

## INFORMATIVE DOCUMENT

PREPARED IN ACCORDANCE WITH ART. 114-BIS OF ITALIAN LEGISLATIVE DECREE NO. 58 OF 24TH FEBRUARY 1998 (CONSOLIDATED LAW ON FINANCE - TUF) AND ART. 84-BIS OF REGULATION ADOPTED BY CONSOB WITH RESOLUTION NO. 11971 OF 14th MAY 1999 AS SUBSEQUENTLY AMENDED (ISSUERS' REGULATION)

### LONG-TERM INCENTIVE PLAN 2020-2022

#### Introduction

This Informative Document, prepared in accordance with Art. 84-*bis* (Annex 3A, Scheme No. 7) of the Issuers' Regulation, has been prepared by Eni SpA ("Eni") to provide information to its shareholders and to the market on the proposed adoption of the Long-Term Incentive Plan 2020-2022 (the "Plan"), approved by the Board of Directors of Eni on 18<sup>th</sup> March 2020, which will be submitted for approval in accordance with Art. 114-*bis* of the Consolidated Law on Finance to the Ordinary Shareholders' Meeting convened on 13<sup>th</sup> May 2020, in single call (the "Shareholders' Meeting").

The Plan provides for the granting of "Eni Shares" free of charge determined on the basis of company performance objectives.

This Plan applies to Eni and its subsidiaries, excluding those with shares listed on regulated markets and companies controlled by them, and it is considered to be of "major significance" under Art. 84-*bis*, paragraph 2, of the Issuers' Regulation since it is intended for the persons referred to in Art. 114-*bis* of the Consolidated Law on Finance, and more specifically:

- i) for the Chief Executive Officer of Eni who will be appointed by the Board of Directors following the Shareholders' Meeting;
- ii) for the managers of Eni and its subsidiaries who fall under "Senior Managers deemed Critical for the Business", identified from among those occupying positions that are most directly responsible for business performance or that are of strategic interest and who, at the date of the award, are employees of and/or in service with Eni SpA and its subsidiaries, including Eni Managers with Strategic Responsibilities.

This Informative Document is available to the public at the registered office of Eni in Piazzale E. Mattei 1, Rome, in the "Governance" section of the Eni website ([www.eni.com](http://www.eni.com)) and using the methods specified by Art. 84-*bis* of the Issuers' Regulation.

#### Definitions

A description of the meanings of certain terms used in the Informative Document is given below:

<i>Eni/Company</i>	Eni SpA (with registered office in Piazzale E. Mattei 1, Rome).
<i>Chief Executive Officer</i>	The Chief Executive Officer of Eni.
<i>Beneficiaries</i>	The addressees of the Plan.

<i>Managers with Strategic Responsibilities</i>	In accordance with Art. 65, paragraph 1- <i>quater</i> of the Issuers' Regulation, the managers of Eni who have the power and responsibility, directly or indirectly, for planning, directing and controlling Eni. The managers with strategic responsibilities of Eni are the executives who report directly to the Chief Executive Officer and President of Eni and, in any case, the members of the Company's Management Committee.
<i>Senior Managers deemed Critical for the Business</i>	The managers of Eni and its subsidiaries identified during the annual implementation of the Plan from among those occupying positions that are most directly responsible for business performance or that are of strategic interest and who, at the date of the award, are employees and/or in service at Eni and its subsidiaries, including Eni Managers with Strategic Responsibilities.
<i>Board of Directors</i>	The Board of Directors of Eni.
<i>Management Committee</i>	The Management Committee of Eni, having an advisory and supporting role for the activities of the Chief Executive Officer.
<i>Compensation Committee</i>	The Eni committee, composed entirely of non-executive and independent directors, whose composition, appointment, tasks and operating methods are governed by a special Regulation approved by the Board of Directors, having an advisory and consultative role in matters relating to remuneration.
<i>Subsidiaries</i>	Entities controlled by Eni in accordance with Art. 93 of the Consolidated Law on Finance. For the purposes of the Plan, this excludes Subsidiaries whose shares are listed on regulated markets and the companies they control.
<i>Awarded Shares</i>	Number of Eni Shares communicated to Beneficiaries at the beginning of the Vesting Period as grantable at the end of the same Vesting Period, in accordance with the performance and retention conditions laid down by the Plan Regulation. The number of awarded Eni Shares is conventionally calculated based on a set percentage of the fixed remuneration, in accordance with the level of responsibility/criticality of the role.
<i>Award Price of Eni Shares</i>	Price calculated as an average of the daily official prices of the Eni Share (source: Bloomberg). The period is between: <ul style="list-style-type: none"> <li>▪ the last trading day of the month before the date of the Board of Directors meeting to annually approve the Plan Regulation and the award to the Chief Executive Officer; and</li> <li>▪ the first trading day of the 4th month before the date of the Board of Directors meeting referred to above.</li> </ul>
<i>Granted Shares</i>	Number of Eni Shares granted free of charge to the Beneficiaries at the end of the predetermined period (Vesting Period) depending on the target number of Eni Shares awarded at the beginning of the Vesting Period and the actual performance levels achieved, in accordance with the terms and conditions of the Plan Regulation.
<i>Vesting Period</i>	Three-year period between the time when the shares are awarded and the time that the shares can be granted free of charge.
<i>Performance Period</i>	Three-year period for measuring performance, in accordance with the defined criteria, from 1st January of the year of award to 31st December of the year before granting.
<i>Lock-up period</i>	Yearly period, starting from grant date, during which Eni Shares cannot be transferred and/or sold, by managers employed.

<i>Peer Group</i>	The group of ten companies used to compare business performance with Eni, in accordance with the established performance parameters, consisting of the international oil companies that are Eni competitors, namely: Apache, BP, Chevron, ConocoPhillips, Equinor, ExxonMobil, Marathon Oil, Occidental, Shell e Total.
<i>Regulation</i>	The document, approved annually by the Board of Directors, that governs the conditions of each annual award of the Plan.
<i>Total Shareholder Return (TSR)</i>	Indicator that measures the overall performance of a share as the sum of capital gains and reinvested dividends.
<i>Reference Stock Market Index</i>	Index representing the Stock Market on which the company's Shares are traded, chosen with respect to the panel of companies belonging to the Peer Group (e.g. for Eni the index is the FTSE MIB). The list of companies in the Peer Group and their respective Reference Stock Market Indices are given below: <ul style="list-style-type: none"> <li>- Eni: FTSE MIB Index of the Borsa Italiana Stock Exchange</li> <li>- Apache, Chevron, ConocoPhillips, ExxonMobil, Marathon Oil, Occidental: Standard &amp; Poor's 500 Index of the New York Stock Exchange</li> <li>- BP: FTSE 100 Index of the London Stock Exchange</li> <li>- Shell: AEX Index of the Amsterdam Stock Exchange</li> <li>- Total: CAC 40 Index of the Paris Stock Exchange</li> <li>- Equinor: OBX Index of the Oslo Stock Exchange</li> </ul>
<i>TSR of the Reference Stock Market Index</i>	TSR of the Reference Stock Market Index calculated using the same methods employed for the TSR of Eni Shares and those of the companies in the Peer Group.
<i>Correlation Index (<math>\rho</math>)</i>	Measure of the linear relationship between (i) the daily returns of reference prices of a share and (ii) the daily returns of the quotations of the corresponding Reference Stock Market Index, calculated in the period between the first day of the month before the beginning of the Performance Period and the last day of the Performance Period. It's a value between -1 and +1.
<i>Net Present Value of Proven Reserves (NPV)</i>	Indicator that represents the present value of the future cash flows of proven hydrocarbon reserves, net of future production and development costs and related taxes.
<i>Organic Free Cash Flow</i>	Cash flow available to the Company, resulting from the difference between cash flows from operations and cash flows for organic investments.
<i>Decarbonisation</i>	A set of actions aimed at the progressive reduction of greenhouse gas emissions from productive or, more generally, anthropogenic activities.
<i>Energy Transition</i>	Complex and long-term process that involves structural changes in the way energy is produced and used, related to the availability of new energy sources and technologies, as well as the developments in consumer demand and environmental policies and regulations.

<i>Circular Economy</i>	<p>Circular economy is a system where all activities are organised in such a way that waste become a resource for a new production cycle. The system is based on three key principles:</p> <ul style="list-style-type: none"> <li>– Elimination of waste and pollution;</li> <li>– Optimisation of return of resources with a maximum utilisation of products, components and materials over time;</li> <li>– Regeneration of natural systems.</li> </ul>
<i>Eni Shares</i>	<p>Ordinary shares issued by Eni, listed on the Electronic Stock Market of Borsa Italiana.</p>

## 1. The addressees

### 1.1 Indication of the name of the addressees who are members of the board of directors or management board of the financial instrument issuer, of the companies controlling the issuer and the companies directly or indirectly controlled by it

The Plan applies to the Chief Executive Officer who will be appointed by the Board of Directors following the Shareholders' Meeting.

If any of the Beneficiaries described in paragraph 1.2 below are persons who, under current regulations, must be identified by name, also in relation to the position of Director possibly held in a Subsidiary, the Company will provide the market with the relevant information at the time of the notifications provided for by Art. 84-*bis*, paragraph 5 of the Issuers' Regulation.

### 1.2 The categories of employees or collaborators of the financial instrument issuer and companies controlling or controlled by this issuer

The managers of Eni and its Subsidiaries identified as Senior Managers deemed Critical for the Business at the time of the annual implementation of the Plan (currently 390 managers).

### 1.3 Name of the parties benefitting from the plan belonging to the following groups:

#### a) General Managers of the financial instrument issuer

The Plan also applies to any General Managers appointed by Eni's Board of Directors.

#### b) other Managers with Strategic Responsibilities of the financial instrument issuer not classed as a "small", in accordance with Article 3, paragraph 1, letter f) of Regulation no. 17221 of 12 March 2010, if they have, during the course of the year, received total compensation (obtained by adding the monetary compensation to the financial instrument-based compensation) in excess of the highest total compensation attributed to the members of the board of directors or management board, and to the general managers of the financial instrument issuer

Not applicable.

None of Eni's Managers with Strategic Responsibilities have received total compensation during the course of the year in excess of the highest total compensation attributed to the members of the Board of Directors.

#### c) natural persons controlling the share issuer, who are employees or who collaborate with the share issuer

Not applicable.

1.4 Description and numerical indication, broken down according to category:

- a) Managers with Strategic Responsibilities other than those specified under letter b) of paragraph 1.3

Managers with Strategic Responsibilities of Eni currently number 20.

- b) in the case of “small” companies, in accordance with Article 3, paragraph 1, letter f) of Regulation No. 17221 of 12 March 2010, the indication for the aggregate of all Managers with Strategic Responsibilities of the financial instrument issuer

Not applicable.

- c) any other categories of employees or collaborators for which different characteristics are envisaged for the Plan (e.g. Managers, middle management, employees, etc.).

Not applicable.

**2. The reasons behind the adoption of the Plan**

2.1 Objectives to be achieved by means of the attribution of the Plan

With the expiry of the 2017-2019 Long-Term Share Incentive Plan, a new 2020-2022 share-based ILT plan has been introduced to support the achievement of the guidelines defined in the Company's Strategic Plan by promoting the alignment of management interests with the priority goal of creating sustainable value for shareholders, through an adequate balance of performance parameters.

In particular, the Plan integrates the performance conditions of the previous Plan related to the performance of Eni share (Total Shareholders Return) and industrial performance (Net Present Value of Proven Reserves), with new parameters connected to the economic/financial performance (Organic Free Cash Flow), as well as sustainability objectives (decarbonisation, energy transition and circular economy), supporting the implementation of the Strategic Plan in line with the targets announced to the market and in an approach to align with the interests of all stakeholders.

The Plan provides for three annual awards, each of which includes a three-year Vesting Period in line with the best practice in the industrial sector internationally.

2.2 Key variables, including in the form of performance indicators, considered in order to attribute the financial instrument based plans

The incentive levels are defined as a percentage of fixed remuneration, in accordance with the following principles of the remuneration policy adopted by Eni:

- compensation package for management suitably balanced between: (i) a fixed component consistent with the powers and/or responsibilities assigned, in addition to being sufficient to remunerate service if the variable component is not paid, and (ii) a variable component defined within maximum limits and designed to link remuneration to actual performance, taking account of the risk profiles of the business;
- consistency of the total remuneration with the market levels applicable for similar

positions or roles with a similar level of responsibility and complexity, based on panels of companies that are comparable to Eni;

- variable remuneration of managerial positions that have a greater influence on business performance characterized by a significant percentage of long-term incentive components, through appropriate deferment over a period of at least three years, in line with the long-term nature of Eni's business and with the associated risk profile.

The performance indicators are given in paragraph 4.5 below.

2.3 Elements underlying the determination of the entity of the financial instrument based compensation, namely the criteria with which to determine it

See paragraph 2.2 and 4.5.

2.3.1 More detailed information

The value of the Eni Shares awarded for each beneficiary differ in accordance with the level of responsibility/criticality of the role, up to a maximum of 150% of fixed remuneration, which is the component of annual remuneration whose payment is guaranteed.

The link with performance conditions is covered in paragraph 4.5.

2.4 The reasons underlying any decision to attribute financial instrument based compensation plans not issued by the financial instrument issuer

Not applicable.

2.5 Evaluations with regards to significant tax and accounting implications which have affected the definition of the plans

The structure of the Plan has not been affected by applicable tax regulations or accounting considerations.

2.6 Any support of the plan by the special Fund to encourage workers to participate in businesses, pursuant to Article 4, paragraph 112 of Italian Law no. 350 of 24 December 2003

Not applicable.

**3. Approval procedure and timing for the granting of instruments**

3.1 Scope of powers and functions delegated by the shareholders' meeting to the board of directors in order to implement the Plan

The Eni Board of Directors Meeting on 18<sup>th</sup> March 2020 resolved, based on a proposal by the Compensation Committee of 2<sup>th</sup> March 2020 and with the abstention of the Chief Executive Officer, to submit the Plan to the Shareholders' Meeting for approval.

Following the approval of the Shareholders' Meeting, the Board of Directors will implement the Plan, deliberating the annual allocation of Eni Shares in favour of the CEO and, on the proposal of the Compensation Committee, the approval, for each annual award, of the Regulation and the targets of the absolute objectives, as well as, also through delegated subjects, the identification of beneficiaries on the basis of the defined criteria and any other

terms and conditions for implementation to the extent they do not conflict with the resolutions of the Shareholders' Meeting.

3.2 Indication of the parties appointed to administrate the plan and their function and competence

Administration of the Plan is entrusted to the competent Eni functions.

3.3 Any procedures in place for the review of plans, including in relation to any alteration of the basic objectives

There are no procedures for amending the Plan except as provided in paragraph 4.23.

3.4 Description of the methods by which to determine the availability and grant the financial instruments on which the Plan is based

The Plan provides for the granting of Eni Shares free of charge after three years from their award depending on the achievement of predefined performance conditions.

3.5 The role played by each director in determining the characteristics of said Plan, any situations of conflict of interest arising concerning the relevant directors

In line with the recommendations of the Corporate Governance Code for Listed Companies, which Eni has adopted, the conditions of the Plan have been defined based on a proposal by the Compensation Committee. The proposal to submit the Plan to the Shareholders' Meeting, in accordance with Art. 114-bis of the Consolidated Law on Finance, was then approved by the Board of Directors, with the abstention of the Chief Executive Officer, after obtaining the favourable opinion of the Board of Statutory Auditors in accordance with Art. 2389, paragraph 3, of the Italian Civil Code.

The Plan, in relation to its Beneficiaries, constitutes a related party transaction subject to the approval of the Shareholders' Meeting in accordance with Art. 114-*bis* of the Consolidated Law on Finance, therefore the specific procedures defined by Consob resolution No. 17221 of 12.3.2010 ("Regulation on related party transactions") are not applied, in accordance with the provisions of the paragraph 10 of the Management System Guideline "Transactions with the interests of Directors and statutory auditors and transactions with related parties" adopted by Eni.

3.6 Date of the decision taken by the competent body to propose the approval of the plan to the shareholders' meeting and any proposal of a remunerations committee, where existing

On 18<sup>th</sup> March 2020, the Board of Directors, based on a proposal by the Compensation Committee of 2<sup>th</sup> March 2020, resolved to submit the Plan to the Shareholders' Meeting.

3.7 Date of the decision taken by the competent body with regards to the granting of instruments and the potential proposal to said body by a remunerations committee, where existing

The Plan's implementation is resolved annually by the Board of Directors based on the proposal by the Compensation Committee, by the end of October for the award of Eni Shares by the end of November. Eni Shares are granted by the end of November of the year following the end of the three-year performance period, after the results are approved by the Board of Directors, subject to verification and approval by the Compensation Committee.

3.8 The market price, recorded on said dates, for the financial instruments on which the plans are based, if traded on regulated markets

The official Eni Share price at 18<sup>th</sup> March 2020 (the date of approval by the Board of Directors to submit the proposed Plan to the Shareholders' Meeting): €6,7995.

3.9 In the case of plans based on financial instruments traded on regulated markets, in what terms and how the issuer considers, when identifying the timing of the granting of instruments in implementation of the plan, the possible timing coincidence of:

- i) said granting or any decisions taken in this regard by the remunerations committee; and
- ii) the diffusion of any significant information in accordance with Art. 114, paragraph 1 of the Consolidated Law on Finance: for example, if such information is: a) not already public and able to positively affect marketing listings, or b) already public and able to negatively affect market listings.

The Plan and its terms and conditions are previously approved with the ex-ante determination of the timing and the criteria for determining the number of Eni Shares to be granted without the possibility of exercising discretionary powers.

The number of Eni Shares to award to each beneficiary is calculated based on a set percentage of fixed remuneration (linked to the level of the position held) and with regard to the Award Price of Eni Share. The length of the period (4 months) considered for calculating the Award Price of Eni Shares rules out the possibility that the award can be significantly affected by the possible dissemination of inside information within the meaning of article 114, paragraph 1, of the Consolidated Law on Finance.

The granting of Eni Shares free of charge to each beneficiary takes place by the end of November of the year after the one in which the three-year performance period ends, (from 1st January of the award year to 31st December of the 3rd year), based on the Shares awarded and the performance results approved by the Board of Directors, subject to verification and approval of the Compensation Committee.

Beneficiaries are required to comply with the provisions of insider dealing legislation and applicable regulations, in particular with reference to the disposition of the shares involved in any granting after the verification of the achievement of the performance objectives.

#### **4. The characteristics of the instruments awarded**

4.1 Description of the ways in which the compensation plans based on financial instruments are structured

The Plan provides for three annual awards of Eni Shares free of charge that may be granted after three years. The amount of the grant of Eni Shares is linked with the performance conditions achieved according to the specified parameters and other conditions.

For the purposes of the grant of Eni Shares to the Beneficiaries, Eni Shares already held as treasury shares will be used, allocated to serve the Plan subject to a specific resolution of the Shareholders' Meeting.



4.2 Indication of the period of effective plan implementation also with reference to any different cycles envisaged

The Plan provides for three annual awards for the period 2020-2022. Each award is subject to a Vesting Period of three years and consequently the period of implementation of the Plan runs from 2020 to 2025, as described in the scheme below.

1) Award 2020	Performance period			free shares grant
	2020	2021	2022	2023
2) Award 2021	Performance period			free shares grant
	2021	2022	2023	2024
3) Award 2022	Performance period			free shares granting
	2022	2023	2024	2025

4.3 Plan expiration

The Plan will expire in 2025, at the end of the Vesting Period for the last award in 2022.

4.4 Maximum number of financial instruments, also in the form of options, granted each tax year in relation to the entities identified or the specified categories

The number of Eni Shares to award will be calculated based on a set percentage of the fixed remuneration, which is the component of the annual remuneration whose payment is guaranteed, and on the Award Price of Eni Share.

The number of Eni Shares to be granted will be defined as a percentage of those awarded, as specified in paragraph 4.5 below.

4.5 Methods and clauses for the implementation of the plan, specifying if the effective attribution of the instruments is subject to conditions being met or given results being achieved, including performance-related; a description of said conditions and results

The performance conditions of the Plan are related to four objectives, assessed for each Performance Period in comparison with the Peer Group or in absolute terms vs the target figures of the Strategic Plan, after a careful process of verifying the results actually achieved by the Remuneration Committee, which supports the resolutions passed on the issue by the Board of Directors.

The Objectives and related weightings are as follows:

- **25% Market objective:** linked to the Total Shareholder Return (in comparison with Peer Group)
- **20% Industrial objective:** Net Present Value of proven reserves (in comparison with Peer Group)
- **20% Economic-financial objective:** Organic Free Cash Flow (absolute vs the target set forth in the Strategic Plan)
- **35% Environmental Sustainability and Energy Transition objectives, as follows:**

- *15% Decarbonisation objective: GHG emission intensity (absolute vs the target set forth in the Strategic Plan)*
- *10% Energy transition objective: development of electricity generation capacity from renewable sources (absolute vs the target set forth in the Strategic Plan)*
- *10% Circular Economy objective: progress of projects (absolute vs the target set forth in the Strategic Plan)*

The descriptions of each parameter are given below, together with related definition and performance verification methods, and the determination of shares to be granted at the end of the vesting period.

#### Relative parameters

- **Market Objective:** measured as the difference between the Total Shareholder Return (TSR) of Eni Shares and the TSR of the FTSE Mib Index of Borsa Italiana Stock Exchange, adjusted with the Correlation Index, compared with similar differences for each company of the Peer Group, as shown in the following formula (weighted at 50%):

$$TSR_A - TSR_I * \rho_{A,I}$$

Where:

TSR<sub>A</sub>: TSR of Eni or one of the companies in the Peer Group

TSR<sub>I</sub>: TSR of the Reference Stock Market Index of the Company for TSR<sub>A</sub> was calculated

$\rho_{A,I}$ : Correlation Index

- **Industrial Objective:** measured as unit value of the Net Present Value of Proven Reserves (NPV) compared with the analogous value of each company in the Peer Group (weighted at 50%).

The TSR is calculated for all the companies in the performance period over three years in US dollars (USD), as the ratio between the 2 following terms:

1. the difference (i) between the average reference price of the shares in the four months before the end of the performance period (in the case of dividends distributed during the Performance Period and in the four months before this, the share prices are adjusted by considering the dividends reinvested in the same share) and (ii) the average reference price of the shares in the four months before the start of the Performance Period (in the case of dividends distributed in the four months for calculating the average, the share prices are adjusted by considering the dividends reinvested in the same share);
2. the average reference price of the shares in the four months before the start of the Performance Period (in the case of dividends distributed during the four months for calculating the average, the share prices are adjusted by considering the dividends reinvested in the same share).

For companies whose reference share prices are not originally expressed in USD (Eni, BP, Total, Royal Dutch Shell and Equinor), the above averages are calculated by converting to USD the daily reference prices of the shares and any dividends using the Bloomberg daily exchange rate (London close).

The TSR of each Reference Stock Market Index is calculated using the same methods employed for the TSR of Eni and of the companies in the Peer Group, including conversions to USD if necessary. Therefore, the Correlation Index is calculated considering the prices of the shares of the companies and the quotations of their Reference Stock Market Index appropriately converted to USD if necessary.

The Net Present Value represents the present value of the future cash flows of proven hydrocarbon reserves, net of future production and development costs and related taxes. It is calculated in accordance with the rules of FASB Extractive Activities - Oil & Gas (topic 932) and therefore allows a consistent comparison of data between the oil companies.

Calculation of the key elements of this indicator includes:

- for proven reserves (developed and undeveloped), the valuation at the average price of the calculation year, which is held constant for future years unless contractual variations have already been defined;
- for production and development costs, the valuation in constant terms (not inflated);
- the application of a standardized discount rate of 10%.

The Net Present Value will be normalized excluding the impact of divestment and acquisition operations in order to track the company’s organic growth. Data are published in 10-K and 20-F Forms filed by oil companies with the US Securities and Exchange Commission (SEC). The results achieved for that parameter will be measured on an annual basis, with the final result equal to the average of the Annual Performances in the Performance Period.

At the end of each Vesting Period the final multiplier for the grant is determined as the weighted average of the partial multipliers of each parameter, which is then applied to the number of Awarded Shares in order to determine the number of Shares to grant. Each partial multiplier may range between 0 and 180% (100% target), with a threshold of 80% for the median ranking, as shown below.

Ranking/multiplier performance scale										
11 <sup>*</sup>	10 <sup>*</sup>	9 <sup>*</sup>	8 <sup>*</sup>	7 <sup>*</sup>	6 <sup>*</sup>	5 <sup>*</sup>	4 <sup>*</sup>	3 <sup>*</sup>	2 <sup>*</sup>	1 <sup>*</sup>
0%	0%	0%	0%	0%	80%	100%	120%	140%	160%	180%
Threshold										

Absolute parameters

- **Economic-financial objective:** measured as the Organic Free Cash Flow cumulated in the three-year reference period, compared to the equivalent cumulated value provided for in the first 3 years of the Strategic Plan approved by the Board of Directors in the year of award and kept unchanged during the performance period.

The verification of Organic Free Cash Flow targets is conducted net of exogenous variables,<sup>1</sup> using a gap-analysis approach approved by the Remuneration Committee, in order to assess the effective corporate performance deriving from the management action.

- **Decarbonisation objective:** measured in terms of CO<sub>2</sub>eq emissions related to Eni operated Upstream production (tCO<sub>2</sub>eq/kboe) at the end of the three-year period compared

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<sup>1</sup> Exogenous variables are those events that, due to their nature or though Company choice, are not under the control of the managers, such as, for example, Oil & Gas prices or the euro/dollar exchange rate.

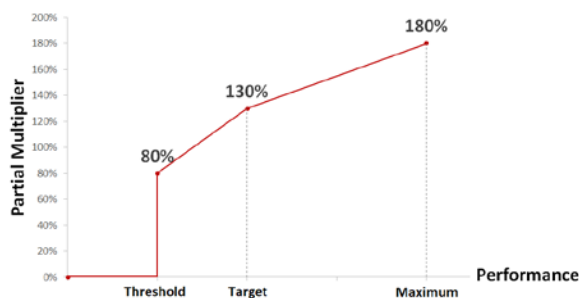
with the same value expected in the 3<sup>rd</sup> year of the Strategic Plan approved by the Board of Directors in the year of award and kept unchanged during the performance period.

- **Energy Transition objective:** measured in megawatts (MW) of installed capacity of power generation from renewables sources, at the end of the three-year performance period, compared with the same value expected in the 3<sup>rd</sup> year of the Strategic Plan approved by the Board of Directors in the year of award and kept unchanged in the performance period.

The result of the parameter is determined according to the International GHG Emission Reporting Standards (e.g. GHG protocol) appropriately implemented in the Eni regulatory system, with independent verification of final data by certification Companies.

- **Circular Economy objective:** measured in terms of progress of three important projects at the end of the three-year performance period, compared with the progress expected in the 3<sup>rd</sup> year of the Strategic Plan approved by the Board of Directors in the year of award and kept unchanged during the performance period.

The result for each absolute parameter will be assessed on the basis of a partial multiplier ranging between 0 and 180% determined as a function of performance as in the following chart.



The performance levels (threshold, target and maximum) of the absolute parameters for the first 2020 award (with performance period 2020-2022) are shown in the following table.

Absolute Objective	Parameter	Unit of Measurement	Threshold	Target	Maximum
<b>Economic-Financial Objective</b>	Organic Free Cash Flow	Cumulative billion € in the three-year period 2020-2022	14,32	15,07	16,57
<b>Decarbonisation Objective</b>	CO <sub>2</sub> eq upstream emissions/production operated by Eni	tCO <sub>2</sub> eq/kboe as of December 31, 2022	18,2	17,9	17,4
<b>Energy Transition Objective</b>	Power generation capacity from renewable sources	MW of installed capacity as of December 31, 2022	1.517,5	1.735,0	2.170,0
<b>Circular Economy Objective</b>	Implementation of 3 relevant biofuels projects <sup>(1)</sup>	Number of projects with progress at December 31, 2022 in line with the Strategic Plan	1 project	2 projects	3 projects

(1) The three projects are related to:

- Crescentino bioethanol plant;
- Eni Rewind waste to fuel plant;
- Zero palm oil charge at Gela and Venice refineries

The targets for subsequent awards will be determined and disclosed in the Remuneration Report of the award year.

The number of shares to grant ( $A_{AS}$ ) at the end of the vesting period is determined using the following formula:

$$A_{AS} = A_{AT} \times M_F$$

where  $A_{AT}$  is the number of Eni shares awarded at the beginning of the vesting period and  $M_F$  is the final multiplier equal to the weighted average of the partial multipliers of each parameter.

No Eni Shares are granted if the Final Multiplier is lower than 40%.

Finally, the Plan provides for the adoption, through the specific Regulation approved by the Board of Directors, on the proposal of the Remuneration Committee, of clawback and malus mechanisms that allow to apply:

- the restitution of the variable component of remuneration, if already paid and/or granted (clawback);
- the withholding/withdrawal of the variable components of remuneration, already vested but not yet paid and/or granted (*malus*).

These mechanisms shall apply in cases when the incentives (or the rights thereto) have vested based on data that subsequently proved to be manifestly misstated or in cases of wilful alteration of the same data.

The same mechanisms shall apply in cases of termination for disciplinary reasons, including serious and intentional violations of law and/or regulations, the Code of Ethics or Company rules, without prejudice to any action allowed under law for the protection of the Company's interests.

The Policy provides that the activation of recoupment claims (or withdrawal of incentives awarded but not yet paid) must take place, once appropriate verification has been completed, within three years of payment (or award) in cases of error, and within five years in cases of deliberate intent to defraud.

4.6 Indication of any restrictions of availability affecting the instruments attributed or the instruments from the year of the options, with specific reference to the terms within which the subsequent transfer to the company or third parties is permitted or prohibited

In order to further enhance alignment with the interests of shareholders over the long term, the Plan states that, at the end of the Vesting Period, 50% of the Eni Shares granted are subject to a lock-up period, i.e. the Eni Shares cannot be transferred and/or sold, by managers employed, for 1 year after the grant date.

4.7 Description of any termination conditions in relation to the attribution of plans in the event that the addressees should carry out *hedging* operations that enable the neutralisation of any prohibitions of the sale of the financial instruments granted, also in the form of options, or financial instruments arising from the exercise of these options

Not applicable.

#### 4.8 Description of the effects determined by the termination of employment

The Regulation of the Plan provides as follows:

- in the cases of consensual termination of the Beneficiary's employment relationship, or the loss of control by Eni of the Subsidiary of which the Beneficiary is an employee, or the transfer of the company (or of the business unit) of which the Beneficiary is an employee to a non-subsidiary, occurring by the date on which the Board of Directors establishes the final percentage for the grant, the cash value of a predefined percentage of the number of Awarded Shares, based on the Award Price, will be paid to the Beneficiary in proportion to the period between the award and the occurrence of the above events, as well as in relation to the results possibly recorded during this period;
- in the case of the Beneficiary's death, the heirs retain the right to receive the entire amount of the Awarded Shares at the Award Price;
- in the cases of unilateral termination of the employment relationship, if the event occurs during the Vesting Period, there is no payment/granting of the Shares.

If the Chief Executive Officer is not reappointed at the end of the mandate, the granting of Eni Shares of each award will be made pro-rata with respect to the period of stay in the office, according to the results of performance achieved during the same period. In the other cases, the Plan Regulation will apply.

#### 4.9 Indication of any other causes for the cancellation of the plans

In the event that the market conditions of Eni Share do not allow the implementation of the Plan within the limits of the defined provision, the Board of Directors may review the terms of the Plan or possibly cancel it.

#### 4.10 Reasons in relation to the potential provision for "redemption" by the Company of the financial instruments covered by the plans, arranged in accordance with Art. 2357 et seq. of the Italian Civil Code; the beneficiaries of the redemption, specifying if it is only intended for specific categories of employees; the effects of the termination of employment on said redemption

Not applicable.

#### 4.11 Any loans or other benefits intended to be granted for the purchase of shares in accordance with Art. 2358 of the Italian Civil Code

Not applicable.

#### 4.12 Indication of assessments of the forecast burden for the company on the date of the related granting, as can be determined on the basis of the terms and conditions already defined, for the total amount and in relation to each plan instrument

In the case of achieving the maximum performance level (180%) during the Vesting Period of each award, in execution of the Plan, will be assigned a maximum of 20 million Eni Shares for all three grants, taking into account, among other things, the minimum price recorded by the Eni Share in the last three years sliding until the date before the Board of Directors approving the Plan (March 18, 2020). The corresponding cost to the Company of the implementation of the Plan, depending on the number of Eni Shares actually assigned and on

the Award Price of Eni Shares, is currently not determinable and will be communicated in accordance with art. 84-bis of the Issuers' Regulation.

4.13 Indication of any dilution effects on the capital determined by the compensation plans

There is no impact on the amount of the share capital, as the Eni shares allocated to serve the Plan will be composed exclusively of Eni treasury shares already held, subject to specific authorization of the Shareholder's Meeting.

The possible grant to Beneficiaries of Eni treasury shares will dilute the voting rights of the other Eni shareholders. Currently the voting rights attaching to Eni's treasury shares are suspended in accordance with art. 2357-ter, paragraph 2, of the Italian Civil Code; once assigned to the Beneficiaries, these Eni Shares will give voting rights to their owners. The grant of Eni Shares to Beneficiaries can give rise to a maximum dilution of voting rights of 0,6%. For example, a package of shares representative of 1% of voting rights before granting would be diluted maximally at 0,994%.

4.14 Any limits envisaged for the exercise of voting rights and the attribution of economic rights

Eni Shares granted at the end of the Vesting Period will enjoy ordinary rights since no limits to the exercise of voting rights or economic rights for these shares are envisaged, except as provided in paragraph 4.6.

4.15 If shares are not traded on regulated markets, all information that will help fully assess the value that can be assigned to them

Not applicable

4.16 - 4.22 Not applicable.

4.23 Criteria for the adjustments necessary following extraordinary capital operations and other operations entailing the change in the number of underlying instruments (capital increases, extraordinary dividends, groupings and splitting of the underlying shares, mergers and spin-offs, conversions into other share categories, etc.)

Eni's Board of Directors, where the conditions exist, may adapt the terms and conditions of the Plan as a result of the following operations:

- a) grouping or splitting of shares representing Eni's capital stock;
- b) increase of Eni's capital stock free of charge;
- c) increase of Eni's capital stock against payment, also through the issue of shares with warrants attached, bonds convertible into Eni shares and bonds with warrants to subscribe Eni shares; the sale of treasury shares that are not at the service of Share Incentive Plans is equated with a capital stock increase;
- d) reduction of Eni's capital stock;
- e) distribution of extraordinary dividends with withdrawals from Eni reserves;
- f) merger, if this entails changes to Eni's capital stock;
- g) spin-off of Eni;

- h) granting of assets in the Eni portfolio to shareholders;
- i) public purchase offers or public purchase and exchange offers involving Eni shares.

4.24 Share Issuers will add the attached table 1 to the Informative Document

The table containing information on the Plan will be provided, in accordance with Art. 84-*bis* of the Issuers' Regulation, at the time the Shares are awarded during the implementation of the Plan to be approved by Eni's Board of Directors.