorded so far have been achieved by implementing LDAR (Leak Detection and Repair) campaigns, which consist of carrying out on-site monitoring campaigns of plant components in order to identify and eliminate methane leaks by scheduling appropriate maintenance. It is possible to control almost entirely fugitive emissions enabling savings and improving safety in operations. To date, **95% of Eni's upstream assets (based on production levels) are already covered by LDAR programs**, corresponding to around 60 sites.

To further improve LDAR programmes at Upstream sites, thermal imaging cameras (OGI camera) have been purchased by the operating sites since 2020, and a training programme has begun for local teams to train them in the correct use of these instruments and the monitoring methodology, in accordance with the best international standards such as OGMP-CCAC and EPA, which are incorporated into the company's operating instructions. The availability of the thermal imaging camera on site ensures the possibility of more frequent monitoring, at least annually, for each site and in conjunction with maintenance activities. To provide a concrete example of LDAR Application, our subsidiary in Indonesia achieved an absolute reduction of 97% in fugitive methane emissions in 2020 vs 2014. In addition to the reduction due to the change of monitoring methodology (moving from an estimate based on literature emission factors to an estimate based on monitoring campaigns with infrared cameras), the relevant reduction was achieved through periodical monitoring through OGI camera which is located within the subsidiary to allow prompt verification of the effectiveness of maintenance and repairing activities.

Eni is also continuing its participation in the Climate and Clean Air Coalition (CCAC) Oil & Gas Methane Partnership, a public-private partnership led by the UNEP, in which it

develops appropriate plans to control methane emissions, based on the execution of monitoring campaigns and the assessment of mitigation opportunities.

C-OG4.7

(C-OG4.7) Does your organization conduct leak detection and repair (LDAR) or use other methods to find and fix fugitive methane emissions from oil and gas production activities?

Yes

C-OG4.7a

(C-OG4.7a) Describe the protocol through which methane leak detection and repair or other leak detection methods, are conducted for oil and gas production activities, including predominant frequency of inspections, estimates of assets covered, and methodologies employed.

LDAR programmes foresee campaigns to monitor the plant components in order to identify methane leaks and plan maintenance works. It is possible to control almost entirely fugitive emissions enabling product savings and improving safety in operations. An LDAR campaign is made up of three principal stages: Source Inventory, Monitoring and Maintenance:

Source Inventory

- Analysis of the technical documentation (P&ID, process diagrams, activity parameters, etc.)
- Identification of potential sources
- Planning field activities

Monitoring

- On-site monitoring and identification of methane leaks. - The technology used – Optical Gas Imaging – requires the use of an infrared thermal camera to detect leaks

Maintenance:

- Immediate repair of leaks where possible
- Prioritization of works and definition of the annual maintenance plan
- Regular checks. Periodical checks are planned at least every two years but targeting annual monitoring.

CASE STUDY:

One of the first Countries, where Eni implemented systematic fugitive emissions monitoring, is Congo. Since 2017, both onshore and main offshore assets are surveyed. In particular, the M'Boundi onshore first campaign covered all the plant components (numbering over 6,200) that are potential leakers. The survey carried out with OGI (Optical Gas Imaging) cameras, detected 40 leaks, over half of which was repaired immediately. As a result of this work, emissions were halved, and remaining interventions are planned compatibly with operating conditions and scheduled maintenance together with periodical checks carried out at list every two years.

C-OG4.8

(C-OG4.8) If flaring is relevant to your oil and gas production activities, describe your organization's efforts to reduce flaring, including any flaring reduction targets.

For years, Eni has implemented programs to reduce gas sent to flaring, through an emphasis on the production of electricity for local populations, distribution for domestic consumption, or export. Where these practices were not possible, Eni created re-injection systems in natural gas reservoirs. In 2014, after having consolidated a 75% reduction of volumes compared with 2007, most of the residual process flaring is today concentrated in Countries with difficult environments, such as Libya and Nigeria. Despite this, Eni confirms its commitment to zeroing volumes sent to process flaring by 2025, 5 years earlier than the timescale laid down by the Global Gas Flaring Reduction (GGFR) initiative promoted by the World Bank, of which Eni is a partner.

In 2020, hydrocarbon volumes sent to routine flaring amounted to 1.03 billion Sm³, decreased by 14% compared to 2019 and by nearly 40% compared to 2014, as a result of specific flaring reduction projects (Angola) and the production drop attributable to the health emergency, which affected some fields with associated gas flaring during 2020.

C5. Emissions methodology

C5.1

(C5.1) Provide your base year and base year emissions (Scopes 1 and 2).

Scope 1

Base year start

January 1, 2014

Base year end

December 31, 2014

Base year emissions (metric tons CO₂e)

42,883,588

Comment

2014 is the reference base year for all current Eni's GHG reduction targets on operated assets.

Scope 2 (location-based)

Base year start

January 1, 2014

Base year end

December 31, 2014

Base year emissions (metric tons CO₂e)

687,553.5

Comment

2014 is the reference base year for Eni's GHG reduction target that includes Scope 2.

Scope 2 (market-based)

Base year start

Base year end

Base year emissions (metric tons CO₂e)

Comment

C5.2

(C5.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

American Petroleum Institute Compendium of Greenhouse Gas Emissions Methodologies for the Oil and Natural Gas Industry, 2009

European Union Emission Trading System (EU ETS): The Monitoring and Reporting Regulation (MMR) – General guidance for installations

IPCC Guidelines for National Greenhouse Gas Inventories, 2006

IPIECA's Petroleum Industry Guidelines for reporting GHG emissions, 2nd edition, 2011

ISO 14064-1

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

The Greenhouse Gas Protocol: Scope 2 Guidance

US EPA Center for Corporate Climate Leadership: Direct Emissions from Stationary Combustion Sources

US EPA Center for Corporate Climate Leadership: Direct Emissions from Mobile Combustion Sources

Other, please specify

C5.2a

(C5.2a) Provide details of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

In addition to the reference selected in question C5.2, the following references are also considered:

- US Environmental Protection Agency (EPA), Protocol for Equipment Leak Emission Estimates;
- US Environmental Protection Agency (EPA), Climate Leaders GHG Inventory Protocol Core Module Guidance: Optional emissions from commuting, business travel and product transport, May 2008;
- IEA, CO₂ Emissions from Fuel Combustion (2018 Edition);
- Climate and Clean Air Coalition - Oil & Gas Methane Partnership Technical Guidance on core methane emissions sources;

- Specific internal procedures developed by Eni's business units that are not well represented in the recognized standards.

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO₂e?

Reporting year

Gross global Scope 1 emissions (metric tons CO₂e)

37,762,458

Comment

Overall, direct GHG emissions from assets operated by Eni in 2020 amounted to 37.8 MtCO₂eq, decreasing by 8.3% compared to 2019, and by 35,3% compared to 2010. The reduction is mainly due to the decrease in activities related to the COVID-19 pandemic in the upstream, power and refining sectors.

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based

We are reporting a Scope 2, location-based figure

Scope 2, market-based

We have no operations where we are able to access electricity supplier emission factors or residual emissions factors and are unable to report a Scope 2, market-based figure

Comment

Currently, Eni is not able to collect information on electricity supply emission factors for a relevant part of its operations. Eni is working to collect all the necessary information for the next reporting cycles.

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO₂e?

Reporting year

Scope 2, location-based

731,606

Comment

Indirect emissions from purchases of electricity, steam and heat from third parties (Scope 2) are quantitatively negligible in Eni (about 0.7 million tonnes CO₂eq) since in most cases electricity generation takes place through its own installations and the related associated GHG emissions are recorded among direct emissions. Nonetheless, Eni has included Scope 2 emissions within the scope of the target of improving carbon efficiency by 2% a year by 2021.

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

No

C6.5

(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status

Relevant, calculated

Metric tonnes CO₂e

894,899

Emissions calculation methodology

This estimation is the result of EEIO (Environmentally-Extended Input-Output) analysis of purchased goods and services and GHG data collection of Oil & Gas drilling contractors which operated for Eni in the reporting year. The EEIO analysis is composed of the following stages/steps: 1) procurement data collection and analysis; 2) procurement data classification by goods and services according to UN ISIC ver 3.1 2004; 3) calculation of 2020 spending vector 4) the 2020 spending vector is multiplied for the environmental satellite WIOD (World Input-Output Database) matrix; 5) the total GHG are split proportionally between 2020 spending for goods and services and capital goods. GHG data from drilling contractors (about 148 ktCO₂eq in 2020) are calculated separately by using actual data of fuel consumption. Engines emissions are calculated based on API Compendium methodologies.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

16.5

Please explain

Eni applies EEIO analysis to its purchased goods and services making use of the WIOD matrix in accordance with both WBCSD-WRI "Corporate Value Chain (Scope 3) Accounting and Reporting Standard" and IPIECA/API Estimating petroleum industry

value chain (Scope 3) GHG emissions. GHG from purchased drilling operations quality/accuracy is comparable to Scope 1 and 2 quality/accuracy and it is directly collected from drilling partners, for a total of 16.5% of the GHG emissions of this category. In order to improve in defining a consistent accounting and reporting system for Scope 3 emissions, Eni has developed its own procedure according to WBCSD-WRI “Corporate Value Chain (Scope 3) Accounting and Reporting Standard” and IPIECA overview of methodologies.

Capital goods

Evaluation status

Relevant, calculated

Metric tonnes CO₂e

408,971

Emissions calculation methodology

This estimation is the result of EEIO (Environmentally-Extended Input-Output) analysis of purchased goods and services and GHG data collection of Oil & Gas drilling contractors which operated for Eni in the reporting year. The EEIO analysis is composed of the following stages/steps: 1) procurement data collection and analysis; 2) procurement data classification by goods and services according to UN ISIC ver 3.1 2004; 3) calculation of 2020 spending vector 4) the 2020 spending vector is multiplied for the environmental satellite WIOD (World Input-Output Database) matrix; 5) the total GHG are split proportionally between 2020 spending for goods and services and capital goods. GHG data from drilling contractors (about 148 ktCO₂eq in 2020) are calculated separately by using actual data of fuel consumption. Engines emissions are calculated based on API Compendium methodologies.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Eni applies EEIO analysis to its purchased goods and services making use of the WIOD matrix in accordance with both WBCSD-WRI “Corporate Value Chain (Scope 3) Accounting and Reporting Standard” and IPIECA/API Estimating petroleum industry value chain (Scope 3) GHG emissions. GHG from purchased drilling operations quality/accuracy is comparable to Scope 1 and 2 quality/accuracy. In order to improve in defining a consistent accounting and reporting system for Scope 3 emissions, Eni has developed its own procedure according to WBCSD-WRI “Corporate Value Chain (Scope 3) Accounting and Reporting Standard” and IPIECA overview of methodologies.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status

Relevant, calculated

Metric tonnes CO₂e

5,991,346

Emissions calculation methodology

This figure refers to GHG emissions from the generation of the electricity purchased and sold to end-users (trading activity). The activity data refer to the purchase of electric energy from third party (about 17.1 TWh). The following hypothesis has been made: it has been generated in Italy; it encompasses energy generated from either renewable sources or fossil fuels. Average GHG Emissions factors for CO₂ published by IEA, and API Compendium 2009 for CH₄ and N₂O have been used.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

For the activity data, which refers to the purchase of electric energy from third party, the figure has been obtained from the Eni trading department, which corresponds to the figure which can be obtained from the suppliers.

Upstream transportation and distribution**Evaluation status**

Relevant, calculated

Metric tonnes CO₂e

1,297,937

Emissions calculation methodology

The figure refers to GHG emissions from road and maritime transportation and the distribution of oil products. According to the Eni methodology for accounting and reporting Scope 3 GHG: (i) for the maritime sector, emissions calculation is based on fuel consumptions and emission factors derived by International Maritime Organization. Activity data are provided by Eni trading and shipping division; (ii) for the road sector, the activity data (as distance, tonnes of products transported and the number of trips) are provided by the logistic unit of Eni refining and marketing division.

Regarding the emission factors, Eni refers to US-EPA Climate Leaders/ Optional Emissions from Commuting, Business Travel and Product Transport, may 2008 (updated on March 2018). In addition, since 2016, in this category are accounted for GHG from the transportation of equipment and materials by vessels, services purchased by Eni's Upstream business line.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

Activity data for maritime and road sector provided by Eni are estimated from the input collected by maritime partners (distance, type of fuel) and road transportation partners (distance, tonnes of products transported and number of trips).

Waste generated in operations

Evaluation status

Not relevant, calculated

Metric tonnes CO₂e

53,904

Emissions calculation methodology

Data on waste generated in Eni operations and disposed by third parties are recorded by Eni as: 1)Waste incinerated - at third party facilities; 2)Waste sent to landfill - landfill owned by third party; 3)Waste sent to chemical/physical/biologic treatment - externally; 4)Waste sent to other treatment - externally; 5)Waste reused/recycled - at third party facilities.

The quantity of each waste disposal type is the activity data. GHG emission factors on Waste Disposal of Industrial Waste are derived from DEFRA (Department for Environment, Food and Rural Affairs, UK), 2016 Government GHG Conversion Factors for Company Reporting.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

Business travel

Evaluation status

Not relevant, calculated

Metric tonnes CO₂e

6,301

Emissions calculation methodology

The figure refers to GHG emissions estimated on business trips traveled by plane, car or train recorded by Eni's Business Travel Management Unit. In order to increase the accuracy of the GHG estimation, trip distances by plane are broken down into three categories: Trip Distance Long $d > 2.300$ miles; Medium $300 < d < 2300$ miles; Short $d < 300$ miles.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

Eni, in order to reduce environmental impact from business travel, included GHG emissions, is encouraging videoconferencing system. Since 2005, Eni headquarters can rely on fixed videoconferencing systems in meeting rooms and smaller portable systems

that have been installed video calls, integrated with the VoIP phone system, are also available.

Employee commuting

Evaluation status

Not relevant, calculated

Metric tonnes CO₂e

171,612

Emissions calculation methodology

The estimation method has been set up on the following assumptions: 1) Every employee drives an average daily trip of 30 km (two ways), with a city car and typical city traffic; 2) Every employee works 220 days/year. This information allows us to get the activity data (kilometers driven by all Eni's employees in one year). In addition, since 2016, in this category are accounted for the GHG from onshore/offshore trips of Eni employees and its contractors by helicopter and by vehicles, recorded by Eni's Upstream business line. Regarding the emission factors, Eni refers to US-EPA Climate Leaders/ Optional Emissions from Commuting, Business Travel and Product Transport, may 2008 (updated on March 2018).

In 2020 due to the COVID-19 emergency, the average number of working days has been assumed half of a normal year (conservative assumption).

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Several actions are in place with the purpose to reduce these emissions: the main is the institution of the Eni Mobility Management Service, in order to address in an integrated way the management of mobility home-work of the Eni's employee, in a perspective oriented to the environmental protection and the reduction of CO₂ emissions caused by individual traveling. Specific agreements regarding bike sharing, car sharing and discounts on public transport cards have been signed since 2010. Furthermore, since 2012 a dedicated service for employees moving from the airport to Eni's office in Milan is available.

Upstream leased assets

Evaluation status

Not relevant, explanation provided

Please explain

According to the IPIECA/API overview of methodologies for estimating Scope 3 emissions from the O&G Industry, emissions from this category are not expected to be material and relevant for the Oil & Gas industry. Eni reports GHG emissions with the operational control approach, whenever an asset leased by Eni fall within its operational

boundary, their GHG emissions are accounted as Scope 1 and those from electric or other energy consumptions as Scope 2 emissions.

Downstream transportation and distribution

Evaluation status

Not relevant, explanation provided

Please explain

Emissions related to transportation and distribution of products sold by Eni are accounted in the Scope 3 category "upstream transportation and distribution" because the transportation occurs before they are sold to final customers. Indeed, most of Eni's products are fuels, so when they are sold to final customers they are not transported or distributed. Moreover, this category is not expected to be material, also according to the recent IPIECA/API overview of methodologies for estimating Scope 3 emissions from the O&G Industry.

Processing of sold products

Evaluation status

Relevant, calculated

Metric tonnes CO₂e

11,609,637

Emissions calculation methodology

GHG emissions from processing carried out by third parties of Eni's sold products are the results of natural gas, LNG and crude oil sold to third parties considering they are processed with the same technologies as those currently used by Eni. GHG Emissions factors are found in: SGI-IC "Methane and CO₂ emissions from the natural gas supply chain", limited to Transmission, Storage and Distribution stages; and Exergia Consultancy "Study on actual GHG data for diesel, petrol, kerosene and natural gas".

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

Use of sold products

Evaluation status

Relevant, calculated

Metric tonnes CO₂e

185,095,217

Emissions calculation methodology

GHG emissions associated with the end use of energy products sold by Eni are calculated according to sectorial guidelines (IPIECA), based on the Upstream

hydrocarbon production sold and considering an average destination of use, based on literature data (IEA). In order to set the activity data, IPIECA/API “net volume accounting” method has been used, considering the upstream net hydrocarbon production (equity-based) as the most representative point of the value chain. The IEA refining conversion rates from the standard oil barrel have been used in order to calculate the final product share. GHG emissions are estimated by multiplying the amount of single oil products (derived from crude oil) and natural gas, by the relevant average emission factor, using the same recognized for EU Emission Trading Scheme Regulation.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

As explained in the methodology box, the estimation is based on upstream net equity production of crude oil and natural gas. In order to improve clearness, consistency and transparency, Eni has done also the calculation of Scope 3 GHG emissions based on the retail sales (natural gas and refined oil products) that are commercialized with the Eni Brand. On this basis, and excluding any contribution derived from trading activities, the GHG emissions estimated would be about 179 million tonnes CO₂eq.

End of life treatment of sold products

Evaluation status

Relevant, calculated

Metric tonnes CO₂e

181,872

Emissions calculation methodology

Most of the Eni's sold products are fuels and so end of life associated emissions are not applicable. Therefore, the only products included in the emissions' category estimation are lubricants, asphalts and chemicals (handled as they would be plastics products).

GHG emissions factors are taken from databases by Ecometrica and the Sustainability Report of the Italian National service for the collection of exhausted lubricants.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

Regarding lubricants, the collection of exhausted lubricants is managed by a national service and its proper disposal can take place through re-refining, combustion, or incineration methods. Furthermore, the consortium promotes public awareness initiatives, which encourage citizens to adopt more eco-friendly conduct.

Downstream leased assets

Evaluation status

Not relevant, explanation provided

Please explain

Emissions from this category are not expected to be material and relevant for the Oil & Gas industry. Eni doesn't account for Scope 3 emissions related to facilities and buildings not owned and not operated by Eni. The reason is that, besides the data being difficult to retrieve, Eni cannot control the emissions and hasn't the opportunity to implement a reduction project, so this source should be assumed as not relevant. At this moment, Eni has estimated the GHG emissions from the initiative Enjoy (a car-sharing free-floating with the objective of developing products and services for sustainable mobility), and they are not material.

Franchises

Evaluation status

Not relevant, calculated

Metric tonnes CO₂e

214,060

Emissions calculation methodology

GHG emissions from Eni's fuel stations in Italy and across Europe come mainly from electric energy consumption rates [kWh/year]. This amount has been calculated using the total number of Eni's fuel stations and a yearly average electric energy consumption by a fuel station of ordinary size (with n.4 fuels dispenser and n.2 car washing).

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Investments

Evaluation status

Not relevant, explanation provided

Please explain

Investment emissions are potentially material only for those companies with significant joint ventures that are not captured in their Scope 1 and 2 inventory. In the case of Eni, GHG inventory is based on the operational approach and includes also 100% emissions of joint ventures investments in which Eni is the operator. This leads to an already conservative estimation because operated production is far higher than equity production.

Other (upstream)

Evaluation status

Please explain

Other (downstream)

Evaluation status

Please explain

C6.7

(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?

No

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO₂e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure

0.00075

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO₂e)

38,494,064

Metric denominator

unit total revenue

Metric denominator: Unit total

51,329,474,000

Scope 2 figure used

Location-based

% change from previous year

42.4

Direction of change

Increased

Reason for change

As financial emissions intensity, we use the GHG Scope 1 and 2 emissions per USD of company revenues (net sales from operations and other income and revenues). Eni's

total revenues for 2020 were €44.947 million (ref. Eni Annual Report 2020, page 89), equal to US\$ 51.329 million (exchange rate 1.142, ref. Eni Annual Report 2020, page 91). This performance indicator has increased by 42.4% in 2020 respect to 2019, due to the reduction of the denominator determined by a decreased price of oil barrel due to the global COVID-19 pandemic (Brent crude oil benchmark averaged 42 US\$/barrel, 35% lower than in 2019), partially compensated by the reduction of numerator due to the activity reduction, the implementation of emission reduction initiatives (flaring down projects and methane reduction campaigns) and improvement actions designed to increase energy efficiency, as described in detail in C4.3b and C7.9a.

C-OG6.12

(C-OG6.12) Provide the intensity figures for Scope 1 emissions (metric tons CO₂e) per unit of hydrocarbon category.

Unit of hydrocarbon category (denominator)

Other, please specify

Thousand barrels of crude oil equivalent

Metric tons CO₂e from hydrocarbon category per unit specified

19.98

% change from previous year

2

Direction of change

Increased

Reason for change

The upstream GHG intensity index, expressed as the ratio between direct emissions in tonnes of CO₂eq and thousands of barrels of oil equivalent, in 2020 increased by 2% vs 2019, reaching 19.98 tonnes CO₂eq/kboe. The index progressive reduction for reaching the target of -43% in 2025 vs 2014, in 2020 interrupted its trend, due to the drop in production ascribable to the COVID-19 pandemic and other causes, including the reduced production in onshore fields in Libya due to force majeure caused by the geopolitical instability situation and the drop in gas demand in Egypt, whose productions are associated with a low emission impact. The overall reduction compared to 2014 is 26%.

Comment

Despite this inflection, Eni confirms its reduction target of 43% for 2025 vs 2014.

Unit of hydrocarbon category (denominator)

Other, please specify

Thousand tonnes of refinery throughput

Metric tons CO₂e from hydrocarbon category per unit specified

248

% change from previous year

0

Direction of change

No change

Reason for change

Scope 1 - R&M Key Performance Indicator (GHG emissions/crude oil processing and semi-processed oil), expressed in terms of tCO₂ equivalent per thousand tonnes of refinery throughput. The figure includes CO₂, CH₄ and N₂O emissions. The 2020 figure did not change compared to 2019 (0.03% increment), while the emissions and the refinery throughput recorded a 24% drop.

Comment**C-OG6.13**

(C-OG6.13) Report your methane emissions as percentages of natural gas and hydrocarbon production or throughput.

Oil and gas business division

Upstream

Estimated total methane emitted expressed as % of natural gas production or throughput at given division

0.09

Estimated total methane emitted expressed as % of total hydrocarbon production or throughput at given division

0.047

Comment

The first figure refers to Upstream methane emissions vs marketed gas production, expressed as % volume (bcm/bcm). The second figure refers to Upstream methane emissions vs marketed hydrocarbons production. In this case, both numbers (numerator and denominator) are converted into barrel of oil equivalent, using internal conversion factors.

Oil and gas business division

Chemicals

Estimated total methane emitted expressed as % of natural gas production or throughput at given division

0.005

Estimated total methane emitted expressed as % of total hydrocarbon production or throughput at given division

0.005

Comment

The figure refers to all methane emissions from petrochemical plants, divided by the amount of petrochemical products. The split between natural gas production and hydrocarbon production is not material.

Oil and gas business division

Midstream

Downstream

Estimated total methane emitted expressed as % of natural gas production or throughput at given division

0.009

Estimated total methane emitted expressed as % of total hydrocarbon production or throughput at given division

0.001

Comment

The first figure (0.009%) refers to methane emissions associated with natural gas transported by Eni (on an operated basis). The second figure (0.001%) refers to overall methane emissions from oil refineries, vs throughput.

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?

Yes

C7.1a

(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).

| Greenhouse gas | Scope 1 emissions (metric tons of CO ₂ e) | GWP Reference |
|-----------------|--|--|
| CO ₂ | 36,119,049 | IPCC Fourth Assessment Report (AR4 - 100 year) |

| | | |
|-----|--------|--|
| CH4 | 55,862 | IPCC Fourth Assessment Report (AR4 - 100 year) |
| N2O | 828.3 | IPCC Fourth Assessment Report (AR4 - 100 year) |

C-EU7.1b

(C-EU7.1b) Break down your total gross global Scope 1 emissions from electric utilities value chain activities by greenhouse gas type.

| | Gross Scope 1 CO2 emissions (metric tons CO2) | Gross Scope 1 methane emissions (metric tons CH4) | Gross Scope 1 SF6 emissions (metric tons SF6) | Total gross Scope 1 emissions (metric tons CO2e) | Comment |
|------------------------------------|---|---|---|--|---------|
| Fugitives | | | | | |
| Combustion (Electric utilities) | | | | | |
| Combustion (Gas utilities) | | | | | |
| Combustion (Other) | | | | | |
| Emissions not elsewhere classified | | | | | |

C-OG7.1b

(C-OG7.1b) Break down your total gross global Scope 1 emissions from oil and gas value chain production activities by greenhouse gas type.

Emissions category

Combustion (excluding flaring)

Value chain

Upstream

Product

Unable to disaggregate

Gross Scope 1 CO2 emissions (metric tons CO2)

12,963,867

Gross Scope 1 methane emissions (metric tons CH4)

7,277

Total gross Scope 1 emissions (metric tons CO₂e)

13,236,996

Comment

Emissions refer to all operated assets with oil and gas production. Total gross Scope 1 emissions (CO₂e) include also N₂O emissions.

Emissions category

Combustion (excluding flaring)

Value chain

Downstream

Product

Oil

Gross Scope 1 CO₂ emissions (metric tons CO₂)

3,800,726

Gross Scope 1 methane emissions (metric tons CH₄)

44.77

Total gross Scope 1 emissions (metric tons CO₂e)

3,819,897

Comment

Emissions reported refer only to refining activities; emissions from petrochemical production are reported in another row. Total gross Scope 1 emissions (CO₂e) include also N₂O emissions.

Emissions category

Combustion (excluding flaring)

Value chain

Other (please specify)

Petrochemical production

Product

Oil

Gross Scope 1 CO₂ emissions (metric tons CO₂)

2,702,562

Gross Scope 1 methane emissions (metric tons CH₄)

177.8

Total gross Scope 1 emissions (metric tons CO₂e)

2,729,056

Comment

Emissions reported refer only to petrochemical production; emissions from refining activities are reported in another row. Total gross Scope 1 emissions (CO₂e) include also N₂O emissions.

Emissions category

Combustion (excluding flaring)

Value chain

Other (please specify)

Power generation

Product

Unable to disaggregate

Gross Scope 1 CO₂ emissions (metric tons CO₂)

9,553,636

Gross Scope 1 methane emissions (metric tons CH₄)

178

Total gross Scope 1 emissions (metric tons CO₂e)

9,608,006

Comment

Emissions reported refer to power generation plants operated by Eni's subsidiary Enipower. Total gross Scope 1 emissions (CO₂e) include also N₂O emissions.

Emissions category

Combustion (excluding flaring)

Value chain

Midstream

Product

Gas

Gross Scope 1 CO₂ emissions (metric tons CO₂)

290,925

Gross Scope 1 methane emissions (metric tons CH₄)

6.34

Total gross Scope 1 emissions (metric tons CO₂e)

291,306

Comment

Emissions reported refer only to the GGP business unit. Total gross Scope 1 emissions (CO₂e) include also N₂O emissions.

Emissions category

Combustion (excluding flaring)

Value chain

Other (please specify)

Others

Product

Unable to disaggregate

Gross Scope 1 CO₂ emissions (metric tons CO₂)

16,193

Gross Scope 1 methane emissions (metric tons CH₄)

0.19

Total gross Scope 1 emissions (metric tons CO₂e)

16,217

Comment

Emissions reported refer to Eni Rewind, EGL and SUP. Total gross Scope 1 emissions (CO₂e) include also N₂O emissions.

Emissions category

Flaring

Value chain

Upstream

Product

Unable to disaggregate

Gross Scope 1 CO₂ emissions (metric tons CO₂)

5,485,162

Gross Scope 1 methane emissions (metric tons CH₄)

19,196

Total gross Scope 1 emissions (metric tons CO₂e)

6,030,071

Comment

Emissions refer to all operated assets with oil and gas production. Total gross Scope 1 emissions (CO₂e) include also N₂O emissions.

Emissions category

Flaring

Value chain

Downstream

Product

Oil

Gross Scope 1 CO2 emissions (metric tons CO2)

50,385

Gross Scope 1 methane emissions (metric tons CH4)

26.8

Total gross Scope 1 emissions (metric tons CO2e)

51,265

Comment

Emissions reported refer only to refining activities; emissions from petrochemical production are reported in another row. Total gross Scope 1 emissions (CO2e) include also N2O emissions.

Emissions category**Value chain**

Other (please specify)

Petrochemical production

Product

Oil

Gross Scope 1 CO2 emissions (metric tons CO2)

44,607

Gross Scope 1 methane emissions (metric tons CH4)

24.3

Total gross Scope 1 emissions (metric tons CO2e)

45,400

Comment

Emissions reported refer only to petrochemical production; emissions from refining activities are reported in another row. Total gross Scope 1 emissions (CO2e) include also N2O emissions.

Emissions category

Venting

Value chain

Upstream

Product

Unable to disaggregate

Gross Scope 1 CO2 emissions (metric tons CO2)

1,210,985

Gross Scope 1 methane emissions (metric tons CH4)

13,685

Total gross Scope 1 emissions (metric tons CO2e)

1,553,116

Comment

Emissions refer to all operated assets with oil and gas production.

Emissions category

Venting

Value chain

Midstream

Product

Gas

Gross Scope 1 CO2 emissions (metric tons CO2)

0

Gross Scope 1 methane emissions (metric tons CH4)

2,808

Total gross Scope 1 emissions (metric tons CO2e)

70,193

Comment

Emissions reported refer only to GGP business unit.

Emissions category

Venting

Value chain

Other (please specify)

Power generation

Product

Unable to disaggregate

Gross Scope 1 CO2 emissions (metric tons CO2)

0

Gross Scope 1 methane emissions (metric tons CH4)

756

Total gross Scope 1 emissions (metric tons CO2e)

18,893

Comment

Emissions reported refer to power generation plants operated by Eni's subsidiary Enipower.

Emissions category

Fugitives

Value chain

Upstream

Product

Unable to disaggregate

Gross Scope 1 CO2 emissions (metric tons CO2)

0

Gross Scope 1 methane emissions (metric tons CH4)

11,331

Total gross Scope 1 emissions (metric tons CO2e)

280,770

Comment

Emissions refer to all operated assets with oil and gas production.

Emissions category

Fugitives

Value chain

Midstream

Product

Gas

Gross Scope 1 CO2 emissions (metric tons CO2)

0

Gross Scope 1 methane emissions (metric tons CH4)

124.4

Total gross Scope 1 emissions (metric tons CO2e)

3,110

Comment

Emissions reported refer only to the GGP business unit.

Emissions category

Fugitives

Value chain

Downstream

Product

Oil

Gross Scope 1 CO2 emissions (metric tons CO2)

0

Gross Scope 1 methane emissions (metric tons CH4)

37.4

Total gross Scope 1 emissions (metric tons CO2e)

936

Comment

Emissions reported refer only to refining activities; emissions from petrochemical production are reported in another row.

Emissions category

Fugitives

Value chain

Other (please specify)
Petrochemical production

Product

Oil

Gross Scope 1 CO2 emissions (metric tons CO2)

0

Gross Scope 1 methane emissions (metric tons CH4)

193.1

Total gross Scope 1 emissions (metric tons CO₂e)

4,827

Comment

Emissions reported refer only to petrochemical production; emissions from refining activities are reported in another row.

Emissions category

Fugitives

Value chain

Other (please specify)
Power generation

Product

Unable to disaggregate

Gross Scope 1 CO₂ emissions (metric tons CO₂)

0

Gross Scope 1 methane emissions (metric tons CH₄)

8.6

Total gross Scope 1 emissions (metric tons CO₂e)

216

Comment

Emissions reported refer to power generation plants operated by Eni's subsidiary Enipower.

Emissions category

Fugitives

Value chain

Other (please specify)
Others

Product

Unable to disaggregate

Gross Scope 1 CO₂ emissions (metric tons CO₂)

0

Gross Scope 1 methane emissions (metric tons CH₄)

87.3

Total gross Scope 1 emissions (metric tons CO₂e)

2,183

Comment

Emissions reported refer to the EGL business unit.

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/region.

| Country/Region | Scope 1 emissions (metric tons CO ₂ e) |
|-------------------|---|
| Italy | 16,800,863 |
| Europe | 1,127,297 |
| Africa | 17,244,345 |
| Americas | 407,431 |
| Asia, Australasia | 2,182,523 |

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By business division

By facility

By activity

C7.3a

(C7.3a) Break down your total gross global Scope 1 emissions by business division.

| Business division | Scope 1 emissions (metric ton CO ₂ e) |
|----------------------------|--|
| Upstream | 21,100,954 |
| Global Gas & LNG Portfolio | 364,608 |
| Refining and Marketing | 3,872,099 |
| Chemicals - Versalis | 2,779,283 |
| Power Generation | 9,627,116 |
| Other activities | 18,400 |

C7.3b

(C7.3b) Break down your total gross global Scope 1 emissions by business facility.

| Facility | Scope 1 emissions (metric tons CO ₂ e) | Latitude | Longitude |
|--|---|-----------|-----------|
| Enipower Bolgiano power plant | 116,306 | 45.418631 | 9.284037 |
| Enipower Brindisi power plant | 2,619,548 | 40.628796 | 18.004071 |
| Enipower Ferrera Erbognone power plant | 2,206,741 | 45.099562 | 8.865494 |

| | | | |
|---|-----------|-----------|-----------|
| Livorno Refinery power plant | 543,160 | 43.582846 | 10.344003 |
| Enipower Ravenna power plant | 1,820,370 | 44.442163 | 12.237733 |
| Enipower Ferrara power plant | 1,097,105 | 44.864227 | 11.594317 |
| Enipower Mantova power plant | 1,767,045 | 45.15046 | 10.835494 |
| Livorno Refinery | 342,884 | 43.582846 | 10.344003 |
| Sannazzaro Refinery | 1,475,758 | 45.099562 | 8.865494 |
| Taranto Refinery | 642,001 | 40.489672 | 17.19311 |
| Taranto Refinery power plant | 302,069 | 40.489672 | 17.19311 |
| Venezia Refinery | 327,334 | 45.46131 | 12.269648 |
| Gela Refinery | 222,815 | 37.060975 | 14.277732 |
| Versalis Brindisi plant | 420,726 | 40.628796 | 18.004071 |
| Versalis Ferrara plant | 28,464 | 44.859662 | 11.59578 |
| Versalis Mantova plant | 205,381 | 45.145804 | 10.832987 |
| Versalis Porto Marghera plant | 698,375 | 45.445007 | 12.250774 |
| Versalis Porto Torres plant | 17,021 | 40.832826 | 8.378123 |
| Versalis Priolo plant | 644,707 | 37.162464 | 15.199051 |
| Versalis Ragusa plant | 15,321 | 36.907854 | 14.728829 |
| Versalis Ravenna plant | 40,583 | 44.442336 | 12.235117 |
| Versalis Dunquerke plant | 646,162 | 51.026147 | 2.243813 |
| Versalis Grangemouth plant | 49,066 | 56.004147 | -3.677479 |
| Barbara T1 platform | 22,724 | 44.076476 | 13.78212 |
| Barbara T2 platform | 57,821 | 44.076476 | 13.78212 |
| Cervia K platform | 7,697 | 44.294722 | 12.639166 |
| Casal Borsetti plant | 71,925 | 44.555915 | 12.264303 |
| Fano plant | 36,649 | 43.808211 | 13.042845 |
| Trecate plant | 29,939 | 45.432963 | 8.783472 |
| Val d'Agri plant | 656,548 | 40.314292 | 15.898084 |
| Crotone plant | 50,924 | 39.105148 | 17.105979 |
| Gela Enimed plant | 20,211 | 37.066613 | 14.295542 |
| Torrente Tona plant | 125,079 | 41.741158 | 15.054249 |
| Hewett plant | 11,734 | 51.490693 | 0.150303 |
| Goliat plant | 22,185 | 58.889463 | 5.697797 |
| RSI Sistema Rete Torce | 1,102 | 44.442581 | 12.233768 |
| LBOC - Point of Ayr Terminal | 51,493 | 53.344974 | -3.323073 |
| LBOC - Douglas (including OSI-installation) | 187,136 | 53.344952 | -3.323641 |

| | | | |
|-------------------------------|------------|-----------|----------|
| All other operated facilities | 20,160,349 | 41.827065 | 12.47152 |
|-------------------------------|------------|-----------|----------|

C7.3c

(C7.3c) Break down your total gross global Scope 1 emissions by business activity.

| Activity | Scope 1 emissions (metric tons CO ₂ e) |
|--|---|
| Combustion and Process | 29,701,478 |
| Flaring | 6,126,737 |
| Non-combusted methane and fugitive emissions | 292,041 |
| Venting | 1,642,202 |

C-CE7.4/C-CH7.4/C-CO7.4/C-EU7.4/C-MM7.4/C-OG7.4/C-ST7.4/C-TO7.4/C-TS7.4

(C-CE7.4/C-CH7.4/C-CO7.4/C-EU7.4/C-MM7.4/C-OG7.4/C-ST7.4/C-TO7.4/C-TS7.4) Break down your organization's total gross global Scope 1 emissions by sector production activity in metric tons CO₂e.

| | Gross Scope 1 emissions, metric tons CO ₂ e | Comment |
|--|--|--|
| Electric utility activities | 9,627,116 | Emissions reported refer to power generation plants operated by Eni's subsidiary Enipower. |
| Oil and gas production activities (upstream) | 21,100,954 | Emissions refer to all operated assets with oil and gas production. |
| Oil and gas production activities (midstream) | 364,608 | Emissions reported refer only to the GGP business unit. |
| Oil and gas production activities (downstream) | 6,651,382 | Emissions reported refer to petrochemical production and refining activities. |

C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/region.

| Country/Region | Scope 2, location-based (metric tons CO ₂ e) | Scope 2, market-based (metric tons CO ₂ e) | Purchased and consumed electricity, heat, steam or cooling (MWh) | Purchased and consumed low-carbon electricity, heat, steam or cooling accounted for in Scope 2 market-based approach (MWh) |
|----------------|---|---|--|--|
| Italy | 431,525 | | 1,578,278 | |
| Europe | 112,936 | | 1,001,934 | |

| | | | | |
|-------------------|---------|--|---------|--|
| Africa | 175,101 | | 348,474 | |
| Americas | 750 | | 3,888 | |
| Asia, Australasia | 11,295 | | 12,794 | |

C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By business division

By facility

By activity

C7.6a

(C7.6a) Break down your total gross global Scope 2 emissions by business division.

| Business division | Scope 2, location-based (metric tons CO2e) | Scope 2, market-based (metric tons CO2e) |
|----------------------------|--|--|
| Upstream | 197,429 | |
| Global Gas & LNG Portfolio | 3,440 | |
| Refining and Marketing | 44,012 | |
| Chemicals - Versalis | 363,690 | |
| Power Generation | 46,926 | |
| Other activities | 76,108 | |

C7.6b

(C7.6b) Break down your total gross global Scope 2 emissions by business facility.

| Facility | Scope 2, location-based (metric tons CO2e) | Scope 2, market-based (metric tons CO2e) |
|-------------------------------|--|--|
| Versalis Priolo Plant | 154,898 | |
| Versalis Porto Marghera Plant | 61,147 | |
| Versalis Oberhausen Plant | 50,827 | |
| Versalis Dunquerke Plant | 25,706 | |
| Taranto Refinery | 8,203 | |
| Versalis Grangemouth Plant | 12,151 | |
| Enipower Ravenna Plant | 13,788 | |

| | | |
|-------------------------------|---------|--|
| Livorno Refinery power plant | 6,662 | |
| Venice Refinery | 1,290 | |
| Versalis Sarroch Plant | 2,143 | |
| Enipower Brindisi Plant | 6,111 | |
| Versalis Ragusa Plant | 41,142 | |
| Enipower Ferrara | 26,796 | |
| All other operated facilities | 320,742 | |

C7.6c

(C7.6c) Break down your total gross global Scope 2 emissions by business activity.

| Activity | Scope 2, location-based (metric tons CO ₂ e) | Scope 2, market-based (metric tons CO ₂ e) |
|-----------------------------------|---|---|
| Oil and Gas Production activities | 197,429 | |
| Oil Refining | 44,012 | |
| Petrochemical Production | 363,690 | |
| Midstream and Other activities | 126,474 | |

C-CE7.7/C-CH7.7/C-CO7.7/C-MM7.7/C-OG7.7/C-ST7.7/C-TO7.7/C-TS7.7

(C-CE7.7/C-CH7.7/C-CO7.7/C-MM7.7/C-OG7.7/C-ST7.7/C-TO7.7/C-TS7.7) Break down your organization's total gross global Scope 2 emissions by sector production activity in metric tons CO₂e.

| | Scope 2, location-based, metric tons CO ₂ e | Scope 2, market-based (if applicable), metric tons CO ₂ e | Comment |
|--|--|--|---|
| Oil and gas production activities (upstream) | 197,439 | | Emissions refer to all operated assets with oil and gas production. |
| Oil and gas production activities (midstream) | 3,440 | | Emissions refer to Global Gas & LNG Portfolio business unit. |
| Oil and gas production activities (downstream) | 407,702 | | Emissions refer to Petrochemical and Refinery activities. |

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Decreased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

| | Change in emissions (metric tons CO ₂ e) | Direction of change | Emissions value (percentage) | Please explain calculation |
|--|---|---------------------|------------------------------|---|
| Change in renewable energy consumption | 88,421 | Decreased | 0.2 | Gross Scope 1 and Scope 2 emissions of Eni in 2020 were 38,494,064 tCO ₂ e, compared to 41,893,725 tCO ₂ e in 2019. The contribution to this reduction related to change in renewable energy consumption is 88,421. The reduction related is therefore 0.2% = $(88421/38494064) * 100\%$. |
| Other emissions reduction activities | 1,209,679 | Decreased | 3.1 | The total Gross Scope 1 and Scope 2 emissions of Eni in 2020 were 38,494,064 tCO ₂ e, compared to 41,893,725 tCO ₂ e in 2019. The overall reduction is of 8.1%, representing 2,124,737 tCO ₂ e emissions. The contribution to this reduction from emission reduction activities carried out in 2020 is 1,209,679 tCO ₂ e, related to energy efficiency projects, fugitives emissions monitoring campaigns and flaring down projects implemented in 2020 which are detailed in section C4.3b (reduction as per projects implemented reported in table C4.3, totals 1,164,358 tCO ₂ e, the difference is related to some activities not fully operational in 2019, which gave their full reduction contribution in 2020). Therefore Eni performed a reduction of 3.1% = $(1209679/38494064) * 100\%$. |
| Divestment | 122,839 | Decreased | 0.3 | The total Gross Scope 1 and Scope 2 emissions of Eni in 2020 were 38,494,064 tCO ₂ e, compared to 41,893,725 tCO ₂ e in |

| | | | | |
|---|-----------|-----------|-----|---|
| | | | | 2019. The contribution to this reduction related to disinvestment is 122,839. The reduction related is, therefore, 0.3%= (122839/38494064)*100%. |
| Acquisitions | | | | |
| Mergers | | | | |
| Change in output | 1,978,576 | Decreased | 5.1 | The total Gross Scope 1 and Scope 2 emissions of Eni in 2020 were 38,494,064 tCO ₂ e, compared to 41,893,725 tCO ₂ e in 2019. The overall reduction is of 8.1%, representing 2,124,737 tCO ₂ e emissions. The contribution to this reduction related to change in output is 1,978,576 tCO ₂ e, related to a decrease of production in most businesses related to the COVID-19 pandemic event. The reduction related is therefore 5.1%= (1,978,576/38,494,064)*100%. |
| Change in methodology | | | | |
| Change in boundary | | | | |
| Change in physical operating conditions | | | | |
| Unidentified | | | | |
| Other | | | | |

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Location-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 5% but less than or equal to 10%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

| | Indicate whether your organization undertook this energy-related activity in the reporting year |
|--|---|
| Consumption of fuel (excluding feedstocks) | Yes |
| Consumption of purchased or acquired electricity | Yes |
| Consumption of purchased or acquired heat | Yes |
| Consumption of purchased or acquired steam | Yes |
| Consumption of purchased or acquired cooling | No |
| Generation of electricity, heat, steam, or cooling | Yes |

C8.2a

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

| | Heating value | MWh from renewable sources | MWh from non-renewable sources | Total (renewable and non-renewable) MWh |
|---|---------------------------|----------------------------|--------------------------------|---|
| Consumption of fuel (excluding feedstock) | LHV (lower heating value) | 50,750 | 142,303,153.52 | 142,353,903.52 |
| Consumption of purchased or acquired electricity | | 0 | 2,031,606 | 2,031,605.7 |
| Consumption of purchased or acquired heat | | 0 | 2,302.9 | 2,302.9 |
| Consumption of purchased or acquired steam | | 0 | 911,459 | 911,459 |
| Consumption of self-generated non-fuel renewable energy | | 23,639.3 | | 23,639.3 |

| | | | | |
|--------------------------|--|-----------|---------------|-------------|
| Total energy consumption | | 74,389.31 | 145,248,521.1 | 145,322,910 |
|--------------------------|--|-----------|---------------|-------------|

C8.2b

(C8.2b) Select the applications of your organization's consumption of fuel.

| | Indicate whether your organization undertakes this fuel application |
|---|---|
| Consumption of fuel for the generation of electricity | Yes |
| Consumption of fuel for the generation of heat | Yes |
| Consumption of fuel for the generation of steam | Yes |
| Consumption of fuel for the generation of cooling | Yes |
| Consumption of fuel for co-generation or tri-generation | Yes |

C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Fuels (excluding feedstocks)

Fuel Gas

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

59,731,123

MWh fuel consumed for self-generation of electricity

26,521,807

MWh fuel consumed for self-generation of heat

23,380,659

MWh fuel consumed for self-generation of steam

9,828,657

MWh fuel consumed for self-generation of cooling

0

MWh fuel consumed for self-cogeneration or self-trigeneration

0

Emission factor

0.0037

Unit

metric tons CO₂e per m³

Emissions factor source

EU-ETS Reg. 601/2012 / Monitoring and Reporting Guidelines and source specific emission factor based on the fuel composition

Comment

Fuels (excluding feedstocks)

Refinery Gas

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

21,420,937

MWh fuel consumed for self-generation of electricity

7,346,990

MWh fuel consumed for self-generation of heat

9,717,007

MWh fuel consumed for self-generation of steam

1,332,155

MWh fuel consumed for self-generation of cooling

0

MWh fuel consumed for self-cogeneration or self-trigeneration

3,024,785

Emission factor

2.664

Unit

metric tons CO₂e per metric ton

Emissions factor source

EU-ETS Reg. 601/2012 / Monitoring and Reporting Guidelines and source specific emission factor based on the fuel composition

Comment

Fuels (excluding feedstocks)

Liquefied Petroleum Gas (LPG)

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

155,354

MWh fuel consumed for self-generation of electricity

9,946

MWh fuel consumed for self-generation of heat

128,969

MWh fuel consumed for self-generation of steam

16,440

MWh fuel consumed for self-generation of cooling

0

MWh fuel consumed for self-cogeneration or self-trigeneration

0

Emission factor

3.026

Unit

metric tons CO2e per metric ton

Emissions factor source

EU-ETS Reg. 601/2012 / Monitoring and Reporting Guidelines

Comment

Fuels (excluding feedstocks)

Light Distillate

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

43,377

MWh fuel consumed for self-generation of electricity

183

MWh fuel consumed for self-generation of heat

43,156

MWh fuel consumed for self-generation of steam

38

MWh fuel consumed for self-generation of cooling

0

MWh fuel consumed for self-cogeneration or self-trigeneration

0

Emission factor

0.073

Unit

metric tons CO₂e per GJ

Emissions factor source

API Compendium

Comment

Fuels (excluding feedstocks)

Diesel

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

2,940,247

MWh fuel consumed for self-generation of electricity

198,581

MWh fuel consumed for self-generation of heat

2,500,190

MWh fuel consumed for self-generation of steam

241,476

MWh fuel consumed for self-generation of cooling

0

MWh fuel consumed for self-cogeneration or self-trigeneration

0

Emission factor

3.155

Unit

metric tons CO2e per metric ton

Emissions factor source

EU-ETS Reg. 601/2012 / Monitoring and Reporting Guidelines

Comment

Fuels (excluding feedstocks)

Fuel Oil Number 1

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

147,923

MWh fuel consumed for self-generation of electricity

75,051

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

0

MWh fuel consumed for self-generation of cooling

0

MWh fuel consumed for self-cogeneration or self-trigeneration

72,872

Emission factor

3.144

Unit

metric tons CO2e per metric ton

Emissions factor source

EU-ETS Reg. 601/2012 / Monitoring and Reporting Guidelines and source-specific emission factor based on the fuel composition

Comment

Fuels (excluding feedstocks)

Jet Gasoline

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

14,707

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

14,707

MWh fuel consumed for self-generation of steam

MWh fuel consumed for self-generation of cooling

MWh fuel consumed for self-cogeneration or self-trigeneration

Emission factor

0.07

Unit

metric tons CO2e per GJ

Emissions factor source

Api Compendium

Comment

Fuels (excluding feedstocks)

Kerosene

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

23,293

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

23,293

MWh fuel consumed for self-generation of steam

0

MWh fuel consumed for self-generation of cooling

0

MWh fuel consumed for self-cogeneration or self-trigeneration

0

Emission factor

3.147

Unit

metric tons CO2e per metric ton

Emissions factor source

EU-ETS Reg. 601/2012 / Monitoring and Reporting Guidelines

Comment

Fuels (excluding feedstocks)

Fuel Oil Number 2

Heating value

Total fuel MWh consumed by the organization

445,199

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

326,582

MWh fuel consumed for self-generation of steam

118,617

MWh fuel consumed for self-generation of cooling

0

MWh fuel consumed for self-cogeneration or self-trigeneration

0

Emission factor

3.144

Unit

metric tons CO2e per metric ton

Emissions factor source

EU-ETS Reg. 601/2012 / Monitoring and Reporting Guidelines and source-specific emission factor based on the fuel composition

Comment

Fuels (excluding feedstocks)

Petroleum Coke

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

467,810

MWh fuel consumed for self-generation of electricity

467,810

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

0

MWh fuel consumed for self-generation of cooling

0

MWh fuel consumed for self-cogeneration or self-trigeneration

0

Emission factor

3.43

Unit

metric tons CO2e per metric ton

Emissions factor source

EU-ETS Reg. 601/2012 / Monitoring and Reporting Guidelines

Comment

Fuels (excluding feedstocks)

Other, please specify

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

242,212

MWh fuel consumed for self-generation of electricity

242,212

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

0

MWh fuel consumed for self-generation of cooling

0

MWh fuel consumed for self-cogeneration or self-trigeneration

0

Emission factor

0.074

Unit

metric tons CO2e per GJ

Emissions factor source

API Compendium 2009

Comment

Fuels (excluding feedstocks)

Wood Chips

Heating value

Total fuel MWh consumed by the organization

50,750

MWh fuel consumed for self-generation of electricity

50,750

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

0

MWh fuel consumed for self-generation of cooling

0

MWh fuel consumed for self-cogeneration or self-trigeneration

0

Emission factor

0.0019

Unit

metric tons CO₂e per GJ

Emissions factor source

API Compendium 2009

Comment

Fuels (excluding feedstocks)

Natural Gas

Heating value

LHV (lower heating value)

Total fuel MWh consumed by the organization

56,670,970

MWh fuel consumed for self-generation of electricity

1,277,753

MWh fuel consumed for self-generation of heat

4,514,461

MWh fuel consumed for self-generation of steam

185,095

MWh fuel consumed for self-generation of cooling

0

MWh fuel consumed for self-cogeneration or self-trigeneration

50,693,660

Emission factor

0.0018

Unit

metric tons CO₂e per m³

Emissions factor source

EU-ETS Reg. 601/2012 / Monitoring and Reporting Guidelines and source-specific emission factor based on the fuel composition

Comment

C8.2d

(C8.2d) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

| | Total Gross generation (MWh) | Generation that is consumed by the organization (MWh) | Gross generation from renewable sources (MWh) | Generation from renewable sources that is consumed by the organization (MWh) |
|-------------|-------------------------------------|--|--|---|
| Electricity | 74,169,132 | 52,928,516 | 324,127 | 23,639 |
| Heat | 40,649,025 | 40,643,055 | 0 | 0 |
| Steam | 27,859,874 | 25,709,973 | 0 | 0 |
| Cooling | 0 | 0 | 0 | 0 |

C-EU8.2d

(C-EU8.2d) For your electric utility activities, provide a breakdown of your total power plant capacity, generation, and related emissions during the reporting year by source.

Coal – hard

Nameplate capacity (MW)

Gross electricity generation (GWh)

Net electricity generation (GWh)

Absolute scope 1 emissions (metric tons CO₂e)

Scope 1 emissions intensity (metric tons CO₂e per GWh)

Comment

Lignite

Nameplate capacity (MW)

Gross electricity generation (GWh)

Net electricity generation (GWh)

Absolute scope 1 emissions (metric tons CO₂e)

Scope 1 emissions intensity (metric tons CO₂e per GWh)

Comment

Oil

Nameplate capacity (MW)

Gross electricity generation (GWh)

Net electricity generation (GWh)

Absolute scope 1 emissions (metric tons CO₂e)

Scope 1 emissions intensity (metric tons CO₂e per GWh)

Comment

Gas

Nameplate capacity (MW)

Gross electricity generation (GWh)

Net electricity generation (GWh)

Absolute scope 1 emissions (metric tons CO₂e)

Scope 1 emissions intensity (metric tons CO₂e per GWh)

Comment

Biomass

Nameplate capacity (MW)

Gross electricity generation (GWh)

Net electricity generation (GWh)

Absolute scope 1 emissions (metric tons CO₂e)

Scope 1 emissions intensity (metric tons CO₂e per GWh)

Comment

Waste (non-biomass)

Nameplate capacity (MW)

Gross electricity generation (GWh)

Net electricity generation (GWh)

Absolute scope 1 emissions (metric tons CO₂e)

Scope 1 emissions intensity (metric tons CO₂e per GWh)

Comment

Nuclear

Nameplate capacity (MW)

Gross electricity generation (GWh)

Net electricity generation (GWh)

Absolute scope 1 emissions (metric tons CO₂e)

Scope 1 emissions intensity (metric tons CO₂e per GWh)

Comment

Fossil-fuel plants fitted with CCS

Nameplate capacity (MW)

Gross electricity generation (GWh)

Net electricity generation (GWh)

Absolute scope 1 emissions (metric tons CO₂e)

Scope 1 emissions intensity (metric tons CO₂e per GWh)

Comment

Geothermal

Nameplate capacity (MW)

Gross electricity generation (GWh)

Net electricity generation (GWh)

Absolute scope 1 emissions (metric tons CO₂e)

Scope 1 emissions intensity (metric tons CO₂e per GWh)

Comment

Hydropower

Nameplate capacity (MW)

Gross electricity generation (GWh)

Net electricity generation (GWh)

Absolute scope 1 emissions (metric tons CO₂e)

Scope 1 emissions intensity (metric tons CO₂e per GWh)

Comment

Wind

Nameplate capacity (MW)

Gross electricity generation (GWh)

Net electricity generation (GWh)

Absolute scope 1 emissions (metric tons CO₂e)

Scope 1 emissions intensity (metric tons CO₂e per GWh)

Comment

Solar

Nameplate capacity (MW)

Gross electricity generation (GWh)

Net electricity generation (GWh)

Absolute scope 1 emissions (metric tons CO₂e)

Scope 1 emissions intensity (metric tons CO₂e per GWh)

Comment

Marine

Nameplate capacity (MW)

Gross electricity generation (GWh)

Net electricity generation (GWh)

Absolute scope 1 emissions (metric tons CO₂e)

Scope 1 emissions intensity (metric tons CO₂e per GWh)

Comment

Other renewable

Nameplate capacity (MW)

Gross electricity generation (GWh)

Net electricity generation (GWh)

Absolute scope 1 emissions (metric tons CO₂e)

Scope 1 emissions intensity (metric tons CO₂e per GWh)

Comment

Other non-renewable

Nameplate capacity (MW)

Gross electricity generation (GWh)

Net electricity generation (GWh)

Absolute scope 1 emissions (metric tons CO₂e)

Scope 1 emissions intensity (metric tons CO₂e per GWh)

Comment**Total****Nameplate capacity (MW)****Gross electricity generation (GWh)****Net electricity generation (GWh)****Absolute scope 1 emissions (metric tons CO2e)****Scope 1 emissions intensity (metric tons CO2e per GWh)****Comment****C-EU8.4**

(C-EU8.4) Does your electric utility organization have a transmission and distribution business?

C9. Additional metrics**C9.1**

(C9.1) Provide any additional climate-related metrics relevant to your business.

C-OG9.2a

(C-OG9.2a) Disclose your net liquid and gas hydrocarbon production (total of subsidiaries and equity-accounted entities).

| | In-year net production | Comment |
|---|-------------------------------|--|
| Crude oil and condensate, million barrels | 300.1 | The figure includes natural gas liquids and is equity based. |
| Natural gas liquids, million barrels | | Included in crude oil and condensate. |

| | | |
|---|-------|-----------------------------|
| Oil sands, million barrels (includes bitumen and synthetic crude) | 0 | |
| Natural gas, billion cubic feet | 1,461 | The figure is equity based. |

C-OG9.2b

(C-OG9.2b) Explain which listing requirements or other methodologies you use to report reserves data. If your organization cannot provide data due to legal restrictions on reporting reserves figures in certain countries, please explain this.

Eni has adopted comprehensive classification criteria for the estimate of proved, proved developed and proved undeveloped Oil & Gas reserves in accordance with applicable U.S. Securities and Exchange Commission (SEC) regulations, as provided for in Regulation S-X, Rule 4-10. Proved Oil & Gas reserves are those quantities of liquids (including condensates and natural gas liquids) and natural gas which, by analysis of geoscience and engineering data, can be estimated with reasonable certainty to be economically producible from a given date forward, from known reservoirs, under existing economic conditions, operating methods, and government regulations prior to the time at which contracts providing the right to operate expire unless evidence indicates that renewal is reasonably certain.

C-OG9.2c

(C-OG9.2c) Disclose your estimated total net reserves and resource base (million boe), including the total associated with subsidiaries and equity-accounted entities.

| | Estimated total net proved + probable reserves (2P) (million BOE) | Estimated total net proved + probable + possible reserves (3P) (million BOE) | Estimated net total resource base (million BOE) | Comment |
|-------|---|--|---|---------|
| Row 1 | 11,625 | 14,202 | 27,329 | |

C-OG9.2d

(C-OG9.2d) Provide an indicative percentage split for 2P, 3P reserves, and total resource base by hydrocarbon categories.

| | Net proved + probable reserves (2P) (%) | Net proved + probable + possible reserves (3P) (%) | Net total resource base (%) | Comment |
|--|---|--|-----------------------------|---------|
| Crude oil/ condensate/ natural gas liquids | 51 | 52 | 47 | |
| Natural gas | 49 | 48 | 53 | |
| Oil sands (includes bitumen and synthetic crude) | 0 | 0 | 0 | |

C-OG9.2e

(C-OG9.2e) Provide an indicative percentage split for production, 1P, 2P, 3P reserves, and total resource base by development types.

Development type

Onshore

In-year net production (%)

47

Net proved reserves (1P) (%)

32

Net proved + probable reserves (2P) (%)

29

Net proved + probable + possible reserves (3P) (%)

29

Net total resource base (%)

24

Comment

Figures are equity based

Development type

Shallow-water

In-year net production (%)

39

Net proved reserves (1P) (%)

59

Net proved + probable reserves (2P) (%)

57

Net proved + probable + possible reserves (3P) (%)

58

Net total resource base (%)

59

Comment

Figures are equity based

Development type

Deepwater

In-year net production (%)

14

Net proved reserves (1P) (%)

10

Net proved + probable reserves (2P) (%)

15

Net proved + probable + possible reserves (3P) (%)

13

Net total resource base (%)

16

Comment

Figures are equity based

C-OG9.3a

(C-OG9.3a) Disclose your total refinery throughput capacity in the reporting year in thousand barrels per day.

| Total refinery throughput capacity (Thousand barrels per day) | |
|---|-----|
| Capacity | 548 |

C-OG9.3b

(C-OG9.3b) Disclose feedstocks processed in the reporting year in million barrels per year.

| | Throughput (Million barrels) | Comment |
|------------------|------------------------------|---|
| Oil | 124.08 | Refinery throughputs on own account in Italy and outside Italy |
| Other feedstocks | 5.11 | Green Refinery throughputs |
| Total | 129.19 | Refinery throughput on own account in Italy and outside Italy and green refinery throughput |

C-OG9.3c

(C-OG9.3c) Are you able to break down your refinery products and net production?

Yes

C-OG9.3d

(C-OG9.3d) Disclose your refinery products and net production in the reporting year in million barrels per year.

| Product produced | Refinery net production (Million barrels) *not including products used/consumed on site |
|--|---|
| Gasolines | 29.12 |
| Diesel fuels | 50.66 |
| Kerosenes | 4.6 |
| Fuel oils | 11.75 |
| Liquified petroleum gas | 3.07 |
| Lubricants | 2.12 |
| Other, please specify Petrochemical feedstock & other | 14.53 |

C-OG9.3e

(C-OG9.3e) Please disclose your chemicals production in the reporting year in thousand metric tons.

| Product | Production, Thousand metric tons | Capacity, Thousand metric tons |
|---------------------------------------|----------------------------------|--------------------------------|
| High value chemicals (Steam cracking) | 8,073 | 12,420 |

C-EU9.5a

(C-EU9.5a) Break down, by source, your total planned CAPEX in your current CAPEX plan for power generation.

| Primary power generation source | CAPEX planned for power generation from this source | Percentage of total CAPEX planned for power generation | End year of CAPEX plan | Comment |
|---------------------------------|---|--|------------------------|---------|
|---------------------------------|---|--|------------------------|---------|

C-EU9.5b

(C-EU9.5b) Break down your total planned CAPEX in your current CAPEX plan for products and services (e.g. smart grids, digitalization, etc.).

| Products and services | Description of product/service | CAPEX planned for product/service | Percentage of total CAPEX planned products and services | End of year CAPEX plan |
|-----------------------|--------------------------------|-----------------------------------|---|------------------------|
|-----------------------|--------------------------------|-----------------------------------|---|------------------------|

C-CE9.6/C-CG9.6/C-CH9.6/C-CN9.6/C-CO9.6/C-EU9.6/C-MM9.6/C-OG9.6/C-RE9.6/C-ST9.6/C-TO9.6/C-TS9.6

(C-CE9.6/C-CG9.6/C-CH9.6/C-CN9.6/C-CO9.6/C-EU9.6/C-MM9.6/C-OG9.6/C-RE9.6/C-ST9.6/C-TO9.6/C-TS9.6) Does your organization invest in research and development (R&D) of low-carbon products or services related to your sector activities?

| | Investment in low-carbon R&D | Comment |
|-------|------------------------------|---------|
| Row 1 | Yes | |

C-CO9.6a/C-EU9.6a/C-OG9.6a

(C-CO9.6a/C-EU9.6a/C-OG9.6a) Provide details of your organization's investments in low-carbon R&D for your sector activities over the last three years.

| Technology area | Stage of development in the reporting year | Average % of total R&D investment over the last 3 years | R&D investment figure in the reporting year (optional) | Comment |
|---|--|---|--|---|
| Unable to disaggregate by technology area | | | 20,000,000 | In 2020 Emission reduction R&D expenditure was 20 M€ Renewables R&D expenditure was 9.6 M€ Green chemistry R&D expenditure was 15 M€, Gas valorization R&D expenditure was 10.7 M€, Biorefineries R&D expenditure was 10.1 M€ Environment R&D expenditure was 4.5 M€ Energy efficiency R&D expenditure was 4.3 M€ |
| Advanced materials | Applied research and development | ≤20% | | |
| Carbon capture and storage/utilisation | Pilot demonstration | ≤20% | | |

| | | | | |
|---|-----------------------------------|------|--|--|
| Energy efficiency in transport | Pilot demonstration | ≤20% | | |
| Energy storage | Applied research and development | ≤20% | | |
| Enhanced Oil Recovery (EOR) techniques | Pilot demonstration | ≤20% | | |
| Hydrogen | Small scale commercial deployment | ≤20% | | |
| Methane detection and reduction | Small scale commercial deployment | ≤20% | | |
| Other, please specify Bio energy | Pilot demonstration | ≤20% | | |
| Other, please specify Environmental protection | Small scale commercial deployment | ≤20% | | |
| Other, please specify Magnetic fusion | Applied research and development | ≤20% | | |

C-OG9.7

(C-OG9.7) Disclose the breakeven price (US\$/BOE) required for cash neutrality during the reporting year, i.e. where cash flow from operations covers CAPEX and dividends paid/ share buybacks.

54

C-OG9.8

(C-OG9.8) Is your organization involved in the sequestration of CO2?

Yes

C-OG9.8a

(C-OG9.8a) Provide, in metric tons CO2, gross masses of CO2 transferred in and out of the reporting organization (as defined by the consolidation basis).

| | CO2 transferred – reporting year (metric tons CO2) |
|---------------------|--|
| CO2 transferred in | 0 |
| CO2 transferred out | 0 |

C-OG9.8b

(C-OG9.8b) Provide gross masses of CO₂ injected and stored for the purposes of CCS during the reporting year according to the injection and storage pathway.

| Injection and storage pathway | Injected CO ₂ (metric tons CO ₂) | Percentage of injected CO ₂ intended for long-term (>100 year) storage | Year in which injection began | Cumulative CO ₂ injected and stored (metric tons CO ₂) |
|--|---|---|-------------------------------|---|
| CO ₂ injected into a geological formation or saline formation for long-term storage | 690,000 | 3.8 | January 1, 1996 | 19,170,000 |

C-OG9.8c

(C-OG9.8c) Provide clarification on any other relevant information pertaining to your activities related to transfer and sequestration of CO₂.

Eni participates in Sleipner project after purchasing, through its affiliate Var Energi, the Exxon Mobil Not Op upstream assets in Q3/Q4 2019.

Sleipner was the world's first commercial CO₂ storage project operated by Equinor. The CO₂ contained in the natural gas produced from the Sleipner West field (participated by Vår Energi with Working Interest of 17,24%), Gudrun field and Utgard field (no participation of VE) is removed from the produced hydrocarbons and reinjected in the Utsira sandstone, a deep saline reservoir 800-1000 meters below the sea floor.

At Year-End 2020, the cumulative amount of CO₂ injected since 1996 from the Sleipner West field was about 19 Mton out of which 3.3 Mton Vår Energi share (about 2.3 Mton Eni share).

The figures reported in OG9.8b are referred to 100% of the CO₂ injected.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

| | Verification/assurance status |
|--|--|
| Scope 1 | Third-party verification or assurance process in place |
| Scope 2 (location-based or market-based) | Third-party verification or assurance process in place |
| Scope 3 | Third-party verification or assurance process in place |

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Verification or assurance cycle in place

Annual process


Status in the current reporting year

Complete

Type of verification or assurance

Reasonable assurance

Attach the statement

 Eni-for-2020-Carbon-neutrality-by-2050.pdf

Page/ section reference

Figures: page 53

Assurance: pages 56-59

Relevant standard

ISAE 3410

Proportion of reported emissions verified (%)

100

C10.1b

(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Scope 2 approach

Scope 2 location-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Reasonable assurance

Attach the statement

 Eni-for-2020-Carbon-neutrality-by-2050.pdf

Page/ section reference

Figures: page 53

Assurance: pages 56-59

Relevant standard

ISAE 3410

Proportion of reported emissions verified (%)

100

C10.1c

(C10.1c) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Scope 3 category

Scope 3: Purchased goods and services

Verification or assurance cycle in place

Annual process


Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

 [Eni-for-2020-Carbon-neutrality-by-2050.pdf](#)

Page/section reference

Figures: page 54

Assurance: pages 56-59

Relevant standard

ISAE 3410

Proportion of reported emissions verified (%)

100

Scope 3 category

Scope 3: Capital goods

Verification or assurance cycle in place

Annual process


Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

 Eni-for-2020-Carbon-neutrality-by-2050.pdf

Page/section reference

Figures: page 54

Assurance: pages 56-59

Relevant standard

ISAE 3410

Proportion of reported emissions verified (%)

100

Scope 3 category

Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2)

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

 Eni-for-2020-Carbon-neutrality-by-2050.pdf

Page/section reference

Figures: page 54

Assurance: pages 56-59

Relevant standard

ISAE 3410

Proportion of reported emissions verified (%)

100

Scope 3 category

Scope 3: Upstream transportation and distribution

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

 Eni-for-2020-Carbon-neutrality-by-2050.pdf

Page/section reference

Figures: page 54

Assurance: pages 56-59

Relevant standard

ISAE 3410

Proportion of reported emissions verified (%)

100

Scope 3 category

Scope 3: Waste generated in operations

Verification or assurance cycle in place

Annual process


Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

 Eni-for-2020-Carbon-neutrality-by-2050.pdf

Page/section reference

Figures: page 54

Assurance: pages 56-59

Relevant standard

ISAE 3410

Proportion of reported emissions verified (%)

100

Scope 3 category

Scope 3: Business travel

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

 Eni-for-2020-Carbon-neutrality-by-2050.pdf

Page/section reference

Figures: page 54

Assurance: pages 56-59

Relevant standard

ISAE 3410

Proportion of reported emissions verified (%)

100

Scope 3 category

Scope 3: Employee commuting

Verification or assurance cycle in place

Annual process


Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

 Eni-for-2020-Carbon-neutrality-by-2050.pdf

Page/section reference

Figures: page 54

Assurance: pages 56-59

Relevant standard

ISAE 3410

Proportion of reported emissions verified (%)

100

Scope 3 category

Scope 3: Processing of sold products

Verification or assurance cycle in place

Annual process


Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

 Eni-for-2020-Carbon-neutrality-by-2050.pdf

Page/section reference

Figures: page 54

Assurance: pages 56-59

Relevant standard

ISAE 3410

Proportion of reported emissions verified (%)

100

Scope 3 category

Scope 3: Use of sold products

Verification or assurance cycle in place

Annual process


Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

 Eni-for-2020-Carbon-neutrality-by-2050.pdf

Page/section reference

Figures: page 54

Assurance: pages 56-59

Relevant standard

ISAE 3410

Proportion of reported emissions verified (%)

100

Scope 3 category

Scope 3: End-of-life treatment of sold products

Verification or assurance cycle in place

Annual process


Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

 Eni-for-2020-Carbon-neutrality-by-2050.pdf

Page/section reference

Figures: page 54

Assurance: pages 56-59

Relevant standard

ISAE 3410

Proportion of reported emissions verified (%)

100

Scope 3 category

Scope 3: Franchises

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

 Eni-for-2020-Carbon-neutrality-by-2050.pdf

Page/section reference

Figures: page 54

Assurance: pages 56-59

Relevant standard

ISAE 3410

Proportion of reported emissions verified (%)

100


C10.2


(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

Yes

C10.2a

(C10.2a) Which data points within your CDP disclosure have been verified, and which verification standards were used?

| Disclosure module verification relates to | Data verified | Verification standard | Please explain |
|---|---|-----------------------|--|
| C6. Emissions data | Year on year emissions intensity figure | ISAE 3000 | Within the "Eni for 2020 - Carbon neutrality by 2050" document, performed by our assurance provider, attached in CDP Climate Change and published in the Eni website, a the specific assessment was done on year on year variations of emissions intensity. See page 48  1 |
| C4. Targets and performance | Progress against emissions reduction target | ISAE 3000 | Within the annual GHG Statement performed by our assurance provider, attached in CDP Climate Change and published in the Eni website, a specific assessment was done on progresses against emissions reduction targets, namely: <ul style="list-style-type: none"> - Reduction of the Upstream emission intensity index of 43% by 2025 (- 38% by 2023) vs 2014; - Reduction of upstream fugitive emissions by 80% by 2025 vs. 2014; - Zero gas routine flaring by 2025; - Improvement of the carbon efficiency index (Operational Efficiency Index) by an average of 2% per year up to 2021 compared to 2014; - Net zero Carbon Footprint Upstream by 2030. |

| | | | |
|--|--|--|---|
| | | | - Net Zero GHG Lifecycle Emissions by 2050; - Net zero Carbon Intensity by 2050. See pages 41-46  1 |
|--|--|--|---|

 1Eni-for-2020-Carbon-neutrality-by-2050.pdf

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

Yes

C11.1a

(C11.1a) Select the carbon pricing regulation(s) which impacts your operations.

EU ETS

C11.1b

(C11.1b) Complete the following table for each of the emissions trading schemes you are regulated by.

EU ETS

% of Scope 1 emissions covered by the ETS

46

% of Scope 2 emissions covered by the ETS

0

Period start date

January 1, 2020

Period end date

December 31, 2020

Allowances allocated

6,842,463

Allowances purchased

10,482,101

Verified Scope 1 emissions in metric tons CO₂e

17,324,564

Verified Scope 2 emissions in metric tons CO₂e

0

Details of ownership

Facilities we own and operate

Comment

Figures reported on a 100% operated basis

C11.1d**(C11.1d) What is your strategy for complying with the systems you are regulated by or anticipate being regulated by?**

In order to manage the compliance obligation under the EU Emissions Trading Scheme, Eni has centralized the activity within EGEM (Eni Global Energy Markets), a wholly-owned subsidiary based in London. EGEM is the wholesale market interface in the emissions market for all business units and subsidiaries of Eni. Through its dedicated trading desk, EGEM manages the price exposure and coordinates the compliance activity of the business units. Example of how we apply this strategy: EGEM signed a Master Agreement (MA) with each of the Eni's Business Unit (BU) involved in the EU-ETS. The main aim of the MA (excl. the power sector) is to transfer to EGEM the CO₂ price risk while leaving the volume risk with the BUs. Therefore, the BUs will just pay a CO₂ price as close as possible to the average CO₂ price of the relevant year. On the other side, the power sector hedging strategy is based on the assessment of the Clean Spark Spread (CSS). A positive CSS will incentivize the Power Portfolio Unit to sell electricity and buy the corresponding free allowances, locking in the profit. Any kind of speculative trading, aiming at taking advantage of the CO₂ price fluctuation is executed by EGEM and based on the EGEM vision on the market evolution. The central Climate Change Strategy and Positioning (CSS) department of Eni is responsible for aggregating the verified emissions data, providing emissions forecasts to EGEM and managing the certification process. In addition to participating in the European Emission Trading system, from time to time, Eni evaluates the possibility to use carbon credits from the GHG reduction projects based on the Kyoto flexible mechanisms, in order to reduce the compliance cost. Lastly, Eni estimates the short and mid-term carbon price within its Reference Scenario, which provides the business lines with an outlook for all the energy-related strategic variables. Specifically, the forecasts of the carbon prices are determined on a regular basis through analysis based on European Emissions Trading and political and regulatory developments.

C11.2**(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?**

Yes

C11.2a**(C11.2a) Provide details of the project-based carbon credits originated or purchased by your organization in the reporting period.**

Credit origination or credit purchase

Credit purchase

Project type

Wind

Project identification

IN6702

Verified to which standard

CDM (Clean Development Mechanism)

Number of credits (metric tonnes CO₂e)

1,536

Number of credits (metric tonnes CO₂e): Risk adjusted volume

1,536

Credits cancelled

Yes

Purpose, e.g. compliance

Voluntary Offsetting

Credit origination or credit purchase

Credit purchase

Project type

Hydro

Project identification

VN4236

Verified to which standard

CDM (Clean Development Mechanism)

Number of credits (metric tonnes CO₂e)

1,216

Number of credits (metric tonnes CO₂e): Risk adjusted volume

1,216

Credits cancelled

Yes

Purpose, e.g. compliance

Voluntary Offsetting

Credit origination or credit purchase

Credit purchase

Project type

Hydro

Project identification

KH8761

Verified to which standard

CDM (Clean Development Mechanism)

Number of credits (metric tonnes CO2e)

2,248

Number of credits (metric tonnes CO2e): Risk adjusted volume

2,248

Credits cancelled

Yes

Purpose, e.g. compliance

Voluntary Offsetting

Credit origination or credit purchase

Credit purchase

Project type

Wind

Project identification

CN5998

Verified to which standard

CDM (Clean Development Mechanism)

Number of credits (metric tonnes CO2e)

50,000

Number of credits (metric tonnes CO2e): Risk adjusted volume

50,000

Credits cancelled

Yes

Purpose, e.g. compliance

Voluntary Offsetting

Credit origination or credit purchase

Credit purchase

Project type

Wind

Project identification

CN5800

Verified to which standard

CDM (Clean Development Mechanism)

Number of credits (metric tonnes CO₂e)

438,791

Number of credits (metric tonnes CO₂e): Risk adjusted volume

438,791

Credits cancelled

Yes

Purpose, e.g. compliance

Voluntary Offsetting

Credit origination or credit purchase

Credit purchase

Project type

Wind

Project identification

CN4150

Verified to which standard

JI (Joint Implementation)

Number of credits (metric tonnes CO₂e)

78,557

Number of credits (metric tonnes CO₂e): Risk adjusted volume

78,557

Credits cancelled

Yes

Purpose, e.g. compliance

Voluntary Offsetting

Credit origination or credit purchase

Credit purchase

Project type

Wind

Project identification

CN4521

Verified to which standard

CDM (Clean Development Mechanism)

Number of credits (metric tonnes CO2e)

315

Number of credits (metric tonnes CO2e): Risk adjusted volume

315

Credits cancelled

Yes

Purpose, e.g. compliance

Voluntary Offsetting

Credit origination or credit purchase

Credit purchase

Project type

Wind

Project identification

CN5325

Verified to which standard

CDM (Clean Development Mechanism)

Number of credits (metric tonnes CO2e)

57,652

Number of credits (metric tonnes CO2e): Risk adjusted volume

57,652

Credits cancelled

Yes

Purpose, e.g. compliance

Voluntary Offsetting

Credit origination or credit purchase

Credit purchase

Project type

Wind

Project identification

CN5851

Verified to which standard

CDM (Clean Development Mechanism)

Number of credits (metric tonnes CO2e)

7,321

Number of credits (metric tonnes CO2e): Risk adjusted volume

7,321

Credits cancelled

Yes

Purpose, e.g. compliance

Voluntary Offsetting

Credit origination or credit purchase

Credit purchase

Project type

Hydro

Project identification

VN5030

Verified to which standard

CDM (Clean Development Mechanism)

Number of credits (metric tonnes CO2e)

1

Number of credits (metric tonnes CO2e): Risk adjusted volume

1

Credits cancelled

Yes

Purpose, e.g. compliance

Voluntary Offsetting

Credit origination or credit purchase

Credit purchase

Project type

Wind

Project identification

CN6454

Verified to which standard

CDM (Clean Development Mechanism)

Number of credits (metric tonnes CO2e)

154

Number of credits (metric tonnes CO2e): Risk adjusted volume

154

Credits cancelled

Yes

Purpose, e.g. compliance

Voluntary Offsetting

Credit origination or credit purchase

Credit purchase

Project type

Wind

Project identification

CN6454

Verified to which standard

CDM (Clean Development Mechanism)

Number of credits (metric tonnes CO2e)

2,525

Number of credits (metric tonnes CO2e): Risk adjusted volume

2,525

Credits cancelled

Yes

Purpose, e.g. compliance

Voluntary Offsetting

Credit origination or credit purchase

Credit origination

Project type

Forests

Project identification

VERRA ID 1775 - Luangwa Community Forests Project

Verified to which standard

VCS (Verified Carbon Standard)

Number of credits (metric tonnes CO₂e)

1,500,000

Number of credits (metric tonnes CO₂e): Risk adjusted volume

1,500,000

Credits cancelled

Yes

Purpose, e.g. compliance

Voluntary Offsetting

C11.3

(C11.3) Does your organization use an internal price on carbon?

Yes

C11.3a

(C11.3a) Provide details of how your organization uses an internal price on carbon.

Objective for implementing an internal carbon price

Drive energy efficiency
Drive low-carbon investment
Stress test investments

GHG Scope

Scope 1

Application

To test the resilience of new projects, Eni assesses potential costs associated with GHG emissions when evaluating all new major capital projects before taking the final investment decision.

All major projects during their construction phase, are bi-annually stress-tested and impact on main KPI assessed (Internal Rate of Return, Net Present Value), against two sets of assumptions:

- i) a uniform cost per ton of carbon dioxide equivalent to the total emissions of each project;
- ii) the hydrocarbon prices and cost of CO₂ emissions adopted in the International Energy Agency (IEA) Sustainable Development Scenario (SDS). This stress test is performed, on a regular basis, to monitor the progress of each project.

Actual price(s) used (Currency /metric ton)

45

Variance of price(s) used

Eni carbon pricing is expressed in terms of 2021 Real Terms USD (45\$/tCO₂eq) and is inflated by 2% on a yearly basis.

Type of internal carbon price

Shadow price

Impact & implication

The review performed at the end of 2020 indicated that the internal rates of return of Eni's ongoing projects in aggregate should not be substantially affected by a carbon pricing mechanism (-1 percentage points on internal return rates @ 45\$/tCO₂eq Real Terms 2021 and -1.3 percentage points @ IEA SDS). This observation holds true also under the more severe CO₂ pricing assumptions of the IEA SDS scenario.

The development process and internal authorization procedures of each E&P capital project feature several checks that may require additional and well detailed GHG and energy management plans to address potential risks of underperformance in relation to possible scenarios of global or regional adoption of regulations introducing mechanisms of carbon cap and trade or carbon pricing. Most of the projects have GHG intensity targets that allow them under current assumptions to compete in a more CO₂-regulated future.

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

Yes, our suppliers

Yes, our customers

Yes, other partners in the value chain

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.**Type of engagement**

Engagement & incentivization (changing supplier behavior)

Details of engagement

Run an engagement campaign to educate suppliers about climate change

% of suppliers by number

100

% total procurement spend (direct and indirect)

100

% of supplier-related Scope 3 emissions as reported in C6.5

Rationale for the coverage of your engagement

At the beginning of 2020, Eni launched JUST (Join Us in a Sustainable Transition), the Sustainable Supply Chain Program of Eni, dedicated to its suppliers' base.

The JUST Program is aimed at promoting the achievement of UN Sustainable Development Goals by Eni's suppliers using the ESG parameters to evaluate suppliers during the procurement process both in the qualification or in the tender phase.

JUST is addressed to all suppliers and leverage on the following dimensions: environmental protection (planet), social growth (people), economic development (prosperity) and ESG governance.

In the environmental dimension climate change aspects play a key role and suppliers' attitude on these elements are evaluated and managed through different tools in the different phases of the suppliers' engagement process.

At first, suppliers are clearly aware on Eni's requirements on climate change topics. The procurement portal (eniSpace) has been completely renewed to become a digital communication and collaboration tool to engage suppliers on these goals and specific events (JUST workshops) has been held to discuss with suppliers on their plans to match Eni's expectations.

- eniSpace (Supplier Portal and Collaboration Environment – <https://enispace.eni.com>) is the new suppliers' portal developed as a common space to involve Eni's suppliers base in the energy transition process and sustainable development initiatives

- The JUST Workshops are initiatives organized by Eni's procurement department with qualified suppliers (organized by business sector) to communicate sustainability targets, to discuss action plans to be realised by suppliers to match Eni's expectations .

All Eni qualified suppliers are committed to the Just programme and they have been involved through ad-hoc communications (addressing 100% of Eni suppliers base); through these communication suppliers are asked to engage their supply chain in the sustainable path too.

Moreover, in order to engage the entire supply chain (not only the 1st tier of suppliers) in a common development path on sustainable development goals, in March 2021 Eni in partnership with BCG and Google Cloud launched Open-es, a digital platform open to all the companies and industrial sectors to measure and improve ESG performance.

More information available at <https://www.eni.com/en-IT/just-transition/just-sustainable-path.html>

Impact of engagement, including measures of success

The success of these initiatives is represented by the following elements too.

eniSpace – In 2020

- Eni launched 14 call for innovation (1)

(https://esupplier.eni.com/PFU_en_US/restyling/innovation.page), and 50% of these calls aimed at receiving from the market innovative proposals for reducing emissions

- Suppliers shared more than 50 virtuous sustainability stories (2)

(https://esupplier.eni.com/PFU_en_US/restyling/agora.page), and 30% of these stories are focused on ideas/actions/solutions for reducing impact of emissions.

JUST Workshops

- Since December 2020, Eni managed several Workshops focused on sectors where emissions are a key factor (from Waste Treatment to Reclamation, Packaging, Decommissioning and Transportation) involving more than 300 suppliers.

In 2021 further workshops will be managed, approaching new sectors with emissive impact.

During these workshops, Eni defined KPIs target to be monitored over time, for example CO2 reduction for waste transport and in the area of reclamation and decommissioning.

Comment

The portal eniSpace has a specific section dedicated to JUST program, to set a clear communication of Eni's sustainability target and an area dedicated to 'suppliers' sustainability success stories' (Agora) to diffuse good practices within the suppliers' community .

The Just Workshops are a unique opportunity to engage the market with an open discussion on the opportunities and constraints (i.e. regulatory, technological) to be taken into account for achieving a just energy transition. This working groups allow a frank exchange of views where suppliers can have an open discussion with procurement and technical functions, sharing the limits and the challenges for their sector, in order to define a concrete action plan and KPIs to be monitored over time. Open-es is digital platform that gives the opportunity to all the companies to measure their ESG position, obtain a dedicated development plan and access to useful services linked to sustainability goals, with a specific focus to Small and Medium Enterprises (SMEs). Based on the Stakeholder Capitalism Metrics, a set of metrics defined by the World Economic Forum (WEF) in partnership with the big four Accounting Firms and strictly linked to the main existing standards, the model is articulated on four pillars: People, Planet, Prosperity and Principle of Governance. Each of these pillars addresses different milestones with the aim of covering all the topics related to sustainability. One of the milestones of the Environmental pillar is entirely dedicated to climate change and covers the main indicators (referenced to GRI, UN Guiding Principles and WDI metrics) to understand the level awareness and attention of companies with regard to this topic. Through this platform suppliers are educated about this specific topic.

1 - Innovation Match, is the eniSpace channel dedicated to innovation. It represents the meeting point between the new challenges launched by Eni, on the climate change too, and the innovative solutions offered by the market, for potential collaboration, experimentation and co-design activities

2 - Agorà is the eniSpace channel, to promote dialogue, sharing of virtuous examples on important issues in the collaboration between Eni and its current and future suppliers, to pursue objectives and seize opportunities for common development on sustainability.

Type of engagement

Information collection (understanding supplier behavior)

Details of engagement

Collect climate change and carbon information at least annually from suppliers

% of suppliers by number

54

% total procurement spend (direct and indirect)

90

% of supplier-related Scope 3 emissions as reported in C6.5**Rationale for the coverage of your engagement**

Eni launched in March 2021 Open-es, the new digital platform dedicated to sustainability in industrial supply chains and open to all companies involved in the energy transition process. The platform has a collaborative and flexible approach, suitable for all kind of companies (from SMEs to big players), that have the possibility to:

- assess their own sustainability performance and compare themselves with industry benchmarks through a guided path;
- gain an awareness of their strengths and areas for improvement and receive a development plan, through suggestions and solutions that will help them close gaps ;
- access to useful services aimed to the improvement of ESG performances thank to a marketplace where third parties can participate to the community helping the other companies to concretely activate the development plan with the services they offer (training, initiatives for employees involvement, energy efficiency, consultancies, materiality analysis, finance, circular models etc.) and a collaboration area where companies can share experiences, give visibility to their best practices in terms of environmental, social and economic sustainability and ask for and offer support.

All of Eni's suppliers with a contract in place or invited to a bid are requested to register to Open-es.

To date, 1.400 Eni qualified contract holder suppliers are already registered on Open-es - 54% of the 2600 Eni qualified contract holder suppliers. They represent the 90% of the contract's value in Italy assigned to qualified suppliers.

Impact of engagement, including measures of success

The Open-es platform allows a constant and up-to-date snapshot of the company sustainability performance. All companies registered fill a questionnaire, which is organized into questions based on the ESG metrics model defined by the WEF in collaboration with the big four Accounting Firms. The model is divided into four Pillars: Planet, People, Principles of governance and Prosperity, which in turn are divided into "thematic Milestones", with a specific section dedicated to Climate Change (see Comment section for MORE details).

Through a guided path and with a flexible and incrementally complex approach, each company (from SMEs to Big Players) is able to measure and define its positioning regardless of its level of maturity on each of these issues.

To date there are approximately 2,300 companies registered on Open es - 2000 are qualified Eni companies representing 90% of contract value in place in Italy assigned to

qualified suppliers.

The measure of the initiative's success is correlated to the number of adhesions of our suppliers in such a short period of time (4 months), in addition to the participation of companies that are not Eni supplier (over 300).

Of the 2,300 companies onboard, around 400 players have made their responses transparent, including those on climate change (151). Our target for 2022 is onboarding all qualified suppliers interested in working with Eni, finalizing the knowledge of their emissions, and defining the right targets for each sector in relation to its maturity.

Another interesting element that measure the success of the initiative is related to Open-es collaboration area - 234 suppliers shared their success stories, projects, experiences (63 on Planet area). The purpose of these stories, and therefore the expected impact, is to create a flywheel for the entire market in terms of best practices and technologies on emission reduction.

Comment

Through Open-es Eni require to every supplier:

- a. a corporate policy containing a commitment to manage and reduce environmental impact;
- b. the presence of a company function in charge of managing GHG and environmental pollution;
- c. clear objectives on the reduction of GHG emissions and monitoring/management processes;
- d. reporting about environmental impact results that are regularly reported to the highest levels of the company (and to corporate governance bodies where present);
- e. which tools and methodologies they use to monitor and measure relevant GHG emissions according to the GHG protocol. The tools/methodologies must allow for the measurement of tonnes of carbon dioxide equivalent emissions (tCO₂e) according to the GHG Protocol;
- f. for all relevant GHG Scope 1,2 emissions and Scope 3 where relevant, the tonnes of carbon dioxide equivalent emissions (tCO₂e) according to the GHG protocol;
- g. the trend of GHG emissions over the last 3 years. For Scope 1-2-3 the tonnes of carbon dioxide equivalent emissions according to the GHG protocol.
- h. If the company has implemented the TCFD (Task Force on Climate-related Financial Disclosures) recommendations with targets in line with the Paris Agreement. If not, indication if there is a plan with a timeline for this within a maximum of 3 years.

Type of engagement

Compliance & onboarding

Details of engagement

Included climate change in supplier selection / management mechanism

% of suppliers by number

100

% total procurement spend (direct and indirect)

100

% of supplier-related Scope 3 emissions as reported in C6.5

Rationale for the coverage of your engagement

Through the JUST Program, ESG performances and UN SDGs are included in every step of the procurement process and every stage of Suppliers' journey.

- Qualification Process

During the qualification stage, all suppliers are evaluated on sustainability dimensions, considering also the climate change one (circularity, efficiency, use of renewables, protection of life on land and under water). As described in the previous section, the Open-es platform, represents a concrete tool for supplier ESG performance evaluation.

Moreover, every supplier (100%) is required to adhere to Eni's Code of Conduct (see Comment), guaranteeing their express commitment on climate change. In particular suppliers are required to: (i) minimise environmental impacts and optimize the use of energy and natural resources; (ii) conduct their activities through the responsible use of resources; (iii) actively participate in the process of risk assessment and environmental protection; (iv) contribute in the achievement of company targets regarding the efficiency of plants, reduction of direct emissions, promotion of a low-carbon impact energy mix and a steady effort in research and development; (v) manage and monitor the environmental aspects relevant to their activities, drawing inspiration from broadly internationally recognized environmental management standards and models; (vi) integrate the sustainable environmental principles into their supply chain management.

- Tender Process

In the tender phases, Eni considered sustainability performances in scoring model, introducing rewarding mechanism for suppliers with positive performances also on climate change topic.

In 2020, 30 processes (involving 85 suppliers) with rewarding sustainability mechanism in the scoring models were managed - more than €500 million of value tender. To date, 160 tenders had been carried out – more than €2.5 billion - and almost 500 suppliers invited to participate.

Impact of engagement, including measures of success

The aim of Eni's Supplier Code of Conduct is to develop a relationship with suppliers of proven professionalism. In order to guarantee the correct application of the Code, Eni constantly monitors compliance with the principles set out in the Code and can verify the truthfulness of the supplier's commitment in order to assess its real commitment.

In tender phases, social, environmental and economic development elements are introduced with increasing weights in relation to market maturity, and, in some cases, minimum requirements for participation (such as HSE certification) are required. Land management, GHG emissions reduction, sustainable development of its suppliers,

local content, short supply chain, projects and investments dedicated to innovative solutions and circular economy are the main topics Eni is focusing.

Comment

The Supplier Code of Conduct represents the written commitment through which suppliers declare the pursuit of universal and sustainable values, with explicit reference also to climate change. Published in April 2020 and based on the Eni' Code of Ethics, the document states the commitment and expectations from suppliers regarding the internationally recognized human rights standards and it describes Eni's position towards laws, integrity, and transparency. It entails obligations for suppliers to take action, amongst several issues, against modern slavery, child labour, discrimination in the workplace and for the protection of workers' rights in general.

C12.1b

(C12.1b) Give details of your climate-related engagement strategy with your customers.

Type of engagement

Education/information sharing

Details of engagement

Run an engagement campaign to educate customers about the climate change impacts of (using) your products, goods, and/or services

% of customers by number

100

% of customer - related Scope 3 emissions as reported in C6.5

Please explain the rationale for selecting this group of customers and scope of engagement

On June 2019 Eni launched "Eni + 1", a new campaign to educate and promote the principles of energy transition which has continued throughout 2020. "Eni + 1" is a multi-subject advertising campaign with an integrated media mix, addressed to Italian public opinion (therefore not only Eni customers) which aims to raise awareness on the importance of responsible behaviors. The campaign, in fact, represents virtuous daily behaviors to be adopted (such as efficient use of resources, recycling plastic, using the car less, repairing objects instead of buying others) paired with Eni's best low carbon technologies (e.g. renewables, energy efficiency services, biofuels) in line with the company's decarbonization strategy.

The Eni+1 campaign deliberately targets a broad audience with the aim of bringing about a cultural change on the subjects of sustainability and the circular economy. Since 2019, the campaign in Italy has reached more than 50 million people through all the main means of communication, such as: TV, press, billboards, radio, digital. Across the

media mix, a total of 17 topics were covered, regarding subjects such as the circular economy, Eni's partnership with local territories and different institutions, sponsorship of cultural events, technological innovation and the future of labour.

Due to the broad nature of the target – 18 years and over – we can reasonably claim to have covered up to 100% of the customers of our Eni gas and electricity and Eni Station businesses, who are more segmented (for example, the R&M primary target market are car drivers, truck drivers, motorcyclists aged 15-64; the EGL primary target are purchase decision-makers aged 35+) but represent a subset of the Eni+ target. The Eni+ campaign has also enjoyed great visibility on Eni-owned media channels (social media, websites etc), which represent one of the main touchpoints for our customers.

Impact of engagement, including measures of success

The aim of the campaign is to inform and educate Eni's costumers and, more generally, all energy consumers, about the Company's decarbonization strategy, by representing virtuous behaviours on efficient resources utilization. The campaign represents several characters in their daily life, adopting sustainable solutions for their energy needs, such as switching to renewables, implementing energy efficiency measures, recycling waste. The campaign is expected to improve Eni's image profile and costumers' perception of the company sustainability, while incentivizing good practices of the final costumers. In order to measure the success of the campaign, a research was carried out with a third-party provider that as proved the following:

- among those who have seen and remember the campaign Eni's image profile has improved (the percentage increase of up to +15 compared to those who have not seen it);
- the messages shared by the campaign were clear and interesting, credible and convincing: the campaign showed positive behaviours like recycling plastics, mindful use of water, avoid driving the car, repair objects instead of buying new ones. Those interviewed who remember / recognize the campaign said that this type of advertising communication is suitable for an innovative, reliable and responsible company. The campaign message was decoded well, with the area "inviting everyone to play their part, because the only way to save the environment is by behaving in a responsible and sustainable way" receiving the majority of citations (up to 60% of the interviews);
- the campaign has reached more than 50 million people (potential media target).

C12.1d

(C12.1d) Give details of your climate-related engagement strategy with other partners in the value chain.

Eni launched in 2020 the training programme JOULE, designed for future entrepreneurs, to promote a culture founded on the values of integration, sustainable growth and development of informed leadership. The educational initiative is addressed to **graduates, managers and young entrepreneurs** with the aim of sharing with key players of the future the same goals that Eni has integrated in its strategy in the last years: lowering emissions to keep global temperature growth well below 2°C, enabling energy access, contributing to the local development of countries and their energetic resources through investments, competence and technology, as well as committing to research solutions for a low-carbon energy model.

This project aims to be a trigger for relaunching businesses in Italy and for developing innovative, sustainable start-up companies. Joule will see Eni share the goals the company has made its own over the last years with the business players of the future, including: a commitment to researching solutions for the transition to an energy model with a low carbon impact; the fundamental role of renewable energy and the circular economy; providing access to energy and contributing to use of sustainable energy resources for local development in countries through investment, skills and technology.. Eni's school will follow two lines of action, which aim to foster the growth of new businesses and entrepreneurs, not necessarily in the energy sector, interested in developing a path that will help Italy accelerate, all based on the company's values: **Human Knowledge Program** and **Energizer**

Within **Human Knowledge Program**, Eni will provide 25 scholarships to aspiring entrepreneurs, who want to grow and contribute to Italy's sustainable growth, giving them tools, knowledge, skills and keys to understand business. The training experience will hone in them the most important skills for entrepreneurs (critical thinking, decision making, risk management) and work on macro-themes based on knowledge of the context and the challenges of a sustainable business, like the energy transition, decarbonization and the circular economy. Themes linked to economic, financial and legal aspects of business will also be addressed, including how to create value, finance your own ideas, position yourself in the international context, manage workers and use technology to speed up your business. The programme is split into two courses: "HKP Open", the innovative full-distance course accessible to all, and the existing "HKP Blended", which is both in-class and long-distance and started in mid-October with 25 selected participants. At the end of 2020, over 4,000 people have signed up for Joule Open, the online programme of Eni's business school.

As part of the program, **Energizer** is Joule's business accelerator and an observatory providing concrete support for developing business with a low carbon impact, promoting incubation programmes, accelerating start-ups and small and medium enterprises, and providing methodological, logistical and financial support.

One of the project's goals is to allow monitoring of accelerated initiatives, using specific performance indicators for environmental sustainability and making models, alongside the startups, to measure the impact of business in the medium-long term.

The first acceleration initiative involves two strategic partnerships. One is with the co-innovation programme Open Italy, promoted by the Elis consortium (a not for profit entity focused on youth, professionals and enterprises, which contributes to the sustainable development of startups) and joined by 50 corporate, 80 acceleration providers and more than 300 start-ups. The second agreement is with PoliHub, the incubator of the Politecnico di Milano, run by the University's Foundation, recently placed in the world's top five of university incubators (UBI Index 2019-2020) and able to accelerate many innovative technologies, also thanks to its important alliances with some of the best European universities. The cooperation with Polihub, in particular, will allow the launch of an incubator program for early-stage businesses with high potential, with a focus on Deep Tech, through the scaling up of the Polytechnic initiatives of Technology Transfer. Dedicated to the topics of decarbonization and circular economy, the first call, named "Switch2Product," was launched in 2020 by PoliHub, focused on students, researchers and academics of the Milan Polytechnic and of its partner universities and research centres. In 2021 was launched "Zero" the new accelerator for start-ups, within Cleantech, to support the growth of 30 start-ups and small/medium enterprises willing to open their business in Italy.

C12.3

(C12.3) Do you engage in activities that could either directly or indirectly influence public policy on climate-related issues through any of the following?

- Direct engagement with policy makers
- Trade associations
- Funding research organizations
- Other

C12.3a

(C12.3a) On what issues have you been engaging directly with policy makers?

| Focus of legislation | Corporate position | Details of engagement | Proposed legislative solution |
|----------------------|-------------------------------|---|--|
| Cap and trade | Support with minor exceptions | Eni is directly involved with the policymakers in the discussions about the structural reform of European Emission Trading Scheme (EU-ETS) and, more generally, about the debate of the European framework for climate and energy policies, included the recent launch of the European Green Deal and the resulting revision of all relevant legislative measures to deliver the carbon neutrality objective by 2050. | Eni supports EU-ETS as a central pillar of the European climate policy and believes that it can drive industrial choices in favour of energy efficiency and low carbon fuels without compromising the EU's competitiveness. For this reason, Eni supported the structural reform of the EU-ETS for the IV phase, aiming at giving a strong price signal for low carbon investments and establishing a clear framework regarding free allocation for industrial installations facing carbon leakage risk. Lastly, in the context of the European Green Deal, Eni supports the extension of the scope of the ETS to other sectors and the increasing of the GHG reduction ambition by 2030 in order to reach the carbon neutrality by 2050, provided that adequate policy tools are defined to safeguards the EU industry competitiveness. |

C12.3b

(C12.3b) Are you on the board of any trade associations or do you provide funding beyond membership?

- Yes

C12.3c

(C12.3c) Enter the details of those trade associations that are likely to take a position on climate change legislation.

Trade association

IPIECA

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

IPIECA (International Petroleum Industry Environmental Conservation Association) established its Climate Change Working Group (CCWG) in 1988. Since then the group has monitored the climate science and policy discussions, engaging with international governmental bodies and other stakeholders. It now also focuses on providing best practice guidance on GHG emissions monitoring, reporting and management. IPIECA welcomes the Paris Agreement and sees it as a crucial step in global efforts to address climate change. Since the Paris Agreement was made in December 2015, IPIECA has continued to work on the topic of low-emissions pathways, holding a workshop for members exploring technologies and perspectives on low emissions futures and holding a series of webinars on carbon pricing. Moreover, Eni has chaired the organization of a workshop on Carbon Offset with IPIECA's members and external experts. The workshop has been focused on several aspects, exploring regulatory updates, certification standards, governments approaches, market trends, corporate strategies, as well as the point of view of UN bodies and environmental NGOs.

How have you influenced, or are you attempting to influence their position?

Eni's Head of Climate Change Strategy and Positioning is the Executive Committee Champion of the Climate Change group of IPIECA. Eni's Head of Climate Policy is Vice Chair of the Climate Change Group of IPIECA and Chair of the taskforce on Carbon Offset. Furthermore, Eni takes actively part in most of the other taskforces of the Climate Change group of IPIECA: Low Emission Pathways, Hydrogen, Aviation GHGs, COP26.

Trade association

IETA

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

IETA works for the development of an active, global greenhouse gas market, consistent across national boundaries and involving all flexibility mechanisms: the Clean Development Mechanism, Joint Implementation and emissions trading; the creation of

systems and instruments that will ensure effective business participation. IETA is the main voice for the business community on emissions trading, the objectives for the organization are to: promote an integrated view of the emissions trading system as a solution to Climate Change; participate in the design and implementation of national and international rules and guidelines; and provide the most up-to-date and credible source of information on emissions trading and greenhouse gas market activity. IETA periodically holds workshop and carries out position papers on relevant topics submitted to the relevant policymakers (e.g. national coal phase out policies). In particular, IETA is monitoring and influencing the developments of EU ETS Phase 4 implementation rules (e.g. dynamic allocation) to secure industrial competitiveness and the functionality of the market. IETA is also currently following within the EU Working Group the evolution of the European debate on increasing the GHG reduction ambition by 2030 and the carbon neutrality by 2050. On the other hand, the International Working Group is engaged in the UN talks around article 6 of the Paris Agreement.

How have you influenced, or are you attempting to influence their position?

Eni has been member of IETA for many years and participates in the EU and International Working Groups activities.

C12.3d

(C12.3d) Do you publicly disclose a list of all research organizations that you fund?

Yes

C12.3e

(C12.3e) Provide details of the other engagement activities that you undertake.

Eni is among the five companies that in 2015 founded the Oil and Gas Climate Initiative (OGCI), a voluntary CEO-led initiative, whose mission is to be the catalyst of actions and investments to mitigate GHG emissions from the Oil & Gas sector and explore new business and new technologies. OGCI is investing up to US\$ 1 billion in 10 years in low carbon technologies, through the OGCI Climate Investment (OGCI CI) vehicle. These are additional investments compared to the commitments of the individual companies and a multiplier effect is expected thanks to the development of low carbon technologies.

In July 2020, OGCI announced a target to reduce the collective average carbon intensity of member companies' aggregated upstream oil and gas operations to between 20 kg and 21 kg CO₂e/boe by 2025, from a collective baseline of 23 kg CO₂e/boe in 2017. The range is consistent with the reduction needed across the oil and gas industry by 2025 to support the Paris Agreement goals. The target represents a reduction of between 36 and 52 million tonnes of CO₂e per year by 2025 (assuming constant levels of marketed oil and gas production), equivalent to the CO₂ emissions from energy use in between 4 and 6 million homes.

In 2019 OGCI launched a new initiative to unlock large-scale investment in carbon capture, use and storage (CCUS), a crucial tool to achieve net zero emissions. OGCI's CCUS KickStarter initiative is designed to help decarbonize multiple industrial hubs around the world, starting with hubs in the US, UK, Norway, the Netherlands, and China. The aim of the KickStarter is to create the necessary conditions to facilitate a commercially viable, safe and environmentally

responsible CCUS industry, with an early aspiration to double the amount of carbon dioxide that is currently stored globally before 2030.

In 2018 OGI set a target for reducing methane emissions to enhance the role of natural gas. Eni has also been a forerunner in joining the initiative Global Gas Flaring Reduction for the progressive elimination of flaring gas and the Climate and Clean Air Coalition - Oil & Gas Methane Partnership aimed at reducing methane emissions in the Oil & Gas sector.

At the World Economic Forum held in Geneva in January 2020, Eni's CEO joined a coalition of sixty-one top business leaders from all sectors announcing its commitment to support **Stakeholder Capitalism Metrics**, a set of ESG metrics released by the World Economic Forum and the International Business Council to measure long-term corporate value creation for all stakeholders. The metrics are derived from existing disclosures and standards and are structured into a set of twenty-one core indicators, common and comparable across all sectors and countries, grouped around four pillars: People, Planet, Prosperity and Governance Principles. Eni committed to adapt its reporting to investors and other stakeholders to the core metrics and to promote the convergence of existing ESG standards and principles toward common metrics, to facilitate progress toward a globally accepted solution for non-financial reporting.

In 2020 Eni, in collaboration with the National Association of schools' Principals (ANP), organized a series of **free seminars throughout Italy on environmental and climate issues**, to assist schools and teachers in the development of educational paths. Eni's experience in the field of environmental sustainability and climate change made it possible to provide up-to-date and detailed information. The four macro topics covered by Eni's experts were: climate change, energy efficiency, waste and environmental remediation.

Moreover, **Eni is the only company among the Peers to be part of the Task Force on Climate-related Financial Disclosures (TCFD)**, which in 2017 published voluntary recommendations to encourage disclosure of the financial implications of climate change.

C12.3f

(C12.3f) What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?

Eni recognizes the need for a clear and coherent position on all climate related issues and has set up a strong process in order to ensure that all direct and indirect activities that influence policy are consistent with the overall climate change strategy. This means clear company positioning on climate policy topics as well as robust internal guidelines for a responsible engagement within business associations.

Eni takes part in several business associations at domestic and international level. The membership and participation in these organisations allows Eni to:

- develop, share and promote best practices and standards with our peers;
- contribute to drafting advocacy positions on climate policies and regulations;
- identify new approaches to meet the stakeholders' expectations;
- participate in collective sectorial actions for climate mitigation and energy transition .

The main topics Eni considers essential in the climate-related advocacy, in line with Long-Term Strategy are:

- support the goals of the Paris Agreement;
- identify the role of natural gas in the energy mix;
- back carbon pricing mechanisms;
- embrace increasing energy efficiency and low carbon technologies;
- support the role of a natural climate solutions;
- support climate transparency and disclosure.

When Eni becomes a member of a business association, our representatives are committed to be active and influential in any internal debates that might be relevant for climate and business strategies. We share our vision with other members and always strive to drive the discussion in accordance with our principles. We respect the viewpoints of other members and always comply with any relevant antitrust and competition laws. Sometimes a particular position a business association may take is a compromise between the different, yet legitimate, views of its members. As such, Eni's position cannot always be fully reflected in any final outcome documents.

Although Eni already has an internal process of annual review of memberships, further investigations may be needed. To achieve this, a task force led by Eni's department in charge of climate strategy and positioning undertakes a periodic assessment of the consistency between the various positions of business associations and any subsequent campaigns, on one side, and Eni's vision, on the other. If the assessment believes that the views of any organisations that we join to contradicted any aspect of Eni's climate strategy, we will disassociate ourselves from said views and any associated campaigns. Furthermore, if these views contradict any of the main principles of our climate strategy, Eni will seriously consider withdrawing from the association. The results of this assessment are presented to the Board of Directors and publicly disclosed.

In February 2020 Eni has published the principles that it uses to define its position on climate change themes together with the first assessment of its participation in business associations in light of their alignment with these principles.

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication

In voluntary sustainability report

Status

Complete

Attach the document

 Eni-for-2020-Carbon-neutrality-by-2050.pdf

Page/Section reference

All report is dedicated to decarbonization. In detail:
Governance: pag. 8-9
Strategy: pag. 16-18, includes the description of Eni's new value chain approach at pag. 18
Risk & opportunities: pag. 10-12
Emission figures: pag. 42-48
Emission Targets: pag 16-17 and pag. 41-46

Content elements

Governance
Strategy
Risks & opportunities
Emissions figures
Emission targets

Comment

The document is organised based on the Task Force on Climate-related Financial Disclosures recommendations.

Publication

In mainstream reports

Status

Complete

Attach the document

 Annual-Report-2020.pdf

Page/Section reference

Business Model: pag. 4
Responsible and sustainable approach: pag. 6
Letter to Shareholders: pag. 8-13
Strategy: pag. 20-25
Risk Management: pag. 26-31
Governance: pag. 32-49
Consolidated disclosure of non-financial information: Section on Carbon Neutrality, pag. 144-150
Climate Governance: pag. 145
Climate Strategy: pag. 147-148
Climate-related Risk & opportunities: 146-147
Emission reduction targets: pag. 148-149
Emission reduction figures: pag. 149-150

Content elements

Governance

Strategy
Risks & opportunities
Emissions figures
Emission targets

Comment

Eni's 2020 Consolidated Disclosure of Non-Financial Information include a specific section dedicated to Decarbonization, that is structured around the four topic areas covered by TCFD recommendations: governance, risk management, strategy and metrics and targets. For a complete analysis please refer to Eni for -Carbon neutrality by 2050.

Publication

In voluntary communications

Status

Complete

Attach the document

 Eni-for-2020-A just Transition.pdf

Page/Section reference

Pag. 30
Governance: pag. 31
Strategy: psg. 32-33
Emission targets: pag. 32-33
Risk & opportunities: pag. 31-32

Content elements

Governance
Strategy
Risks & opportunities
Emission targets

Comment


Publication

In other regulatory filings

Status

Complete

Attach the document

 Annual-Report-On-Form-20-F-2020.pdf

Page/Section reference

Risk & opportunities: pag. 22-24
Strategy: pag. 30-33
Emission reduction targets: pag. 34
Governance: pag. 139-149

Content elements

Governance
Strategy
Risks & opportunities
Emission targets

Comment


Publication

In voluntary communications

Status

Complete

Attach the document

 GHG-Emissions-along-the-value-chain-of-Eni-energy-product.pdf

Page/Section reference

Methodology for the assessment of GHG emissions along the value chains of Eni products: pag. 4-7
GHG Emission figures: pag. 8

Content elements

Emissions figures
Other, please specify
Focus on the methodology for the assessment of lifecycle GHG emissions adopted by Eni

Comment

The report describes the fundamentals of the methodology for the all-inclusive evaluation of GHG emissions related to Eni's energy products, which has been adopted for the definition of Eni medium-long term decarbonization target.
This methodology accounts for the GHG emissions from all energy products and hydrocarbons managed and sold by Eni, namely total emissions (scope 1+2+3) including enduse.

Publication

In voluntary communications

Status

Complete

Attach the document

 Assessment-of-industry-associations-climate-policy-positions.pdf

Page/Section reference

Eni's responsible engagement on climate change within business associations: pag. 4-7

Result of review: pag. 8-9

Content elements

Other, please specify

Assessment of industry associations' climate policy positions

Comment

In order to define the clear company positioning on climate policy topics as well as robust internal guidelines for a responsible engagement within business associations, Eni has decided to publish guidelines on Eni's responsible engagement on climate change within business associations. The document identifies the main topics Eni considers essential in the climate-related advocacy, in line with its strategy, and describes the result of the assessment carried out according to the guidelines, of the public positions of the business associations which Eni and its affiliates are a member of, to check the alignment of their positions with Eni's principles on climate-related topics.

Publication

Other, please specify

Strategy presentation

Status

Complete

Attach the document

 strategy-2021-2024.pdf

Page/Section reference

Strategy Pag. 9-11

Emission targets: 11, 17, 32, 35,36

Content elements

Strategy

Emission targets

Comment


Publication

In other regulatory filings

Status

Complete

Attach the document

 Corporate-Governance-Report-2020.pdf

Page/Section reference

Pag. 9-11, 59-66

Content elements

Governance

Comment


Publication

In voluntary communications

Status

Complete

Attach the document

 message-from-the-ceo-on-the-path-of-energy-transition.pdf

Page/Section reference

governance: pag. 3

strategy: pag. 2

emission targets: pag. 1

Content elements

Governance

Strategy

Emission targets

Comment

C15. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

C15.1

(C15.1) Provide details for the person that has signed off (approved) your CDP climate change response.

| | Job title | Corresponding job category |
|-------|-------------------------|-------------------------------|
| Row 1 | Chief Executive Officer | Chief Executive Officer (CEO) |

SC. Supply chain module

SC0.0

(SC0.0) If you would like to do so, please provide a separate introduction to this module.

SC0.1

(SC0.1) What is your company's annual revenue for the stated reporting period?

| | Annual Revenue |
|-------|----------------|
| Row 1 | 44,947,000,000 |

SC0.2

(SC0.2) Do you have an ISIN for your company that you would be willing to share with CDP?

Yes

SC0.2a

(SC0.2a) Please use the table below to share your ISIN.

| | ISIN country code (2 letters) | ISIN numeric identifier and single check digit (10 numbers overall) |
|-------|-------------------------------|---|
| Row 1 | IT | 0003132476 |

SC1.1

(SC1.1) Allocate your emissions to your customers listed below according to the goods or services you have sold them in this reporting period.

Requesting member

Pirelli

Scope of emissions

Allocation level

Allocation level detail

Emissions in metric tonnes of CO₂e

Uncertainty (±%)

Major sources of emissions

Verified

Allocation method

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

SC1.2

(SC1.2) Where published information has been used in completing SC1.1, please provide a reference(s).

SC1.3

(SC1.3) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?

| Allocation challenges | Please explain what would help you overcome these challenges |
|-----------------------|--|
| | |

SC1.4

(SC1.4) Do you plan to develop your capabilities to allocate emissions to your customers in the future?

Yes

SC1.4a

(SC1.4a) Describe how you plan to develop your capabilities.

Eni pays particular attention to the impact of emissions from its activities along the entire supply chain, from the supply of goods and services for production processes, to the environmental impact linked to the use and disposal of finished products, as demonstrated by its commitments for 2050, communicated to the market at the presentation of its new strategy in February 2020.

Eni has developed a rigorous methodology for the comprehensive measurement of GHG emissions. This method considers scope 1, 2 and 3 emissions, both in absolute and relative terms, related to energy products sold, whether derived from our own or purchased production. This distinctive approach is more comprehensive than current emissions standards and provides an integrated view of emissions. The methodology was reviewed, independently, by experts from Imperial College London (via Imperial Consultants) whilst the results of its application were verified by the independent certification company RINA. **The methodology will be continuously updated in order to be as accurate as possible and also assessing new items, including allocation to customers.**

SC2.1

(SC2.1) Please propose any mutually beneficial climate-related projects you could collaborate on with specific CDP Supply Chain members.

Requesting member

Group type of project

Type of project

Emissions targeted

Estimated timeframe for carbon reductions to be realized

Estimated lifetime CO2e savings

Estimated payback

Details of proposal

SC2.2

(SC2.2) Have requests or initiatives by CDP Supply Chain members prompted your organization to take organizational-level emissions reduction initiatives?

SC4.1

(SC4.1) Are you providing product level data for your organization's goods or services?

No, I am not providing data

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

| | I am submitting to | Public or Non-Public Submission | Are you ready to submit the additional Supply Chain questions? |
|-----------------------------|---------------------------|--|---|
| I am submitting my response | Investors Customers | Public | Yes, I will submit the Supply Chain questions now |

Please confirm below

I have read and accept the applicable Terms