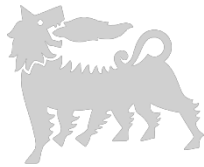


Eni SpA Ordinary and Extraordinary Shareholder's Meeting

13 May 2020

Answers to questions received during the Shareholders' Meeting through the Shareholders' Representative pursuant to Article 135-undecies of the TUF





Ordinary and Extraordinary Shareholders' Meeting of Eni SpA
held on May 13, 2020

Answers to questions received during the
Shareholders' Meeting through the
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Article 135-undecies of the TUF¹

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¹ The English text is a translation of the Italian. For any conflict or discrepancy between the two texts the Italian text shall prevail



Shareholder FONDAZIONE FINANZA ETICA

Sent by the Finanza Etica Foundation (as a founding member of the European network Shareholders for Change, or SfC) on behalf of the associations A Sud Ecologia and Cooperazione Onlus and CDCA (Centro Documentazione Conflitti Ambientali).

General questions

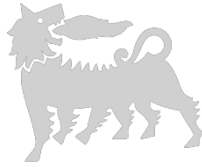
Emissions in Italy

Eni claims, "In Italy, emissions are particularly significant (45% of the total in 2018) due to the contribution of plant in the mid-downstream segment (i.e. refining, petrochemicals, gas and power). In this case, industrial plants operated by Eni (i.e. Enipower thermal plants, refineries, and petrochemical plants) are, in fact, mainly located in Italy. [...] Roughly 93% of direct G&P, R&M and Chemicals emissions are generated in Italy." We would ask that you indicate, today, what percentage of emissions are from R&M and Chemicals and what is from G&P in Italy.

Answer

Direct GHG emissions (Scope 1) have historically been recorded following the operator approach (100% of the portion related to Eni operations globally). These emissions are verified by the firm that audits Eni institutional reporting and have been found to be "reasonable" since 2019. This information is provided in Eni reporting and other sources of information (e.g. the Annual Report, the Sustainability Report, the website). Further details on Eni's GHG emissions may also be found in the response to the CDP Climate Change questionnaire published on Eni.com.

With regard to the detail of GHG emissions in Italy related to the G&P, R&M and Versalis businesses, provided below is a summary of performance for the period 2018–2019.



Direct GHG emissions (Scope 1) assets operated by Eni valued at 100% <small>(data in MtCO₂eq)</small>	2018	2019
E&P	24.07	22.75
<i>of which in</i>	1.29	1.2
G&P	11.08	10.47
<i>of which in</i>	10.5	10.2
R&M	5.01	5.1
<i>of which in</i>	5.01	5.09
Versalis	3.19	2.87
<i>of which in</i>	2.44	2.19
Other	0.01	0.01
TOTAL	43.35	41.2
<i>of which in Italy</i>	19.25	18.69

As the table shows, in 2019 approximately 45% of direct emissions of Eni-operated assets were located in Italy. Emissions related to assets operated in Italy for the G&P, R&M and Versalis businesses came to 98%, 100% and 76%, respectively.

Do the company’s emission-reduction plans (for 2030, 2040 and 2050) call for reducing these emissions specifically? And if so, how? We would like a specific response for all industry segments, i.e. enipower thermal plants, refineries, and petrochemical plants in Italy.

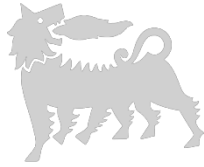
Answer

All operational emissions by Italian assets are included within the scope of the reduction targets for GHG emissions defined within Eni’s new long-term strategy.

In this regard, Eni has introduced new indicators based on a rigorous, distinctive approach to emissions throughout the value chain of the energy products sold, which integrate the traditional GHG emissions reporting described above. These new indicators have been used to set the following medium to long-term targets:

1. 80% reduction in net GHG lifecycle emissions by 2050 as compared to 2018 (-30% by 2035)
2. 55% reduction in net carbon intensity by 2050 as compared to 2018 (-15% by 2035)
3. Zeroing net scope 1 and 2 carbon footprint for upstream by 2030 and for all of Eni by 2040.

These targets refer to all direct and indirect emissions (scopes 1, 2 and 3) generated by energy products sold by Eni and include both operated assets – on which the traditional reporting of direct emissions is based – and non-operated assets, both of which are included in Eni quotas. The individual business levers that contribute to achieving the targets have been described during the strategy presentation and are further detailed in the “Eni for” document Carbon Neutrality in the



Long Term, published on 13 May 2020 and available on Eni.com.

Emissions and offsets

What is the estimate of Scope 1 and Scope 2 emissions for upstream activities by 2030? Based on an answer from last year, the estimate was 18 million tons of CO₂eq for scope 1. If, as confirmed this year, the REDD+ projects have a potential of around 20 Mton/year of CO₂ capture by 2030, could we say that the company can offset as much as it emits?

Answer

In 2019, Eni reported a target for a net zero carbon footprint by 2030 for the upstream business. In 2020, Eni confirmed this target and added scope 2 emissions as well. Therefore, the target today refers to scope 1 and scope 2 emissions of the upstream business and includes both operated assets – on which traditional reporting of direct emissions is based – and non-operated assets, both of which are included in Eni quotas.

This target will be achieved thanks to:

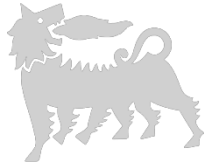
- the minimization of GHG emissions due to the progressive use of all decarbonization levers available for operated assets (i.e. energy efficiency, the use of renewable energy in place of fuel gas, digitalization projects, and CO₂ capture and storage projects); and
- the offsetting of residual emissions through forestry projects, with a potential to capture around 20 Mton/year of CO₂ by 2030.

It should also be noted that:

- the flexibility of the upstream portfolio, which enables us to adjust the production mix in response to changes in the external landscape, will have an impact on total emissions by 2030;
- the use of offsetting is, beginning in 2020, a part of the broader scope of decarbonizing all Eni businesses.

For these reasons, the potential reduction/absorption of CO₂ due to the development of forestation projects will contribute to achieving all Eni targets, not only those that concern the upstream segment, together with the development of CCS projects, which are an additional tool in the offsetting of emissions.

It is important to underscore that Eni's commitment to forest-conservation projects, as well as to



the fundamental technology of CO₂ capture and storage (CCS), is to be seen as an effective lever in offsetting a part of residual emissions that cannot be eliminated with current technologies or improvements in operating and business efficiency. Furthermore, within the scope of Natural Climate Solutions (NCS), forestry plays an important role in limiting global warming, including over the short term, and in providing environmental and social benefits.

Storage

Eni claims that “at the moment, extracted oil has been managed without the use of third-party storage”. Given the phrase “at the moment” and, above all, that the full recovery of production will take a long time, does the company expect to store crude with third parties in the future? And if so, where and in what ways?

Answer

No, in consideration, in part, of the recovery in demand in recent days, we do not believe it will be necessary to use third-party storage.

Waste to Hydrogen

How many waste-to-hydrogen plants do you expect to construct? By when? And what will total capacity be?

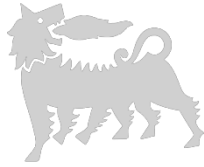
Answer

Eni is evaluating three solid recovered fuel (SRF) and plasmix gasification plants in Venice, Livorno and Taranto.

In Venice, the basic design of the gasification plant is being studied for the production of an H₂ Pro Ecofining plant that is able to produce hydrogenated vegetable oil (HVO). The capacity is 190 Kt/year of feedstock for the production of 25,000 Nm³/h or hydrogen.

In Livorno, we are studying another basic design for the production of methanol. The capacity, again, is 190 Kt/year for the production of around 100 Kt of methanol.

In Taranto, we are conducting a preliminary assessment of a gasification plant for the production of hydrogen for the refinery and syngas.



It takes around five years to construct a plant of this sort, including planning, authorizations and actual construction, and this time can vary depending on authorization times.

Gela

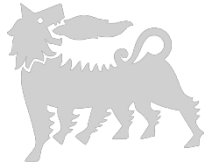
Green Refinery

Eni has expressed a desire to become palm-oil free by 2023. How can the company, in just three years, manage to eliminate the dependence of its biorefineries on palm oil, which currently accounts for 80% of their feedstock? If the intention is to move entirely to waste oils, what is the expected value chain in Sicily? Is it true that, at the moment, there is only one general agreement with the Region of Sicily? Does the company expect to import waste oil from abroad?

If so, could you specify the countries and markets you intend to involve and the procedures by which this will take place? Furthermore, the company has committed to not using palm oil only after countless pressures by the Italian government, associations, and the European Union. However, instead of learning a lesson, Eni announced wanting to produce castor oil in Tunisia, a new material imported on ships that dock in Palermo. Another global process of resource procurement. Why does Eni not intend to use the Gela industrial harbour, which is, after all, within the scope of the former refinery? How will the containers be moved from Palermo to Gela? More ships, trains or trucks? If land transport (trains or trucks) is preferred, and given the terrible state of Sicilian roads and rails, how does Eni intend to help improve the island's transportation network? Why, with a view to the circular economy, do you not expect to use resources produced by local agriculture? With regard to emissions, Eni makes a comparison between castor oil and fossil fuels, but what would a comparison with local waste biomass – waste oil, waste animal fats and OFMSW – look like?

Answer

Eni began a process of diversifying from palm oil a few years ago, and this has enabled us to process alternative feedstocks, such as household frying oil, animal fats, and others, including technical corn oil and spent bleaching earth oil (SBEO).



Experimentation with castor oil goes towards identifying sustainable agricultural value chains that can provide new feedstocks for our plants.

Castor oil is an inedible fatty acid, so it is not in competition with food sources. It can also be grown on marginal, pre-desert lands where other crops would not be possible. For this reason, it has good characteristics to be considered a sustainable crop as an alternative to palm oil. It also represents an opportunity for local development.

Sicily has limited availability of marginal lands, which is the primary condition for the sustainability of these oils. For this reason, in order to minimize transport we have turned to surrounding areas, with the availability of land not usable for agriculture, such as Tunisia or other countries in North Africa, while, at the same time, selecting a plant that can adapt to particularly harsh climates and still have very interesting production capacities.

Unfortunately, the Gela pier is not currently equipped to receive containers, so an initial hypothesis involves the harbour in Palermo.

At the moment, cultivation is in the experimentation stage, and definition of the transport process via containers would appear to allow for greater flexibility in transport from the point of production in pre-desert areas to the Gela site without the need for intermediate storage. We will reassess all transport solutions as soon as we have moved to a stage of industrial development.

As for the use of waste oils at the Gela plant, this type of feedstock will certainly be maximized, increasing recovery within Italy. The same is planned for animal fats, for which availability is more limited.

In any event, in order to complete the palm-oil phase-out by 2023, more than seven years ahead of the schedule set in the REDII, Eni has decided to focus on and invest energy and resources in all areas of waste, residue and advanced technologies and in the circular economy.

Unused cooking oil (UCO) is an important component of provisioning from a diverse range of markets, including Asia, Europe, the Middle East, and the U.S.

The logistics of these feedstocks will mainly involve sea routes directly to the Gela refinery.

At the moment, Eni processes half of the UCO collected in Italy, and many initiatives have been taken up in order to increase the collection of UCO from household use, for which there is not yet a legal obligation for proper disposal, meaning that a large part of this oil goes uncollected. For example, in Rome and in certain operational venues (i.e. Venice, Taranto, Sannazzaro and Livorno), we have begun collecting used household cooking oil from our 5,800 employees involved. With regard to increasing oil collection, we are in contact with various regions in order to facilitate



these processes and to maximize collection.

Waste to fuel

Eni has stated, “The water recovered from the processing of OFMSW at Gela’s experimental W2F plant is sent for subsequent treatment at contracted plants. Among those indicated, there are ‘ECONET’ and ‘Ecosistem’, both in Lamezia Terme (CZ).” It has also been written that, “for the selection of vendors, Eni Rewind holds tenders based on Eni’s vendor lists, which are used for the processes of qualification, updating and feedback aimed at assessing, verifying [...] compliance with environmental protection and safety requirements, aspects of sustainability, ethical reliability, and financial performance and standing” and that, “in particular, with regard to waste-treatment plants, verification of possession of all specific authorizations is a part of the aforementioned selection process”.

However, this would not seem to be the case. Both Ecosistem Srl and Econet (member of the Ecosistem Group and also part of a temporary consortium) are involved in legal proceedings. Ecosistem Srl is involved, together with Eni, in an investigation revolving around a technical/legal issue in the classification of waste and assignment of the related EWC code, in this specific case concerning the operations of management, disposal and reintroduction of separated water from the Viggiano production cycle, the classification of which has resulted in the allegation of illegal trafficking of waste. Econet’s Tonino Marchio, in turn, is involved in an investigation of bribery, fraud and alleged bid-rigging. (sources available in the footnotes:^{2 3 4})

So our question is this: without prejudice to the “innocent until proven guilty” principle, are these the company’s criteria of ethical reliability? How does Eni evaluate being involved in legal proceedings with such serious accusations? It should be noted in this regard that Enimed is involved in similar proceedings in Sicily, concerning the Camastra landfill, as noted in Eni’s annual report for 2019.

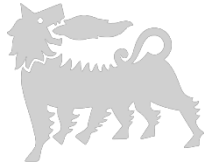
Answer

Eni verifies the reliability of our vendors by way of constant monitoring, including from open sources, with the help of a multi-disciplinary team that, in the event of a vendor being involved in

² <https://www.senato.it/service/PDF/PDFServer/DF/329158.pdf>

³ <https://www.google.com/amp/s/www.ilfattoquotidiano.it/2016/05/25/smaltimento-ecoballemcampania-tra-i-vincitori-dellappalto-societa-coinvolta-nellinchiesta-tempa-rossa-dipotenza/2763285/amp/>

⁴ https://www.lacnews24.it/cronaca/lamezia-migliaia-tonnellate-rifiuti-pericolosi_18195/ <https://www.corriereidellacalabria.it/regione/item/195080-corruzione-in-sardegna-indagatoun-manager-di-lamezia/>



legal proceedings, studies the context of the proceedings – including the gravity of the alleged crime, the status of the dispute, and any reiteration of the crime itself – and the nature of the documentation and evaluates any self-cleaning efforts taken by the company. After this process, measures can be taken and vendor qualification can be suspended or revoked if necessary.

With regard to the aforementioned legal matter for alleged illegal waste trafficking, Eni reiterates that, in the course of the proceedings, ample evidence was provided to demonstrate that COVA, when managing its waste water resulting from extraction activities and in its own waste disposal efforts, has always operating in accordance with applicable law and with the related Integrated environmental authorization (AIA), while also ensuring the ongoing application of related best practices over time.

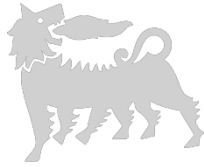
Furthermore, Ecosistem and Econet have been the subject of a third-party audit of technical and safety matters, and this audit has confirmed the technical/operational reliability of the service provided by these contractors.

Extraction wells

We would like to know the details of the executive plan for the plugging of inactive extraction wells. Could the company indicate the time frames and procedures for plugging each well that is no longer active? When the wells are closed, will the areas be returned to the cities? Or will Eni have other uses for them?

Answer

- The plugging of unproductive wells is an integral part of decommissioning, which is the final stage in the life cycle of assets in the oil and gas value chain and of industrial plant generally.
- Eni has a department specifically dedicated to this, which is responsible for overseeing the process and capitalizing on related know-how, as this is a process of a complexity similar to that of construction and development projects.
- At the end of a well's useful life, it is decommissioned by installing concrete plugs in order to seal it off completely. During the decommissioning process, the materials used to complete the process and those that are inside the well and on the surface are recovered. This can take up to 40 days, depending on the depth and other characteristics of the well. The decommissioning plan is approved by the competent authorities, and the activities are executed in accordance with applicable law, international best practice, and Eni's internal procedures.
- Within this framework, the EniMed program for the next four years calls for the closure of 29 unproductive, land-based wells, which represents all wells that currently show no exploiting



- potential and so are no longer of any interest.
- The four-year plan is updated each year in order to identify other candidates and to schedule consequent decommissioning efforts. The programme is discussed with the competent authorities, and execution of the activities is subject to the issuance of related authorizations, a process that takes an average of about six months.
 - Following the plugging of the wells, the leased areas are returned to their owners once they are restored to their original state, unless otherwise instructed by the authorities and the parties concerned. Owned areas are assessed for potential reuse and the execution of energy-diversification and decarbonization projects, e.g. the installation of photovoltaic panels. Alternatively, the areas are restored to their original state and possibly sold.

Radioactive waste

We have learned that, in 2019, Eni “disposed” of “radioactive sources no longer used by the plant” at the Gela refinery, and precisely “6 sources of cesium-137” and “77 sources of cobalt-60”. Is there still radioactive waste within the perimeter of the former refinery? Where is this waste? Is it safe? Is some of this waste still within the former ISAF landfill? Is some of this waste the waste indicated by the worker Emanuele Pistritto, first in front of the cameras of *Nemo* and then before the Gela courts? What is Eni’s plan for disposing of it all?

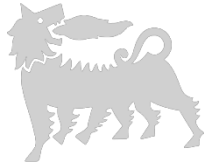
Answer

We can confirm that, in 2019 and 2020, we moved the six sources of cesium-137 and 77 sources of cobalt-60 with the help of specialized firms (Campoverde, which is authorized to transport and store radioactive waste) to authorized sites in accordance with Italian Legislative Decree 230/95 concerning radiation protection. These sources were used safely in order to monitor fluid levels and density at the alkylation, LPG, polyethylene, coking 1 and coking 2 plants.

[There is currently no more radioactive waste within the perimeter of the former refinery.](#)

Licata

It has taken two years and insistent questioning for Eni to finally accurately describe the procedures that led to the Argo-Cassiopea project. However, we cannot say that we are entirely satisfied with the answers given. Indeed, as usual, what the company has



chosen not to communicate is of greater importance. For example, no mention was made of the cut in investments. In 2014, the company promised investing €1.8 billion in Argo-Cassiopea alone, but so far only half of that has materialised (€880 million, to be precise). We know that the missing money is due to the failure to create the Prezioso K platform, and we certainly won't miss not having the fifth platform in the sea between Gela and Licata. But then we wonder, why does Eni not invest the saved money in the community, given that it has been promised to do so for years and for years it has used this promise as a shield and for promotion?

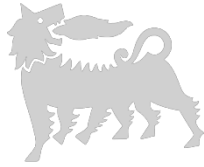
Answer

- Signed in 2014, the protocol of intent for the Gela area called for a total financial outlay of up to €2.2 billion, €1.8 billion of which for the upstream segment. The areas of upstream action called for the development of mature fields, a program of asset integrity, maintenance, decommissioning, exploration, and the Argo Cluster project (now known as Cassiopea).
- The initial estimate of the investment to execute the Cassiopea project was just under €900 million. As of today, under the project's optimized configuration and without creating the Prezioso K platform, the estimated total cost for the full life cycle of the project is around €850 million, which is in line with the initial estimate. In this current configuration, the platform has been replaced with a land-based treatment and compression plant within the Gela refinery. This solution is more environmentally sustainable thanks since it eliminates the visual impact, discharges into the sea, and CO2 emissions. Cassiopea is one of the first upstream projects to achieve carbon neutrality (within Scope 1) thanks, in part, to a new photovoltaic plant that is to be constructed within the perimeter of the refinery.
- The financial outlay thus far to execute the upstream activities is greater than €700 million, which, together with the investment planned for execution of the Cassiopea project and the other activities called for in the 2014 agreement, brings us to a total outlay of €1.8 billion for the upstream, in line with the protocol.

Furthermore, in relation to the new plans, how many workers do you expect to use for construction of the underwater gas pipeline? How many mechanical engineers and how many construction workers? And over what time frame? Will the company use local labour?

Answer

- By choosing to alter the project, abandoning the offshore platform in favour of construction



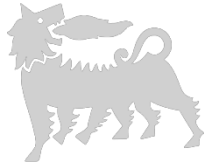
activities in a decommissioned area recovered within the refinery, we will be able to maximize the use of local labour, particularly for mechanical assembly and construction. The time frame for execution of the onshore work will cover a period of about 24 months from the moment construction can begin.

- In accordance with the 2014 protocol, the work will be done in a manner that promotes local labour in full compliance of the tenders code, which states that tenders related to gas projects in Italy must adopt the public-sector regime and issue European calls for tender (as per Italian Legislative Decree 50/2016).
- The contract for the construction and installation of the underwater pipeline will be awarded based on a public tender and calls for contractors with specific skills and technologically advanced marine equipment given the specific conditions to lay a pipeline at depths of up to 600 meters.
- At an estimated peak of more than 250 workers, particularly for mechanical and construction work, the local community will be involved in the onshore activities for the construction of the logistics base and pipeline arrival point as well as the treatment plant and related connections.

Has the compensation for the fishing industry been determined, as indicated at the previous shareholders' meeting? And if so, with whom did the company have these negotiations?

Answer

- Compensation for the fishing industry is an integral part of the project and, prior to starting offshore activities, we will establish adequate forms of compensation with the parties involved.
- With regard to defining compensation measures, a specific study has been conducted in order to assess the impact on the fishing industry. Execution of the project's offshore activities (with a duration of approximately one year) will result in the temporary unavailability of section of sea equivalent to 0.37% of the GSA 16–Straight of Sicily fishing area (equal to roughly 112 km²) and 0.01% of this area when in production. Within this context, work to compensate the fishing industry is planned. Compensation will be aimed at the fishing businesses actually impacted and based on the degree of that impact, which does not imply a complete shut-down of fishing, but rather a temporary alteration of the actual fishing routes for at most one year. During production, the area affected will be limited to just 3.2 km². We



are also studying innovative projects aimed at supporting the industry.

- Following the delay in obtaining the EIA extension, which was received in December 2019, and given the COVID-19 health emergency, the project has been postponed and the timing is being reassessed. At the end of this contingent situation, we expect to begin discussions again with local authorities and representatives of the fishing businesses concerned.

We have recently been informed that the ship Saipem10000 is at the Palermo shipyards for maintenance. Some say this will be the vessel Eni uses to carry out the first drilling work for the Argo-Cassiopea wells. Can Eni confirm or deny these rumours?

Answer

The vessel used to drill the offshore wells has not yet been identified, and it will be selected based on an open tender in accordance with the applicable regulatory framework.

Also, is it true that the cities of Gela, Licata and Porto Empedocle will not receive a single euro of royalties from the Argo-Cassiopea project?

Answer

The royalties will be paid in accordance with applicable legislation (Italian Legislative Decree 625 of 1996 as amended, Legislative Decree 83 of 2012, and Law 160 of 2019), i.e. by direct payment to the Italian government and the Region of Sicily.

Why did Eni initially expect that the methane of the Argo and Cassiopea wells would partially end up within the GreenStream facility only to then change your minds? What connection is there between the two gas streams?

Answer

Under its optimized configuration, which resulted in excluding the construction of the Prezioso K platform from the development plan, the project calls for the gas produced to be sent to shore and fed into the national grid through a dedicated delivery point. As a result, there will be no connection between the two gas streams.

Milazzo

What does Eni mean, specifically, when it states that RAM "was not in a position to make any remarks to the SEA" and that this is why they filed a suit against the air-quality protection plan? Does the company not feel that there is a contradiction between its



environmental statements and actual practice? Has this aspect been taken into account when deciding to file the suit? How does the company view the agreement signed in November 2019 by the Region of Sicily and the Ministry for the Environment (see: <https://www.minambiente.it/comunicati/qualita-dell-aria-accordo-ministero-ambiente-regione-sicilia-costa-vincere-qui-battaglia>) concerning implementation of the air-quality protection plan? Is RAM prepared to conduct a modelling study, an idea of the Region of Sicily, to assess environmental impact?

Answer

In this regard, Eni remarks that the procedures used by the Region of Sicily to disclose the SEA process related to the air-quality protection plan were not sufficiently transparent and communicated in order to allow for the presentation of comments in a timely manner. Being unable to provide feedback, appealing to the TAR was the only way to protect the interests of the company and of all parties involved.

On multiple occasions, the company has pointed out both the illegitimacy of the plan and its illogical nature, since it is based on obsolete data collected before the release of the new integrated environmental authorization in 2018. Furthermore, it establishes pointless limits to pollutants that do not present any critical issues for the environment, as shown in the air-quality data published by the Region itself and by Arpa Sicily on multiple occasions.

The company has several times remarked that it is not technically able to comply with the application of limits lower than the BAT levels for the concentrated emissions for 2027, which would, in effect, preclude the continuation of refining activities.

With regard to the November 2019 agreement, it is the company's opinion that this agreement calls for significant initiatives to limit pollution in the transport segment, while reiterating that it is the Ministry for the Environment which should determine emissions limits for industrial installations of national purview.

As for the modelling study to assess the environmental impact of emissions, RAM notes that this has already been carried out in conjunction with the review of the integrated environmental authorization and has, therefore, been evaluated by the Ministry for the Environment, showing that ground-level values remain well below environmental-quality requirements. RAM is also willing to repeat the modelling assessment in order to show the pointlessness of the limits set by the plan, while also confirming the interest in extending the discussion to cover all aspects of the environmental impact of its activities.



Taranto

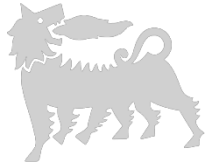
Eni's replies worry us because, as usual, the company tends to minimize the impact of industrial activities on the environment and glosses over the legitimate concerns of the community. For example, concerning the question at point 14.3, the company is asked to quantify the improvement "trend" in terms of the environmental impact of the transport of crude oil by tanker ship and the "insignificant" increase in terms of air emissions resulting from traffic increasing by 90 ships per year. We would also like Eni to specify which technologies will be used to offset the increase in emissions of volatile organic compounds.

We are, above all, concerned about the docking of SABIC in Taranto, as underscored at point 14.4. In this regard, we would like to note that the investigation of the BFR (Germany's Federal Institute for Risk Assessment) into companies that use chemicals without preventive safety testing has, according to a note by the European Environmental Bureau (EEB), included five of the world's top ten sellers of chemicals, including SABIC. For the CPO, have the assessments of environmental impact and of health and safety of the synthesis-gas conversion process and the production of high-value fuels and chemicals been conducted? Will chemicals be tested by SABIC before they are used in consumer products on the market?

Answer

The primary offsetting measures to minimize VOC emissions, as called for in Project Tempa Rossa (and already approved by the Ministry for the Environment within the scope of the Tempa Rossa environmental impact decree, protocol no. 373 of December 27, 2017, and in the refinery environmental impact decree, protocol no. 92/2018), are the creation of a new system for the recovery/elimination of VOCs that includes a vapour recovery unit (VRU) and a vapour combustor unit (VCO) associated with a specific connecting system for the recovery of all of the refinery vapour from the fuel-gas grid. This has already been done and is fully operational at the site. Both of these technological solutions will make it possible to keep the current status of VOC emissions at the refinery unchanged, resulting in the elimination of the 36 tons/year of incremental VOC originally expected for the project itself.

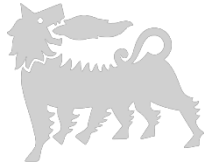
With regard to the CPO, an environmental study has been conducted that has certified that emissions associated with the plant do not worsen the overall framework of emissions at the Taranto refinery; therefore, the Ministry for the Environment has determined that it is not subject



to integrated environmental authorization.

Nonetheless, we would note that the purpose of this demonstration plant is not to produce chemicals, but to demonstrate the efficiency of the reactor that transforms methane into synthesis gas from which to extract hydrogen.

The future industrial application of CPO technology will make it possible to produce hydrogen and/or methanol, two energy vectors that are particularly useful in decarbonizing the transport industry most efficiently.



Shareholder FONDI SIEMENS

Thank you to all the staff and to everyone who has continued to work under such difficult circumstances.

We welcome a policy that, starting on January 1, 2020 and particularly from 2025, leads to maximum reduction in the emission of CO₂ and pollutants, maximum development of renewable energy, and maximum and virtuous integration of all areas of business, while pushing for maximum market adaptability – in this context of virtuous values – and aiming to achieve the company’s primary purpose, that of maximum and most competitive as possible remuneration of shareholders.

It is and will be of the utmost interest to investors to fully understand, scientifically and financially, now and in the future, all implications of what is being presented as one of the primary objectives (and pillars of strategy) on which the 2050 strategic plan (and the 2020-2023 action plan) is based:

“The production of oil and gas is expected to reach a plateau in 2025 followed by a flexible decline in the following years mainly for the oil component.”

Will this objective be aligned with the coming scenario? And trends in the price of oil and its market developments?

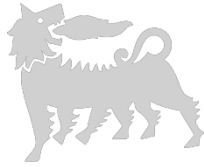
Answer

The period we have been living in since March is, for the global economy, the most complex of the last 70 years and beyond. For the energy industry, and for the oil and gas industry in particular, this complexity is even greater given the overlapping effects of the pandemic and the collapse in the price of oil.

In this context, Eni’s business portfolio has proven to be as resilient as ever, while the asset structure is very solid thanks to the work done in recent years. The upstream portfolio, in particular, has a competitive breakeven point and is flexible, thereby allowing for adjustments to our activities and our financial commitments as the scenario evolves.

Indeed, following the results of the first quarter, Eni quickly presented its response to the crisis, including revising expected production for 2020, with the goal of safeguarding the solidity of our financials.

Flexibility is also a peculiar trait of the medium and long-term strategy until 2050, which will enable Eni to adapt our production profile based on market trends thanks to the current mix of reserves and the future preference for projects with a short payout.



Our production will also see a growing gas component because we believe that this energy source can play an important role in the energy transition with the application of technologies such as carbon capture, utilization and storage (CCUS), reducing the carbon footprint.

If, as we seem to understand, it will be a decision both of value and business – seen as being perfectly in sync with the changing scenario – then we welcome it with open arms.

Because, as it would appear: “We urge you to implement mechanism to leave upstream/E&P<exploration +Production> investments – in order not to be the last one to recognize!” or maybe – and this would be worse – we are lagging behind in this conversion process.

Whatever the case, given that pessimism serves no purpose, this is welcome and we hope that it will be as productive and virtuous as possible!

There do remain just a few perplexities or things that don’t sound quite right, two of which just for example:

“Most of these strategies, however, will enter into action after 2025. Until then, in fact, Eni will continue to extract oil and gas with an average growth of 3.5% per year for six years and a total of 23% and investments for €24 billion until 2023, against €2.6 billion for renewable energy.”

“Renewables strong growth to over 55 GW by 2050”

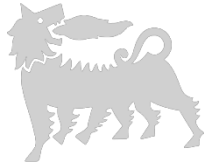
Is this an objective that Eni can achieve when the company is now stuck at (just) under 0.5 G? Aren’t we behind schedule?

Answer

Eni’s strategy calls for the gradual, global expansion of our renewables business with an installed capacity of 3 GW by 2023. This capacity is meant to reach 5 GW by 2025 with the ambition of reaching more than 25 GW by 2035 and over 55 GW by 2050 by selecting areas of expansion tied to the presence of Eni customers and their growth so as to maximize integration.

This growth will be largely organic, but we do not exclude a selective use of M&A of assets and projects, if consistent with our strategies and representing an opportunity for accelerated growth in the renewable-energy business.

Over the medium to long term, by continuing to take advantage of the model that has distinguished our entry into the business of renewables, we intend to strengthen our presence in



the segment by developing new projects in OECD nations (e.g. Italy, Europe, Australia, the United States) with mature, structured markets and limited risk profiles. This geographical diversification will increase the balance in our project portfolio, given that we also have a longstanding presence in non-OECD nations (e.g. Kazakhstan, Pakistan, Tunisia, Algeria) thanks, in part, to synergies with other Eni businesses.

Specifically:

- In Italy, thanks to the ongoing collaboration with Eni Rewind, our commitment to industrial conversion will continue with the creation of plants – photovoltaic mainly, but not exclusively – in reclaimed industrial areas we own and which are available for use. Another driver will be the agreement signed with Cassa Depositi e Prestiti for the construction of photovoltaic plants in areas owned by the Italian government.
- Internationally, in addition to strengthening our presence in Africa, Australia and Kazakhstan, we intend to explore European markets and new emerging Asian markets as well as to develop, in partnership with Falck Renewables, the U.S. market (which we have recently entered with the goal of executing 1 GW of projects over the next four years).

Eni's capabilities, our widespread presence around the world, and our financial resources will be key factors that will enable us to achieve the goals we have set.