The New Eni: Accelerating the Energy Transition

Strategy Update and H1 2020 Results

July 30, 2020
THE NEW ENI: ORGANIZATIONAL STRUCTURE

SUPPORT FUNCTIONS

TECHNOLOGY, R&D & DIGITAL

NATURAL RESOURCES

ENERGY EVOLUTION

CCS/CCUS/FORESTRY

OIL, GAS, LNG CCS/CCUS AND FORESTRY

TO BE A LEADER IN THE ENERGY TRANSITION

TRADITIONAL TO BIO, BLUE, GREEN PRODUCTS
LONG TERM STRATEGY UNCHANGED

OIL & GAS
GAS SHARE: ~85%

CHEMICALS
BIO & RECYCLED PRODUCTS

RENEWABLES
INSTALLED CAPACITY > 55 GW

REFINING
5 MTPA BIOFUELS

MARKETING
100% SUSTAINABLE FUELS

RETAIL GAS & POWER
> 20 MLN CUSTOMERS
IMPROVED 2020 AND 2021 CAPEX AND COST REDUCTION

CAPEX REDUCTION TARGET | € Bln

<table>
<thead>
<tr>
<th>Year</th>
<th>2020 @ Q1</th>
<th>2020 NOW</th>
<th>2021 @ Q1</th>
<th>2021 NOW</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>-2.3</td>
<td>-2.6</td>
<td>-2.5 / 3.0</td>
<td>-2.4</td>
</tr>
</tbody>
</table>

> 30% Cut vs Original Plan

COST REDUCTION TARGET | € Bln

<table>
<thead>
<tr>
<th>Year</th>
<th>2020 @ Q1</th>
<th>2020 NOW</th>
<th>2020 NEW</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>-2.6</td>
<td>-0.6</td>
<td>-1.4</td>
</tr>
</tbody>
</table>

25% - 30% Structural

2020 ACTIONS: >€1 Bln vs previous guidance
2020+2021 ACTIONS: ~€ 8 Bln vs original plan
GROUP CAPEX PLAN

NEW 2020-2023 CAPEX | € Bln

- **GREEN:** + €0.8 Bln
- **UPSTREAM:** - €6 Bln

**NEW VS ORIGINAL 2020 -2023 PLAN**

**GREEN:** + €0.8 Bln

**UPSTREAM:** - €6 Bln

**GREEN: 26% vs 20% in Original Plan**

**~€ 5 Bln CUT vs Original Plan**

**ACCELERATING THE ENERGY TRANSITION**

 ORIGINAL PLAN: AVG <€ 8 Bln

- 2020: 5.2
- 2021: ~6
- 2022: ~8
- 2023: ~8

NEW 2020-2023 CAPEX | € Bln

- 2020
- 2021
- 2022
- 2023

~€ 5 Bln CUT vs Original Plan
UPSTREAM

PRODUCTION | Mboed

CAGR 2019-23
+1.7%

2020 RANGE
1.71-1.76

2023-2025 RANGE
2.0-2.1

2020

2021 *

2023

2025

2020 – 2023 MAIN START UPS

2020

Berkine North (ALGERIA)
Nené ph. 2B (CONGO)
Mahani (UAE – SHARJAH)

2021

Cabaça North (ANGOLA)
Merakes (INDONESIA)
Area 1 Full Field (MEXICO)
Fenja (NORWAY)

2022

Coral (MOZAMBIQUE)
Balder X (NORWAY)

2023

Agogo EP Ph. 2 (ANGOLA)
Bouri Gas Utilization (LIBYA)
Bahr Essalam Compression (LIBYA)
Breidablikk (NORWAY)
Johan Castberg (NORWAY)
Dalma (UAE)

CAPEX
UPSTREAM € BLN
3.9 4.3 5.2

* Without OPEC cuts
GROWTH IN DECARBONIZED PRODUCTS

**RENEWABLES**

- **INSTALLED CAPACITY (GW)**
  - 0.3 in 2020
  - 3 in 2023
  - ~15 in 2030
  - >25 in 2035
  - >55 in 2050

**BIO - REFINERIES**

- **INSTALLED CAPACITY (MTPA)**
  - 1 in 2020-2023
  - 5 in 2050

**ENI GAS E LUCE**

- **CUSTOMER BASE (MLN)**
  - >9.5 in 2020
  - 11 in 2023
  - >20 in 2050

**VERSALIS**

- **SHARE OF BIO AND RECYCLED PRODUCTS**
  - 1% in 2020
  - 25% in 2035
  - >30% in 2050

**MARKETING**

- **SHARE OF SUSTAINABLE FUELS**
  - 5% in 2025
  - 25% in 2035
  - 100% in 2050
SHAREHOLDERS REMUNERATION POLICY

**PROGRESSIVE FLOOR DIVIDEND**
€0.36 dividend when Brent Scenario is $45 / bbl or above
Floor is evaluated yearly for growth considering the execution of the strategic plan

**ADDITIONAL VARIABLE DIVIDEND**
Equal to 30 – 45% of additional FCF generated between $45 – 60 / bbl Brent

**ANNUAL BUYBACK**
€400m for Brent between $61 - 65 / bbl
€800m for Brent above $65 / bbl

DIVIDEND BASED UPON ENI’S ANNUAL BRENT SCENARIO | €

- 0.36 at $45 Brent
- 0.41 at $48 Brent
- 0.45 at $50 Brent
- 0.56 at $55 Brent
- 0.7 at $60 Brent

**TOTAL DIVIDEND**

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0.36 0.41 0.45 0.56 0.7
**HIGHLIGHTS H1 2020**

<table>
<thead>
<tr>
<th>RESPONSE TO COVID19</th>
<th>People</th>
<th>health measures implemented worldwide</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Assets</td>
<td>integrity maintained</td>
</tr>
<tr>
<td>UPSTREAM</td>
<td>Exploration</td>
<td>success in Egypt, Angola, Mexico and Sharjah (UAE)</td>
</tr>
<tr>
<td></td>
<td>Production:</td>
<td>1.74 Mboed (-5% YoY). Start up in Angola and Algeria</td>
</tr>
<tr>
<td>MID - DOWNSTREAM</td>
<td>G&amp;P: EBIT adj</td>
<td>€ 0.65 Bln (+70% YoY). Strong optimizations.</td>
</tr>
<tr>
<td></td>
<td>R&amp;M: EBIT adj</td>
<td>€ 0.17 Bln (+67% YoY). Resilient Bio refining.</td>
</tr>
<tr>
<td></td>
<td>Renewables:</td>
<td>installed capacity 250 MW (+44% vs end of 2019)</td>
</tr>
<tr>
<td>FINANCIALS</td>
<td>Adj CFFO (pre WC): € 3.3 Bln</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Capex:</td>
<td>€ 2.9 Bln</td>
</tr>
<tr>
<td></td>
<td>Adjusted FCF positive contribution</td>
<td></td>
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UPSTREAM: STILL POSITIVE IN A VERY WEAK ENVIRONMENT

EBIT ADJ | € Bln

1H 2019 | 4.4
1H 2020 | 4.4 - 0.2

VOLUME/MIX & OTHER

SCENARIO

2020 PRODUCTION CONFIRMED
POST OPEC CUTS

1.71 – 1.76 Mboed

Brent ($/bbl) | 66.0 | 39.7
PSV (€/kmc) | 200 | 98
FX | 1.13 | 1.10
STRONG MID-DOWNSTREAM RESULT

H1 2020 EBIT ADJ € bln

1H 2019

R&M: 0.38
G&P: 0.11
VERSALIS: 0.07

1H 2020

R&M: 0.65
G&P: 0.17
VERSALIS: 0.13

GUIDANCE: 2020 EBIT ADJ € bln

@ Q1

R&M: 0.40
G&P: 0.30
VERSALIS: -0.10

NEW

R&M: 0.65
G&P: 0.35
VERSALIS: -0.20

2020 GUIDANCE: € 0.8 bln (+33%)

R&M includes pro-forma ADNOC Refining
CASH RESULTS

CFFO before WC | € BLN

<table>
<thead>
<tr>
<th></th>
<th>1H 2019</th>
<th>1H 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>CAPEX</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>6.8</td>
<td>7.6</td>
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</tbody>
</table>

 LIQUIDITY

€ 17.7 bln

2020 CFFO @ $ 40/BBL: € 6.5 bln

SCENARIO, COVID

4.3
THE NEW ENI

NATURAL RESOURCES
SELECTIVE AND SUSTAINABLE

ENERGY EVOLUTION
TRANSFORMATION AND GROWTH

FINANCIAL FRAMEWORK
PROGRESSIVE REMUNERATION
RESILIENT IN A WEAKER ENVIRONMENT
Annex
MARKET SCENARIO

**BRENT** | $/bbl
---|---
1H 2019 | 66.0
1H 2020 | 39.7

**EXCHANGE RATE** | €/$
---|---
1H 2019 | 1.130
1H 2020 | 1.102

**EUROPEAN GAS PRICES** | €/kcm
---|---
PSV | 200
TTF | 167
---|---
PSV | 98
TTF | 80

**STANDARD ENI REFINING MARGIN** | $/bbl
---|---
1H 2019 | 3.6
1H 2020 | 2.9
## Assumptions and Sensitivity

### 4YP Scenario

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brent dated ($/bbl)</td>
<td>40</td>
<td>48</td>
<td>55</td>
<td>60</td>
</tr>
<tr>
<td>FX avg ($/€)</td>
<td>1.116</td>
<td>1.130</td>
<td>1.150</td>
<td>1.180</td>
</tr>
<tr>
<td>Ural MED c.i.f. - Med Dated Strip ($/bbl)</td>
<td>-0.5</td>
<td>-1.3</td>
<td>-1.4</td>
<td>-1.5</td>
</tr>
<tr>
<td>Std. Eni Refining Margin ($/bbl)</td>
<td>3.8</td>
<td>4.3</td>
<td>4.5</td>
<td>4.6</td>
</tr>
<tr>
<td>NBP ($/mmbtu)</td>
<td>2.4</td>
<td>4.1</td>
<td>4.8</td>
<td>5.1</td>
</tr>
<tr>
<td>PSV (€/kcm)</td>
<td>99</td>
<td>147</td>
<td>163</td>
<td>167</td>
</tr>
</tbody>
</table>

### Sensitivity 2020

<table>
<thead>
<tr>
<th></th>
<th>EBIT adj (€ bln)</th>
<th>Net adj (€ bln)</th>
<th>FCF (€ bln)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brent (+1 $/bbl)</td>
<td>0.23</td>
<td>0.16</td>
<td>0.17</td>
</tr>
<tr>
<td>Std. Eni Refining Margin (+1 $/bbl)</td>
<td>0.13</td>
<td>0.09</td>
<td>0.13</td>
</tr>
<tr>
<td>Exchange rate $/€ (-0.05 $/€)</td>
<td>0.09</td>
<td>0.02</td>
<td>0.1</td>
</tr>
</tbody>
</table>

Brent sensitivity assumes oil and gas prices move proportionally. It is applicable for $5-$10/bbl moves in Brent.
KEY PROJECTS STARTING UP IN 2020-23

ALGERIA
Berkine North & BRN Pipeline 49% WI
Gas Start up: March 2020
2020 Equity: 13 kboed
Production (kboed): 71 (100%) – 35 (equity) @2022

MEXICO
Area 1 100% WI
EP Start up: June ‘19 (FF: H2 2021)
2020 Equity: 16 kboed
FF Progress: 46%
Production (kboed): 92 (100%) @ 2025 - 60 (equity) @2022

ANGOLA
Mahani 50% WI
Start up: Q4 2020
Progress: 19%
Production (kboed): 18 (100%) – 9 (equity) @2022

CONGO
Nené ph. 2B 65% WI
EP Start up: March 2020 (FF: 2022)
2020 Equity: 2 kboed
Production (kboed): 14 (100%) – 9 (equity) @2023

ANGOLA
Merakes 65% WI
Start up: H1 2021
Progress: 63%
Production (kboed): 78 (100%) – 46 (equity) @2022

NOTE: Average yearly production in peak year/ at plateau
EP = Early Production Facility; FF = Full Field Development

= in production
KEY PROJECTS STARTING UP IN 2020-23

- **Dalma Gas** 25% WI
  - Start up: 2023
  - Progress: 10%
  - Production (kboed): 54 (100%) – 13 (equity) @2024

- **Breidablikk** 29% WI
  - Start up: 2023
  - Progress: FID (2020)
  - Production (kboed): 47 (100%) – 14 (equity) @2024

- **Johan Castberg** 21% WI
  - Start up: 2023
  - Progress: 46%
  - Production (kboed): 205 (100%) – 43 (equity) @2025

- **Balder X** 63% WI
  - Start up: 2022
  - Progress: 14%
  - Production (kboed): 78 (100%) – 49 (equity) @2023

- **Bouri GUP** 50% WI
  - Start up: 2023
  - Progress: FID (2021)
  - Production (kboed): 15 (100%) – 3 (equity) @2024

- **Coral FLNG** 25% WI
  - Start up: 2022
  - Progress: 74%
  - Production (kboed): 105 (100%) – 27 (equity) @2023

- **Dalma Gas** 25% WI
  - Start up: 2023
  - Progress: 10%
  - Production (kboed): 54 (100%) – 13 (equity) @2024

**NOTE:** Average yearly production in peak year/ at plateau