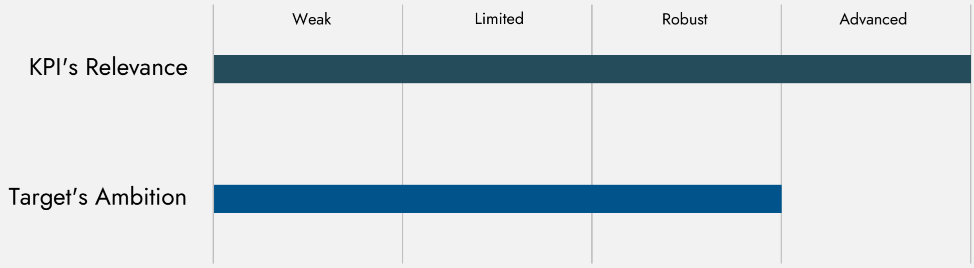
May 2021

SECOND PARTY OPINION

on Eni's Sustainability-Linked Financing Framework

V.E is of the opinion that Eni's Sustainability-Linked Financing Framework is aligned with the core components of the Sustainability-Linked Loan Principles (SLLP) 2020 and Sustainability-Linked Bond Principles (SLBP) 2020

Framework



SDG Mapping

Characteristics of the Framework	
Audit of the Data	Yes
Three-year Historical Data	Yes
Nature of the Impacts on the Bond's Characteristics	Financial
Disclosure of measures to achieve the SPT(s)	Yes

Sustainability Performance Target (SPT)

KPI 1: Renewable Installed Capacity (GW) (Eni share)
- Reach 60 GW Renewable Installed Capacity by 2050

KPI 2: Net Carbon Footprint Upstream (Scope 1 and 2)
- Reduce Net Carbon Footprint Upstream by 100% by 2030 (2018 baseline)

KPI 3: Net GHG Lifecycle Emissions (Scope 1, 2 and 3)
- Reduce Net GHG Lifecycle Emissions by 100% by 2050 (2018 baseline)

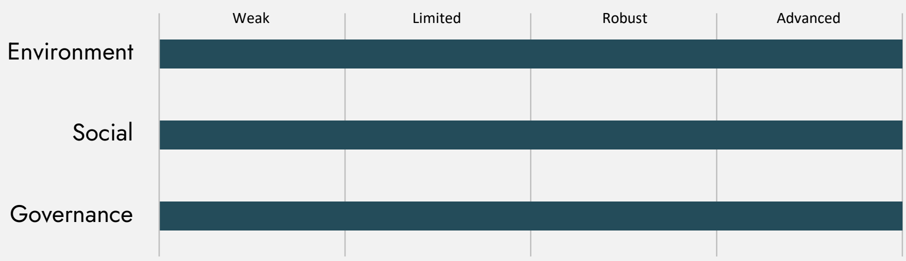
KPI 4: Net Carbon Intensity (Scope 1, 2 and 3)
- Reduce Net Carbon Intensity by 100% by 2050 (2018 baseline)

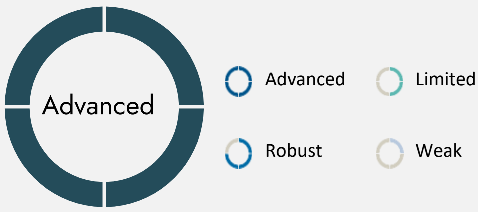
	2018 (Baseline)	2030*	2040*	2050*
KPI 1	N/A	15 GW	-	60 GW
KPI 2	14.8 MtCO_2eq	0 MtCO_2eq	-	-
KPI 3	505 MtCO_2eq	379 MtCO_2eq	177 MtCO_2eq	0 MtCO_2eq
KPI 4	68 gCO_2eq/MJ	58 gCO_2eq	41 gCO_2eq	0 gCO_2eq/MJ

*Trigger event
For full review of intermediate targets please see page 3.

Issuer

ESG Performance as of July 2020





ESG Controversies	
Number of controversies	10
Frequency	Frequent
Severity	Critical
Responsiveness	Reactive

Controversial Activities[1]

☐ Animal welfare
☐ Cannabis
☒ Chemicals of concern
☐ Civilian firearms
☒ Alcohol
☒ Fossil Fuels industry
☐ Coal
☐ Gambling
☐ Genetic engineering
☐ High interest rate lending
☐ Human Embryonic Stem Cells
☒ Military
☒ Nuclear power
☐ Pornography
☐ Reproductive medicine
☐ Tar sands and oil shale
☒ Tobacco

[1] Eni only has "Major" involvement in Fossil fuel industry. Involvements in other controversial activities are considered only "Minor". For further details please see "Issuer" section on page 23.

Keys findings

V.E is of the opinion that Eni's Sustainability-Linked Financing Framework is aligned with the core components of the Sustainability-Linked Loan Principles (SLLP) 2020 and Sustainability-Linked Bond Principles (SLBP) 2020.

Selection of the Key Performance Indicator (KPI) – aligned with the SLBP and best practices identified by V.E

- The KPIs are relevant and material from an environmental standpoint.
- The KPIs are measurable, externally verifiable and can be benchmarked.
- The KPIs' definition, the rationale behind their selection, the calculation methodologies and coverage are clearly defined.

Calibration of the Sustainability Performance Target (SPT) – aligned with the SLBP

- The SPTs demonstrate a robust level of ambition.
- The timeline, baseline and trigger events are clearly disclosed.
- The means to achieve the SPTs are clearly disclosed.

Bond Characteristics – aligned with the SLBP

- The nature of the instrument characteristics' variation is clearly disclosed.
- The Issuer commits to disclose the actual financial impact in the instrument documentation for each issuance.

Reporting– aligned with the SLBP and best practices identified by V.E

- The internal control and reporting processes are relevant, transparent and support the provision of reliable data.
- The Issuer commits to annual reporting on all relevant information related to the KPIs and its associated SPTs, including results, underlying methodologies, and assumptions.

Verification– aligned with the SLBP and best practices identified by V.E

- The KPIs will be externally verified on an annual basis until maturity of the instruments.
- The achievement of the SPTs will be externally verified at least on an annual basis and the verification assurance reports will be made publicly available.

Type of External Reviews supporting this Framework

☒	Pre-issuance Second Party Opinion	☒	Independent verification of KPI(s) reported data
☒	Independent verification of SPT(s) achievement		

Contact

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SCOPE

V.E was commissioned to provide an independent opinion (thereafter "Second Party Opinion" or "SPO") on the integration of four environmental factors to the Sustainability-Linked Instruments[1] to be issued by Eni (the "Issuer") in compliance with the Sustainability-Linked Financing Framework (the "Framework") created to govern their issuances. The Framework aims to highlight both the Issuer's sustainability strategy and sustainable finance strategy while demonstrating its alignment with the LMA's Sustainability-Linked Loan Principles and the ICMA's Sustainability-Linked Bond Principles. In addition, the Framework includes the Issuer's commitment to achieve specific targets ("Sustainability Performance Targets" or "SPTs") regarding four environmental key performance indicators (hereafter the "KPIs") proposed as part of its sustainability strategy.

The debt instruments included in the Framework are intended to finance general corporate purposes, as opposed to other sustainable financial instruments such as green/social bonds or green/social loans. The facilities are agnostic on how funds are used. The main feature of this type of financing is the variation of the bond's financial characteristics, depending on whether the Issuer achieves predefined sustainability performance objectives.

For these so-called Sustainability-Linked Instruments, the selected KPIs to be linked to the variation of the instruments' financial characteristics are the following:

- KPI 1: Renewable Installed Capacity (GW) (Eni share)
    - SPT 1: Reach 1.669 GW Renewable Installed Capacity by 2022
    - SPT 2: Reach 5 GW Renewable Installed Capacity by 2025
    - SPT 3: Reach 15 GW Renewable Installed Capacity by 2030
    - SPT 4: Reach 25 GW Renewable Installed Capacity by 2035
    - SPT 5: Reach 60 GW Renewable Installed Capacity by 2050
- KPI 2: Net Carbon Footprint Upstream (Scope 1 and 2)
    - SPT 1: Reduce Net carbon Footprint Upstream by 50% by 2024 compared to 2018 levels, reaching 7.4 $MtCO_2eq$
    - SPT 2: Reduce Net carbon Footprint Upstream by 100% by 2030 compared to 2018 levels, reaching 0 $MtCO_2eq$
- KPI 3: Net GHG Lifecycle Emissions (Scope 1, 2 and 3)
    - SPT 1: Reduce Net GHG Lifecycle Emissions by 25% by 2030 compared to 2018 levels, reaching 379 $MtCO_2eq$
    - SPT 2: Reduce Net GHG Lifecycle Emissions by 65% by 2040 compared to 2018 levels, reaching 177 $MtCO_2eq$
    - SPT 3: Reduce Net GHG Lifecycle Emissions by 100% by 2050 compared to 2018 levels, reaching 0 $MtCO_2eq$
- KPI 4: Net Carbon Intensity (Scope 1, 2 and 3)
    - SPT 1: Reduce Net Carbon Intensity by 15% by 2030 compared to 2018 levels, reaching 58 gCO2eq
    - SPT 2: Reduce Net Carbon Intensity by 40% by 2040 compared to 2018 levels, reaching 41 gCO2eq
    - SPT 3: Reduce Net Carbon Intensity by 100% by 2050 compared to 2018 levels, reaching 0 gCO_2eq

[1] Eni reports the Instruments can include bonds, loans, commercial papers, derivatives instruments, or any other form of financial instrument available.

Our opinion is established using V.E Environmental, Social and Governance ("ESG") assessment methodology, the Loan Market Association's (LMA) Sustainability-Linked Loan Principles (SLLP) voluntary guidelines, published in May 2020 and the International Capital Market Association's (ICMA) Sustainability-Linked Bond Principles ("SLBP") voluntary guidelines, published in June 2020. This opinion is strictly limited to the integration of four environmental factors in the Instruments. This opinion does not cover the integration of broader sustainability factors (i.e. social and governance), or the labelling of the Instruments where the final decision is left to Eni. This opinion does not constitute a verification or certification.

Our opinion is built on the review of the following components:

1. Framework: we assessed the Framework's alignment with the core components of the SLLP 2020 and SLBP 2020.

2. Issuer: we assessed the Issuer's ESG performance, its management of potential stakeholder-related ESG controversies and its involvement in controversial activities[2].

Our sources of information are multi-channel, combining data from (i) public information gathered from public sources, press content providers and stakeholders, (ii) information from V.E exclusive ESG rating database, and (iii) information provided by the Issuer through documents.

We carried out our due diligence assessment from March 4th to May 11th 2021. We consider that we were provided with access to all the appropriate documents we solicited. Reasonable efforts have been made to verify data accuracy.

[2] The 17 controversial activities screened by V.E are: Alcohol, Animal welfare, Cannabis, Chemicals of concern, Civilian firearms, Fossil Fuels industry, Coal, Gambling, Genetic engineering, High interest rate lending, Human Embryonic Stem Cells, Military, Nuclear power, Pornography, Reproductive medicine, Tar sands and oil shale, and Tobacco.

FRAMEWORK

The Issuer has described the main characteristics of the Instruments within a formalised Framework which covers the core components of the SLBP 2020 (the last updated version was provided to V.E on May 10th, 2021). The Issuer has committed to make this document publicly accessible on its website at the first issuance date, in line with good market practices.

Alignment with Sustainability-Linked Bond Principles

Selection of Selection of the Key Performance Indicator (KPI)

Not Aligned	Partially Aligned	Aligned	Best Practices

COHERENCE

V.E considers that the selected KPIs are coherent with Eni's strategy and priorities in terms of sustainability.

Eni has committed to be carbon neutral by 2050 and to offer its customers a full set of decarbonized products in order to give its contribution in keeping average global warming within the threshold of 1.5 ° C. In 2021, Eni committed to 100% decarbonization of all its products and processes (scope 1, 2 and 3). Moreover, as part of its roadmap, Eni also reaffirmed its target to net zero (scope 1 and 2) upstream up by 2030 - with zero process flaring by 2025 – on operated assets - and net zero overall (up and downstream) by 2040.

In terms of renewable energy, the Issuer expects to increase its installed capacity to 60 GW by 2050 and to be fully integrated with its product offering. Eni reports it expects its renewable energy generation to be 60% solar and 40% onshore and offshore wind by 2024.

To support its commitment, Eni's has structured its business model around 3 main pillars:

- Operational excellence
- Carbon neutrality in the long term
- Alliances for development

In particular, Eni's strategy around carbon neutrality in the long term envisages a path to decarbonization through the adoption of a life cycle GHG emissions approach and by leveraging on a set of actions including:

- Maximizing the energy efficiency of its assets
- Growing low carbon sources in its portfolio (with an increase in gas and biofuel share, as well as the production and marketing of biomethane)
- Growing emission-free sources
- Developing circular economy initiatives

This approach and these drivers will enable Eni to reduce its carbon footprint, both in terms of net emissions and carbon intensity.

In addition, Eni's corporate mission integrates a clear reference to the Sustainable Development Goals (SDGs). The Issuer plays a key role in the energy transition towards a low-carbon future, supporting social and economic development in all its activities. Eni reports it aims to provide the global population with efficient and sustainable access to energy resources while fighting against climate change.

SDG CONTRIBUTION

The selected KPIs are likely to contribute to two of the United Nations' Sustainable Development Goals ("SDGs"), namely:

KPI	SDG	SDG TARGETS
RENEWABLE INSTALLED CAPACITY		7.2 By 2030, substantially increase the share of renewable energy in the global energy mix.
NET CARBON FOOTPRINT UPSTREAM (SCOPE 1 AND 2)		13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries.
NET GHG LIFECYCLE EMISSIONS (SCOPE 1, 2 AND 3)		
NET CARBON INTENSITY (SCOPE 1, 2 AND 3).		

Table 1. Analysis of the KPIs selected by the Issuer

MATERIALITY
KPI 1, KPI 2, KPI 3, KPI 4
V.E considers that the selected KPIs reflect the Issuer's most material sustainability issues as well as the most material challenges for its sector. The Electric & Gas Utilities sector has a major role to play regarding climate change and energy efficiency through the promotion of renewable energy sources, energy efficiency and reduction in greenhouse gas emissions from power plants. Companies are expected to set ambitious climate change strategies, backed by relevant targets and widespread environmental management systems. Indeed, with two-thirds of greenhouse gas (GHG) emissions coming from the energy sector, the Intergovernmental Panel on Climate Change (IPCC) highlights the need for a transformation of the world's energy system with an immediate, large-scale shift to renewable energy and energy efficiency. Companies are also expected to dismiss their carbon-intensive means of production, meaning dismissing their fossil fuel powered plants. One of the major environmental issues for the electricity production sector is Scope 1 GHG emissions linked to the production of electricity through the combustion of fossil fuels (coal, gas, and oil). The Paris Agreement sets out a global framework to avoid dangerous climate change by limiting global warming to well below 2°C and pursuing efforts to limit it to 1.5°C. It also aims to strengthen companies' ability to deal with the impacts of climate change and support them in their efforts. The Paris Agreement is the first-ever universal, legally binding global climate change agreement, adopted at the Paris climate conference (COP21) in December 2015. In addition, according to a report[3] published by the International Renewable Energy Agency (IRENA), the rapid adoption of renewable energy combined with energy efficiency strategies is a reliable pathway to achieve over 90% of energy-related CO_2 emissions reductions needed to meet National climate pledges.
Eni annually conducts a materiality analysis crossing the company and its stakeholder's priorities, which is disclosed in its Sustainability Reports and in Eni's Consolidated Disclosure of non-financial information. The 2019 materiality assessment has identified carbon neutrality in the long term and more specifically fight against climate change as one the most material topics for the company.
MEASURABILITY AND VERIFICATION
The KPIs are measurable and externally verified. The calculation methodologies can change due to the fact that KPIs have been recently defined and its methodologies could potentially evolve or improve. The Issuer commits to inform the investors of changes in the methodology. The Issuer reports that for KPI 2, 3 and 4, Eni has developed its own methodology, in collaboration with an independent consultant. Therefore, the KPIs' methodologies are subject to continuous improvements, in the light of new technology, scenario or international standard developments. Eni's Consolidated Disclosure of non-financial information, which includes all 4 KPIs, is reviewed annually by an external auditor. It is to be noted that KPI 2 is reported for the first time in Eni's 2020 Annual Report and that KPIs 3 and 4 were defined in 2020 and published for the first time in Eni's 2019 Carbon Neutrality in the Long-Term document (May 2020). An update of KPIs 3 and 4 was also disclosed in the CDP Climate change 2020 Report (published august 2020). All three KPIs are disclosed with a three-year actual trend in Eni's 2020 Annual Report.

[3] https://www.irena.org/-/media/Files/IRENA/Agency/Publication/2019/Jun/IRENA_G20_climate_sustainability_2019.pdf

CLARITY

The KPIs are clearly defined and disclosed in the Issuer's Framework. The KPIs' definitions rely on external references and can be benchmarked. The Issuer reports that the KPIs methodologies' rely on several external references such as the GHG Protocol (as reported for the World Business Council on Sustainable Development and the World Resources Institute), the accounting life cycle assessments, ISO 14064-1, ISO 14064-1, ISO 14072, ISO 14040 and ISO 14044 certifications.

The Issuer is communicative and the rationale and process for KPIs selection are clearly defined in the Framework.

EXHAUSTIVENESS

All selected KPIs cover more than 90% of the company's total activity, namely:

KPI 1: Eni share, worldwide.

KPI 2: The net impact of Upstream assets (operated and not operated) in terms of scope 1 and 2 GHG emissions accounted in equity share, after deduction of carbon offset compensation. It includes all the material greenhouse gases from operations (CO_2, CH_4 and N_2O).
KPI 3 & 4: Eni share, worldwide, focused on all the emissions coming from energy product produced and bought from 3rd parties, across their value chains.

BEST PRACTICES

⇒ The company has disclosed its materiality matrix and the KPIs reflect the most material issues identified by the company in the materiality matrix.

⇒ The Issuer is communicative and the rationale and process for KPI selection are clear.

⇒ The Issuer commits conduct a post-issuance review (which will be made available to bondholders) in case of material changes to the KPI's coverage, calculation methodology, and in particular the SPT calibration.

⇒ The KPIs' definitions rely on external references allowing their benchmark.

⇒ The KPI(s) covers more than 90% of the company's total activity.

Calibration of the Sustainability Performance Target (SPT)

Not Aligned	Partially Aligned	Aligned	Best Practices

AMBITION

KPI 1: RENEWABLE INSTALLED CAPACITY (GW) (ENI SHARE)

By using the variation of renewable installed capacity, the data set should fairly show positive or negative KPI trend, reflecting the Issuer's commitment to fight climate change, thus enabling investors to make an appropriate assessment of the overall environmental performance.

Table 2 –Renewable Installed Capacity (measured in GW)

		REPORTED DATA			OBJECTIVES				
KPI	2017	2018	2019	2020	2022*	2025*	2030*	2035*	2050*
	0.01	0.04	0.17	0.307	1.669	5	15	25	60
Increase in renewable installed capacity (in GW)		+0.03	+0.13	+0.137	+1.362	+3.331	+10	+15	+45

*Trigger event

Based on several points of comparison, we consider that Eni's targets demonstrate a robust[4] level of ambition.

The SPTs are consistent with the Issuer's existing targets set in its overall sustainability strategy. The objective is to reach 60 GW of renewable installed capacity (Eni share) by 2050.

Business-as-usual Trajectory Benchmark Analysis

The SPTs demonstrate an advanced level of ambition compared to the Issuer's Business as Usual (BaU). The Issuer has provided historical data on the KPI, which indicates that there has been a continuous increase of renewable installed capacity over the years. Moreover, the increase rate of renewable installed capacity increases exponentially over the years, multiplying its renewable capacity by 3 between 2025 and 2030, and by 4 between 2035 and 2050. In addition, according to the information provided by the Issuer, the share of renewable installed capacity compared to the overall power capacity will increase continuously, meaning the installed capacity from fossil fuel will be reduced as the Issuer's targets are met.

Sector Peers Benchmark

The SPTs demonstrate a robust level of ambition compared to sector peers' performances. Based on publicly disclosed targets from the Issuer's main competitors (integrated Oil & Gas companies in Europe), Eni's targets in terms of installed renewable capacity appear to be in line with most of its sector peers.

[4] VE scale of assessment: Weak / Limited / Robust / Advanced

According to the International Energy Agency (IEA) data (updated in November 2020)[5], only four companies from the sector have disclosed targets towards 2025. Indeed Repsol[6], ConocoPhillips, Chevron and ExxonMobil have not disclosed targets in terms of net installed renewable capacity. According to the IEA, the highest renewable capacity targets for 2025 include BP which expects to reach 20 GW (FID renewables)[7], Total with 25 GW and Royal Dutch Shell (Shell) with 15 GW. Eni's target for 2025 is lower, with an expected 5 GW renewable installed capacity. For 2030, companies that disclosed renewable installed capacity targets include BP with 50 GW (FID) and Total with a gross renewable installed capacity of 100 GW[8]. Eni's target of net renewable installed capacity of 2030 is of 15 GW.

Although the Issuer's targets appear to be lower compared to Total and BP, it is one of the few that discloses a target for 2035 (25 GW) along with Equinor (12 GW), and as of today, it appears to be the only company within its peers that has set a longer-term target for 2050, with a net renewable installed capacity reaching 60 GW.

Official International Targets and Scenarios Benchmark Analysis

As of today, there is no official sector standard to appropriately benchmark this indicator. Therefore V.E cannot assess the ambition of this indicator against international targets.[9]

MEASURES TO ACHIEVE THE SPT

The means to achieve the SPTs are disclosed in the Framework and credible. The Issuer has disclosed its strategy to achieve its targets:

The renewable energy installed capacity growth will be financed organically and through M&A activities. Eni plans to merge it renewables and retail business, with the objective to install around 70% of its renewable capacity in OECD countries, where the expansion will be linked with its retail and industrial clients, whilst the remaining 30% in non-OECD countries where Eni is already operating. The Issuer also intends to keep investing in its R&D, including new generation organic PV and marine wave energy. Other initiatives include the expansion of Eni's bio-refining capacity, targeting to double it to 2 million ton by 2024, as well as a progressive conversion of their traditional Italian refining sites into new plants for production of hydrogen, methanol, bio-methane and products from recycling of waste materials.

[5] https://www.iea.org/data-and-statistics/charts/installed-and-contracted-renewable-capacity-by-major-oil-and-gas-companies-2018-2025

[6] Repsol only disclosed targets for gross low carbon generation capacity.
See https://www.repsol.com/imagenes/global/en/II26112020_stepping_up_the_transition_renewable%20generation_business_tcm14-204949.pdf

[7] Of note, this target is on Final Investment Decision (FDI) renewables and not net renewable installed capacity.
See https://www.bp.com/content/dam/bp/business-sites/en/global/corporate/pdfs/investors/bpweek/bpweek-low-carbon-electricity-energy.pdf

[8] https://www.total.com/media/news/press-releases/France-Total-wins-50-MW-of-projects-in-latest-national-solar-tender

[9] Under the SLBP, the assessment of the ambition of a target requires the KPI to be benchmarked against (i) the Issuer's Business as Usual (BaU) performance, (ii) against its sector peers, and (iii) compared to an official sector standard. The lack of an official sector standard to appropriately assess the KPI's ambition does not allow V.E to provide an advanced level of ambition for the defined SPTs, therefore robust is the highest possible score to be achieved.

KPI 2: NET CARBON FOOTPRINT UPSTREAM (SCOPE 1 AND 2) ($MTCO_2EQ$)

By using the absolute value of GHG emissions per year, the data set should fairly show positive or negative KPI trend, reflecting the Issuer's commitment to fight climate change, thus enabling investors to make an appropriate assessment of the overall environmental performance.

Table 3 – Net Carbon Footprint Upstream (Scope 1 and 2) ($MtCO_2eq$)

<table>
<tr><th></th><th colspan="3">REPORTED DATA</th><th colspan="2">OBJECTIVES</th></tr>
<tr><td rowspan="2">KPI</td><td>2018 (Baseline)</td><td>2019</td><td>2020</td><td>2024*</td><td>2030*</td></tr>
<tr><td>14.8</td><td>14.8</td><td>11.4</td><td>7.4[10]</td><td>0</td></tr>
<tr><td rowspan="5">Overall reduction of GHG emissions (%)</td><td colspan="3">-23%</td><td colspan="2"></td></tr>
<tr><td colspan="2"></td><td colspan="2">-36%</td><td></td></tr>
<tr><td colspan="4">-50%</td><td></td></tr>
<tr><td colspan="5">-100%</td></tr>
<tr><td colspan="2"></td><td colspan="2">-10.5%</td><td></td></tr>
</table>

*Trigger event

Based on several points of comparison, we consider that Eni's targets demonstrate a robust[11] level of ambition.

The SPTs are consistent with the Issuer's existing targets set in its overall sustainability strategy. The objective is to reduce net carbon footprint upstream by 50% by 2024 and by 100% by 2030, both compared to 2018 levels.

Business-as-usual Trajectory Benchmark Analysis

The SPTs demonstrate an advanced level of ambition compared to the Issuer's Business as Usual (BaU). The overall reduction of the Issuer's upstream carbon footprint during the 2020-2024 period (36%) is significantly higher than the KPI's performance during the 2018-2020 (23%) and it demonstrates a coherent alignment with the long-term objective to achieve 100% reduction by 2050.

Sector Peers Benchmark

The SPTs demonstrate an advanced level of ambition compared to sector peers' performances. Other major Oil & Gas companies have disclosed net-zero targets for their Scope 1 and 2 emissions either by 2030 or 2050, but most of them appear to disclose these long-term targets without intermediate targets or on a limited boundary. For instance, companies that have set a target to have net-zero emissions by 2050 (Scope 1 and 2), include Total[12], Shell[13] and Repsol[14].

[10] The targeted values disclosed in Table 2, 3 and 4 have been rounded-up to the nearest tenths.
[11] VE scale of assessment: Weak / Limited / Robust / Advanced
[12] https://www.total.com/media/news/total-adopts-new-climate-ambition-get-net-zero-2050
[13] https://www.shell.com/energy-and-innovation/the-energy-future/our-climate-target.html#iframe=L3dlYmFwcHMvY2xpbWF0ZV9hbWJpdGlvbi8
[14] https://www.repsol.com/en/press-room/press-releases/2019/repsol-will-be-a-net-zero-emissions-company-by-2050.cshtml

Other companies with shorter-term objectives include Equinor and Oxy. While Equinor aims to reduce absolute GHG emissions (Scope 1 and 2) from their operations in Norway[15] by 40% by 2030 and 70% by 2040, compared to a 2018 baseline[16], Oxy aims to become Net-zero for their operational and energy use emissions (Scope 1 and 2) before 2040, with the ambition to accomplish this goal before 2035.

Compared to its main competitors, Eni appears to have set bigger reduction targets on a shorter timeline as well as in line with long term targets, and can therefore be considered more ambitious than its sector peers.

Official International Targets and Scenarios Benchmark Analysis

As of today, there is no internationally recognized data to conduct the international standards benchmark in terms of absolute GHG emissions. V.E does not have clear visibility on the alignment of the Issuer's targets with the goals of the Paris Agreement. Based on our methodology, Issuer's targets have to demonstrate an alignment with the 2DS to be considered advanced.

MEASURES TO ACHIEVE THE SPT

The means to achieve the SPTs are disclosed in the Framework and credible. The Issuer has disclosed its strategy to achieve its targets:

The Issuer expects to reach net zero carbon footprint for their upstream emissions through the implementation of emissions' mitigation initiatives and residual compensation of hard-to-abate emissions, using current technologies for carbon offset. The Net Carbon Footprint (Scope 1 +2) reduction will be achieved mainly through operational efficiency initiatives such as flaring down, methane emissions reduction, energy efficiency and electrification projects, and through compensation or removal of hard to abate emissions with forestry carbon offsets.

[15] Equinor's operations in Norway represent about 75% of its operations.

[16] https://www.equinor.com/en/how-and-why/climate.html

KPI 3: NET GHG LIFECYCLE EMISSIONS (SCOPE 1,2 AND 3) ($MTCO_2EQ$)

By using the absolute value of GHG emissions per year, the data set should fairly show positive or negative KPI trend, reflecting the Issuer's commitment to fight climate change, thus enabling investors to make an appropriate assessment of the overall environmental performance.

Table 3 – Net GHG Lifecycle emissions (scope 1,2 and 3) ($MtCO_2eq$)

<table>
<tr><th></th><th colspan="3">REPORTED DATA</th><th colspan="3">OBJECTIVES</th></tr>
<tr><td rowspan="2">KPI</td><td>2018 (Baseline)</td><td>2019</td><td>2020</td><td>2030*</td><td>2040*</td><td>2050*</td></tr>
<tr><td>505</td><td>501</td><td>439</td><td>379</td><td>177</td><td>0</td></tr>
<tr><td rowspan="3">Overall reduction of GHG emissions (%)</td><td colspan="4">-25%</td><td colspan="2"></td></tr>
<tr><td colspan="5">-65%</td><td></td></tr>
<tr><td colspan="6">-100%</td></tr>
<tr><td rowspan="2">Average annual variation (%)</td><td colspan="4">-2.4%</td><td colspan="2"></td></tr>
<tr><td colspan="3"></td><td colspan="2">-7.3%</td><td></td></tr>
</table>

*Trigger event

Based on several points of comparison, we consider that Eni's targets demonstrate a robust[17] level of ambition.

The SPTs are consistent with the Issuer's existing targets set in its overall sustainability strategy. The objective is to reduce its net lifecycle emissions (scope 1, 2 and 3) by 25% by 2030 and 65% by 2040 respectively, both against its 2018 baseline. In addition the Issuer has set a target to reach net-zero emissions by 2050.

Business-as-usual Trajectory Benchmark Analysis

The SPTs demonstrate a robust level of ambition compared to the Issuer's Business as Usual (BaU). The Issuer has provided historical data showing the indicators has had a continuous decrease in previous years and, overall, the targets set by Eni represent a continuous decrease in its net lifecycle emissions.

In addition, the average annual variation expected between the 2018-2030 period represents -2.4%, while the average decrease rate for the 2030-2040 period is expected to be of -7.3%, meaning the Issuer's longer-term targets appear to be more ambitious than its first short-term target.

[17] VE scale of assessment: Weak / Limited / Robust / Advanced

Sector Peers Benchmark

The SPTs demonstrate a robust level of ambition compared to sector peers' performances. While other major Oil & Gas companies have disclosed similar targets in terms of reaching net-zero emissions towards 2050, not all of these peers appear to have set intermediate targets. For instance, Equinor, Repsol and Shell all have disclosed objectives to reach net-zero emissions by 2050, but none of these companies have disclosed intermediate targets towards this long-term objective. Other sector peers have disclosed intermediate targets but with certain restrictions in terms of KPI coverage. For instance, BP has set reduction targets for 2025 and 2030, however these appear to be not comprehensive enough in terms of KPI coverage. BP's long-term objective of being net-zero by 2050 includes their Scope 3 emissions, but these only include end-use from exploration and production activities and excludes emissions from Russian company Rosneft with which BP has a joint venture.[18]

Official International Targets and Scenarios Benchmark Analysis

As of today, there is no internationally recognized data to conduct the international standards benchmark in terms of absolute lifecycle GHG emissions. V.E does not have clear visibility on the alignment of the Issuer's targets with the goals of the Paris Agreement. Based on our methodology, Issuer's targets have to demonstrate an alignment with the 2DS to be considered advanced.

For the measures to achieve the SPTs, please refer to KPI 4.

[18] https://www.bp.com/en/global/corporate/sustainability/climate-change/reducing-emissions-in-our-operations.html

KPI 4: NET CARBON INTENSITY (SCOPE 1,2 AND 3) (gCO_2EQ/MJ)

By using the absolute value of GHG emissions per year, the data set should fairly show positive or negative KPI trends, reflecting the Issuer's commitment to fight climate change, thus enabling investors to make an appropriate assessment of the overall environmental performance.

Table 4 – Net Carbon intensity (scope 1, 2 and 3) (gCO_2eq/MJ)

<table>
<tr><th></th><th colspan="3">REPORTED DATA</th><th colspan="3">OBJECTIVES</th></tr>
<tr><td rowspan="2">KPI</td><td>2018 (Baseline)</td><td>2019</td><td>2020</td><td>2030*</td><td>2040*</td><td>2050*</td></tr>
<tr><td>68</td><td>68</td><td>68</td><td>58</td><td>41</td><td>0</td></tr>
<tr><td rowspan="3">Overall reduction of GHG emissions (%)</td><td colspan="4">-15%</td><td colspan="2"></td></tr>
<tr><td colspan="5">-40%</td><td></td></tr>
<tr><td colspan="6">-100%</td></tr>
<tr><td rowspan="2">Average annual variation (%)</td><td colspan="4">-1.3%</td><td colspan="2"></td></tr>
<tr><td colspan="3"></td><td colspan="2">-3.4%</td><td></td></tr>
</table>

*Trigger event

Based on several points of comparison, we consider that Eni's targets demonstrate a robust[19] level of ambition.

The SPTs are consistent with the Issuer's existing targets set in its overall sustainability strategy. The objective is to reduce its carbon intensity by 15% by 2030 and 40% by 2040, both against the 2018 baseline. In addition the Issuer sets a target to be carbon-neutral by 2050.

Business-as-usual Trajectory Benchmark Analysis

The SPTs demonstrate a robust level of ambition compared to the Issuer's Business as Usual (BaU). The Issuer has disclosed historical data which shows the indicator has had no variation in previous years. However, the targets set by Eni represent a continuous decrease in its carbon intensity. In addition, when considering the expected average annual variation throughout the years, the emission reduction appears to be more ambitious over time. Between 2018 and 2030 the expected annual variation represents –1.3% in average, in comparison to -3.4% between 2030 and 2040, meaning the Issuer's targets are committing to a higher decrease rate for its longer-term targets. In addition, the Issuer expects to reduce its remaining 60% of lifecycle emissions within a 10 years period (2040-2050), which is higher than the 15% decrease set for the first 12 years target (2018-2030).

Sector Peers Benchmark

The SPTs demonstrate an advanced level of ambition compared to sector peers' performances. According to the Transition Pathway Initiative (TPI), among the biggest (top 6) Oil & Gas companies in Europe[20], Eni appears to be the second-best performer considering its 2040 and 2050 targets and stands as the group leader for its 2030 target.

[19] VE scale of assessment: Weak / Limited / Robust / Advanced
[20] Carbon performance of European Integrated Oil & Gas companies: Briefing paper – May 2020.

Official International Targets and Scenarios Benchmark Analysis

The SPTs demonstrate a robust level of ambition compared to sector standards. Based on the projections made by the TPI in May 2020, Eni appears to be in line with the Paris Pledges, but not with the 2-degree scenario (2DS) for all its targets (2030, 2040 and 2050)[21]. On the other hand, for its 2050 target, the company's target appears to be very close to the 2DS. The Science Based Target initiative (SBTi) is currently working on a methodology to assess targets form the Oil & Gas sector, and therefore it is not possible to provide a certified assurance on the targets ambition as of today[22]. In this context, considering that Eni's target appears to be approaching the estimated 2DS by TPI and given the lack of a more sector-appropriate methodology, we consider the SPTs to demonstrate a robust level ambition.

MEASURES TO ACHIEVE THE SPT

The means to achieve the SPTs are disclosed in the Framework and credible. The Issuer has disclosed its strategy to achieve its targets:

KPI3 – Net GHG Lifecycle emissions and KPI 4 – Net carbon intensity

The Issuer states the full decarbonization of its products and operations, which is expected result in a reduction of their net GHG lifecycle emissions (in MtCO2eq) and its net carbon intensity (in gCO2eq/MJ), both considering scope 1,2 and 3, will be achieved through existing technologies such as Bio-refineries, whose capacity will increase by 5 times by 2050; circular economy, with a larger use of biogas and the recycling of organic and inorganic waste material; as well as efficiency and digital solutions in their operations and customer services. Eni also intends to use blue and green hydrogen to lower CO_2 emissions in their biorefineries and in other hard to abate activities.

BEST PRACTICES

- ⇒ The timeline, baseline and trigger events are clearly disclosed, and the issuer has set relevant intermediary targets allowing sufficient visibility on the KPIs' performance
- ⇒ The means for achieving the SPTs are credible.

[21] Please note that the TPI analysis was based on Eni's 2020 Strategy which included a target to reduce by 55% its net carbon intensity by 2050. Eni's updated strategy announced in February 2021 set a more ambitious target of reducing by 100% its net carbon intensity by 2050.

[22] https://sciencebasedtargets.org/sectors/oil-and-gas

Bond Characteristics

Not Aligned	Partially Aligned	Aligned	Best Practices*

Eni confirms that the Instruments issued under this Framework will be subject to variations in their financial characteristics depending on the achievement of the defined trigger events. The exact mechanism and impact will be detailed for each transaction in the relevant documentation, which will be publicly available.

If the SPT is not met as of the observation date (i.e. the date on which the relevant target should be achieved), it will trigger a step-up margin or margin adjustment, as applicable, bringing to an increase in the interest rate applicable to interest periods following such reference date.

If the SPT is met as of the observation date (i.e. the date on which the relevant target should be achieved), it might trigger a margin adjustment applicable to interest periods following such reference date.

The Issuer reports that, for the avoidance of doubt, no more than one step-up margin or margin adjustment, as applicable, can be applied over the life of a given Sustainability-Linked Instrument.

The fallback mechanisms, in case the SPT cannot be calculated or observed, are disclosed, and clearly defined. The Issuer reports that if for any reason, the performance level against each SPT cannot be calculated or observed the increased coupon margin will be applicable. This will be included in the terms and conditions of the relevant documentation.

*V.E considers that, as of today, there is insufficient information and market precedent to appropriately assess the potential best practices regarding the bond characteristics' variation. In this sense, the "Aligned" level is currently considered to be the highest level to be achieved by Issuers on this pillar. In addition, the meaningfulness of the variation of the financial characteristics of the Instruments cannot be assessed due to a lack of comparison data.

Reporting

Not Aligned	Partially Aligned	Aligned	Best Practices

KPI 1, KPI 2, KPI 3, KPI 4

REPORTING PROCESS

The Issuer reports that internal process for data monitoring, collection and reporting on non-financial data is defined within the Eni's Regulatory System and through the Annex G "Sustainability Reporting" of the SOST (Sustainability) Management System Guideline which provides management processes, roles and responsibilities for preparing the sustainability reports, defining steps for data provision, preparation and approval of Consolidated Non-Financial Declaration ("DNF" or "NFI"), in accordance with Italian Legislative Decree 254/2016, published in the Annual report.

In addition to the Annex G, a Methodological Manual on non-financial KPIs, updated and managed by the Sustainability Department, aims to design a structured process of collection and defines control of data reported in the Consolidated Non-Financial Information (NFI), pursuant to Decree 254/2016, in order to ensure its quality and robustness. Within the Manual there are both: i) methodological principles for the collection and representation of data (that define the criteria necessary to guarantee a homogeneous reporting process for all the KPIs and the methods for collecting and reporting the KPIs, in order to guarantee reliability, completeness and accuracy of data provided and the coverage of the reporting boundaries); ii) indicator sheets for the NFI (that provide the information necessary to define the indicators reported in the NFI).

CONTROL

KPI data undergoes both internal and external verification.

External verification is conducted as part of the external audit of Eni's Consolidated Disclosure of non-financial information, which includes all 4 KPIs.

ACCESIBILITY OF RESULTS

The intended scope and granularity of the reporting is clear and exhaustive, covering all the required and recommended elements.

All relevant information is disclosed by the Issuer in public documentation (including information on the performance of KPIs, information enabling investors to monitor the level of ambition of the SPTs and baselines).

The reporting on the KPIs will be published annually and until maturity of the Instruments.

BEST PRACTICES

⇒ KPI data undergoes both internal and external verification

⇒ The intended scope and granularity of the reporting is clear and exhaustive, covering all the required and recommended elements

⇒ The reporting on the KPIs will be published annually until maturity of the Instruments

Verification

Not Aligned	Partially Aligned	Aligned	Best Practices

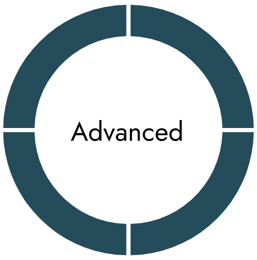
The Issuer commits to undergoing an external verification of the performance of each KPI against each SPT, the related impact and timing of such impact, on the instrument's financial characteristics.

The verification will be conducted annually,until maturity of the instrument.

The verification assurance reports will be publicly available.

BEST PRACTICES
⇒ Verification will be conducted annually until maturity of the instruments

ISSUER



Eni is engaged in the exploration, development and production of hydrocarbons, in the supply and marketing of gas, liquefied natural gas (LNG) and power, in the refining and marketing of petroleum products, in the production and marketing of basic petrochemicals, plastics and elastomers and in commodity trading.

ESG Performance

The Issuer's ESG performance was assessed through a complete process of rating and benchmarking[23].

As of July 2020, Eni displays an overall advanced ESG performance ranking 2nd in our Energy sector, which covers 28 companies. The company is considered advanced in all 3 pillars, namely: Environment, Social and Governance.

DOMAIN	COMMENTS	OPINION
Environment	Eni's performance in the Environmental pillar is considered advanced. The Issuer has issued a formalised commitment to environmental protection in its Code of Ethics and its Sustainability Policy. It has also committed to all its responsibilities in terms of climate change namely: development of renewable energy, development of alternative fuels, management of energy consumption and related greenhouse gas emissions, and management of flaring and venting. The majority of Eni's sites are ISO 14001 certified. The company reported that 93% of the company and 100% of production sites were ISO 14001 certified in 2019. Regarding pollution prevention and control, Eni reported that it is committed to manage the risk of oil spills in Italy and abroad through well-integrated actions in all areas. It also reported on its commitment to prevent and control uncontrolled releases of hazardous substances that may evolve into significant incidents. In this regard, Eni has allocated significant resources: prevention activities, specific units with the skills to identify, assess, prevent and mitigate risks that could result in the malfunction of processes or equipment or in inadequate procedures, to prevent accidents, including explosions and fires, emergency reaction procedures that are tested in exercises in order to identify appropriate corrective actions and techniques to allow the early detection of leaks, damage or effractive activities near or on oil pipelines, to reduce response times and related spills. In terms of developing alternative fuels the Issuer has set the following quantified target: increase in bio-refining capacity of up to 5 million tonnes per year in 2050.	Advanced Robust

[23] This ESG rating is based on Eni's 2020 Strategy and not its most updated strategy which was published in 2021.

DOMAIN	COMMENTS	OPINION
	To achieve this target, the Issuer invests in the following technologies: agrofuels, second generation biofuels, third generation biofuels, fourth generation biofuels and renewable-based hydrogen. Concerning renewable energy sources, Eni reported on its strategy to expand the renewable energy business at a global level with an installed capacity of 3 GW by 2023, to raise to around 15 GW in 2030, over 25 GW by 2035 and over 55 GW by 2050. Eni has made significant investments in wind, solar, biomass and in the production of electricity from the movement of waves. Eni's production of renewable energy, normalised to its total sales, has increased continuously over the past three years and renewable energy generated normalised to turnover increased continuously by 350% between 2017 and 2019 and stood at 900 kWh per EUR million in 2019.	Limited
	Moreover, the company issued a Biodiversity and Ecosystem Services Policy document that summarises the company's position, approach, and management strategy in this area. A monitoring of biodiversity risk exposure by screening new and existing sites for proximity to protected areas is also set up and Eni uses the results of this screening to identify priority sites for action and set targets for biodiversity risk management as part of the company's Strategic HSE Plan. In addition, site-specific indicators are selected on a case-by-case basis for each component identified by the Biodiversity and Ecosystem Services action plan of the site, considering specific operational and environmental contexts. Finally, with regard to its greenhouse gas emissions, Eni has set quantified targets which are considered ambitious compared to the sector: an absolute reduction in net lifecycle GHG emissions (scope 1, 2 and 3) by around 30% in 2035 and 80% by 2050 vs 2018, a reduction of 55% by 2050 vs 2018 in net carbon intensity per unit of energy product sold and a zero net carbon footprint (scope 1 and 2 emissions) for the entire Eni Group by 2040. To achieve its targets, the Issuer has set innovative measures compared to its peers such as gas utilisation projects which cover 90% of upstream production sites and conducts R&D on carbon capture and storage. Finally, Eni has implemented measures to include environmental factors in supply chain management. The Issuer verifies that suppliers have an environmental management system in accordance with the main international standards, such as ISO 14001, correctly implemented. Eni's General Terms and Conditions contain some HSE clauses. It has also a supplier portal that comprises a programme to integrate sustainability criteria when evaluating qualifications, define specific development plans, adopt a scoring model for tenders, market intelligence activities, and co-design of technical specifications.	Weak
Social	<u>Eni's performance in the Social pillar is considered advanced.</u> Eni's performance in the Human Rights domain is advanced. The Issuer addresses all human rights issues in its Code of Ethics and its Global Framework Agreement. The company's commitment addresses to respect and promote human rights in society all its responsibilities.	Advanced
	Eni's performance in the Human Resources domain is advanced. Regarding health and safety, all subsidiaries with a significant HSE risk are OHSAS 18001/ISO 45001 certified, and employees' accident frequency and severity rates decreased.	Robust

<table>
<tr><th>DOMAIN</th><th>COMMENTS</th><th>OPINION</th></tr>
<tr><td rowspan="2"></td><td rowspan="2">The Issuer monitors and reports on occupational illness frequency rate and the risk of stress at work. Eni has also put in place a Telemedicine service, which enables healthcare staff operating at Eni's peripheral sites to receive real-time assistance and advice for the management of eventual emergencies complex cases, specialized cases, and the possibility of continuous training.

The collective bargaining agreements cover more than 75% of its employees. In addition, the company reported on several measures to limit the impacts of reorganizations.

Eni's performance in the Community Involvement domain is advanced. The company has issued a formalized and accessible commitment to promote local social and economic development in its Code of Ethics, its Sustainability Policy, and its Tax Strategy . The Issuer reported on several means to manage the impacts of its operations on local social and economic development; and strategies and policies to involve local communities reportedly apply to all its operating subsidiaries. Besides, the company reports transparently on the taxes paid.</td><td>Limited</td></tr>
<tr><td>Weak</td></tr>
<tr><td rowspan="4">Governance</td><td rowspan="4"><u>Eni's performance in the Governance pillar is considered advanced</u>.

The company's board is more than 50% independent with six members of the nine-member Board which are considered independent.

With demonstrated professional expertise in the sector activities and CSR issues and more than 40% of women on the Board, the diversity of Eni's Board appears to be advanced. Among the relevant CSR issues discussed at Board level: the Statement on the Modern Slavery Act., the topics of the HSE review document, the reports from the anti-corruption unit, issues such as HSE results and the scenario analysis of the International Energy Agency (IEA), etc.

In addition, Eni's internal control system covers the CSR risks inherent to its operations. The Issuer respects the one share - one vote principle. Finally, CSR performance seems to be linked to executives' variable remuneration.

Regarding prevention of corruption, Eni has set up internal and external controls to prevent corruption, the possibility to contact internal audit, legal or compliance departments confidentially, a dedicated confidential hotline or email address, internal audits, risk assessment of company vulnerability, due diligence on joint ventures, due diligence in evaluating contracts/suppliers, systems for appointment/remuneration of agent and external investigations of allegations.

Because of the restrictions connected with the COVID-19 epidemiological emergency, the possibility of voting through online services was ensured.</td><td>Advanced</td></tr>
<tr><td>Robust</td></tr>
<tr><td>Limited</td></tr>
<tr><td>Weak</td></tr>
</table>

Management of ESG Controversies

As of today, Eni is facing 10 stakeholders related ESG controversies, linked to all six domains we analyse, namely:

- Environment, in the criteria "Environmental strategy", "Industrial accidents and pollution prevention", "Green energy", "Biodiversity", "Water" and "Climate change»; Human Resources, in the criterion "Health and safety».
- Human Rights, in the criterion "Fundamental human rights".
- Community Involvement, in the criterion "Community investment and engagement".
- Business behaviour, in the criteria "Information to costumers", "Responsible Customer Relations", "Sustainable Relationships with suppliers", "Corruption «and "Anti-competitive practices".
- Corporate Governance, in the criterion "Audit & Internal Controls".

Frequency: Overall, the controversies are considered frequent[24], higher than the sector average (i.e. Occasional).

Severity: The severity of the impact on both the company and its stakeholders for all controversies is considered critical[25], higher than the sector average (i.e. high).

Responsiveness: Eni is considered overall reactive[26], higher than the sector average (i.e. non communicative).

Involvement in Controversial Activities

Eni appears to be involved in six of the 17 controversial activities screened under our methodology, namely:

- Minor involvement in Alcohol: Eni has an estimated turnover from alcoholic beverages which is below 5% of total turnover. This turnover is derived from the sale and serving of alcoholic beverages through the Issuer's service stations. Eni operates a network of gas and petrol service stations that include shops and restaurants, where alcoholic beverages are sold.
- Minor involvement in Chemicals of concern: Eni produces or supplies chemicals subject to controversy. It supplies hexane and wholly owned subsidiary Versalis provides benzene.
- Major involvement in Fossil Fuels industry: Eni has an estimated turnover from fossil fuels which is over 50% of total turnover. This turnover is derived from oil and gas exploration and production, transportation, and power generation from fossil fuels.
- Minor involvement in Military: Eni has an estimated turnover from military sales which is below 5% of total turnover. This turnover is derived from the production and supply of jet fuel for military aircraft. The Issuer states that it sells aviation fuel directly to aviation units of the armed forces. It says that the Jet A-1 fuel it sells meets the most stringent technical standards, including the British Ministry of Defense Standard 91-91.
- Minor involvement in Nuclear Power: Eni has an estimated turnover from nuclear power which is below 5% of total turnover. This turnover is derived from associate, Saipem (30.54% interest), providing construction services to the nuclear industry.
- Minor involvement in Tobacco: Eni has an estimated turnover from tobacco which is below 5% of total turnover. This turnover is derived from the sale of tobacco products through the Issuer's service stations. Eni operates a network of gas and petrol service stations that include shops and restaurants, where tobacco products are sold.

[24] VE scale of assessment: Isolated / Occasional / Frequent / Persistent.
[25] VE scale of assessment: Minor / Significant / High / Critical.
[26] VE scale of assessment: Non-communicative / Reactive / Remediative / Proactive.

The Issuer appears to be not involved in any of the other 11 controversial activities screened under our methodology, namely: Animal welfare, Cannabis, Civilian firearms, Coal, Unconventional oil and gas, Gambling, Genetic engineering, Human embryonic stem cells, High interest rate lending, Pornography and Reproductive Medicine.

The controversial activities research provides screening of companies to identify involvement in business activities that are subject to philosophical or moral beliefs. The information does not suggest any approval or disapproval on their content from V.E.

METHODOLOGY

In V.E' view, Environmental, Social and Governance (ESG) factors are intertwined and complementary. As such they cannot be separated in the assessment of ESG management in any organisation, activity, or transaction. In this sense, V.E provides an opinion on the Issuer's ESG performance as an organisation, and on the processes and commitments applicable to the intended issuance.

Our Second Party Opinions (SPOs) are subject to internal quality control at three levels (Analyst, Project Manager and Quality Reviewer). If necessary, this process is complemented by a final review and validation by the Expertise Committee and Supervisor. A right of complaint and recourse is guaranteed to all companies under our review, following three levels: first, the team in contact with the Issuer; then the Executive Director in charge of Methods, Innovation & Quality; and finally, V.E' Scientific Council. All employees are signatories of V.E' Code of Conduct, and all consultants have also signed its add-on covering financial rules of confidentiality.

FRAMEWORK

Alignment with the Sustainability-Linked Bond Principles

Scale of assessment: Not aligned, Partially aligned, Aligned, Best Practices

The Framework has been evaluated by V.E according to the LMA's Sustainability-Linked Loan Principles – May 2020 ("SLLP") and the ICMA's Sustainability-Linked Bond Principles - June 2020 ("SLBP") and on our methodology based on international standards and sector guidelines applicable in terms of ESG management and assessment.

Selection of Key Performance Indicators (KPIs)

KPI's materiality and coherence with the Issuer overall sustainability strategy and with the Issuer sector's main sustainability challenges. KPI's measurability and clarity, internal and external control over the KPI's data, exhaustiveness of the KPI's coverage.

Calibration of Sustainability Performance Targets (SPTs)

Coherence of the SPTs with the overall sustainability strategy, ambition of the SPTs (compared the Issuer's own performance, sector peers and relevant international standards), trigger events' disclosure, disclosure and credibility of the means for achievement (including scope and geographical coverage of the means).

Bond characteristics

Disclosure of the bond characteristics' variation, meaningfulness of these variation.

Reporting

Reporting process formalisation and verification, data's accessibility.

Verification

Verification of the performance against the SPTs and disclosure of the assurance reports.

ISSUER

Issuer's ESG performance

Scale of assessment of ESG performance: Weak, Limited, Robust, Advanced

NB: The Issuer's level of ESG performance (i.e. commitments, processes, results of the Issuer related to ESG issues), has been assessed through a complete process of rating and benchmarking developed by V.E.

The Issuers ESG performance has been assessed by V.E on the basis of its:

- <u>Leadership</u>: relevance of the commitments (content, visibility and ownership).
- <u>Implementation</u>: coherence of the implementation (process, means, control/reporting).
- <u>Results</u>: indicators, stakeholders' feedbacks and controversies.

Management of stakeholder-related ESG controversies

A controversy is an information, a flow of information, or a contradictory opinion that is public, documented and traceable, allegation against an Issuer on corporate responsibility issues. Such allegations can relate to tangible facts, be an interpretation of these facts, or constitute an allegation based on unproven facts.

V.E reviewed information provided by the Issuer, press content providers and stakeholders (partnership with Factiva Dow Jones: access to the content of 28,500 publications worldwide from reference financial newspapers to sector-focused magazines, local publications or Non-Government Organizations). Information gathered from these sources is considered as long as it is public, documented and traceable.

V.E provides an opinion on companies' controversies risks mitigation based on the analysis of 3 factors:

- Frequency: reflects for each ESG challenge the number of controversies that the Issuer has faced. At corporate level, this factor reflects on the overall number of controversies that the Issuer has faced and the scope of ESG issues impacted (scale: Isolated, Occasional, Frequent, Persistent).
- Severity: the more a controversy is related to stakeholders' fundamental interests, proves actual corporate responsibility in its occurrence, and have caused adverse impacts for stakeholders and the Issuer, the higher its severity is. Severity assigned at the corporate level will reflect the highest severity of all cases faced by the Issuer (scale: Minor, Significant, High, Critical).
- Responsiveness: ability demonstrated by an Issuer to dialogue with its stakeholders in a risk management perspective and based on explanatory, preventative, remediating or corrective measures. At corporate level, this factor will reflect the overall responsiveness of the Issuer for all cases faced (scale: Proactive, Remediate, Reactive, Non- Communicative).

The impact of a controversy on an Issuer's reputation reduces with time, depending on the severity of the event and the Issuer's responsiveness to this event. Conventionally, V.E' controversy database covers any controversy with Minor or Significant severity during 24 months after the last event registered and during 48 months for High and Critical controversies.

Involvement in controversial activities

17 controversial activities have been analysed following 30 parameters to screen the Issuer's involvement in any of them. The Issuer's level of involvement (Major, Minor, No) in a controversial activity is based on:

- An estimation of the revenues derived from controversial products or services.
- The specific nature of the controversial products or services provided by the Issuer.

V.E'S ASSESSMENT SCALES

Scale of assessment of the Issuer's ESG performance, the KPI(s) materiality and the associated SPT(s) ambition.	
Advanced	Advanced commitment: strong evidence of command over the issues dedicated to achieving the sustainability objective.
	The selected KPI(s) reflects the most material issues for the Issuer's core sustainability and business strategy and address the most relevant environmental, social and/or governance challenges of the industry sector.
	An advanced ambition is achieved when the SPT(s) can demonstrate the following: (i) alignment with the 2D scenario/recognized sector standards (ii) a top performance in comparison to sector peers, and (iii) an improvement of the company's performance.
Robust	Convincing commitment; significant and consistent evidence of command over the issues.
	The selected KPI(s) reflects material issues for the Issuer's core sustainability and business strategy and address relevant environmental, social and/or governance challenges of the industry sector.
	A robust ambition is achieved when the SPT(s) can demonstrate at least two out of three of the following items: (i) alignment with the 2D scenario/recognized sector standards (ii) a performance in line with the average performance of sector peers, and (iii) an improvement of the company's performance.
Limited	Commitment to the objective of sustainability has been initiated or partially achieved; fragmentary evidence of command over the issues.
	The selected KPI(s) does not appropriately reflect material issues for the Issuer's core sustainability and business strategy and partially address relevant environmental, social and/or governance challenges of the industry sector.
	A limited ambition is achieved when the SPT(s) can demonstrate only one out of three of the following: (i) alignment with the 2D scenario/recognized sector standards (ii) a performance in line with the average performance of sector peers, and (iii) an improvement of the company's performance.
Weak	Commitment to social/environmental responsibility is non-tangible; no evidence of command over the issues.
	The selected KPI(s) does not reflect material issues for the Issuer's core sustainability and business strategy and do not address relevant environmental, social and/or governance challenges of the industry sector.
	A weak ambition is achieved when the SPT(s) (i) is not aligned the 2D scenario/recognized sector standards (ii) is below the average performance of its sector peers, and (iii) shows a negative trend in the company's performance.

Scale of assessment of financial instrument's alignment with Sustainability-Linked Bond and Loan Principles	
Best Practices	The Instrument's practices go beyond the core practices of the ICMA's Sustainability-Linked Bond Principles and/or of the Loan Market Association's Sustainability-Linked Loan Principles by adopting recommended and best practices.
Aligned	The Instrument has adopted all the core practices of the ICMA's Sustainability-Linked Bond Principles and/or of the Loan Market Association's Sustainability-Linked Loan Principles.
Partially Aligned	The Instrument has adopted a majority of the core practices of the ICMA's Sustainability-Linked Bond Principles and/or of the Loan Market Association's Sustainability-Linked Loan Principles, but not all of them.
Not Aligned	The Instrument has adopted only a minority of the core practices of the ICMA's Sustainability-Linked Bond Principles and/or of the Loan Market Association's Sustainability-Linked Loan Principles.

DISCLAIMERS

Transparency on the relation between V.E and the Issuer: V.E has not carried out any audit mission or consultancy activity for Eni. No established relation (financial or commercial) exists between V.E and the Issuer. V.E's conflict of interest policy is covered by its Code of Conduct, which can be found at http://vigeo-eiris.com/wp-content/uploads/2018/07/Code-of-Conduct-Vigeo-Eiris-EN.pdf.

This opinion aims at providing an independent opinion on the sustainability credentials and management of the Instruments, based on the information which has been made available to V.E. V.E has neither interviewed stakeholders out of the Issuer's employees, nor performed an on-site audit nor other test to check the accuracy of the information provided by the Issuer. The accuracy, comprehensiveness and trustworthiness of the information collected are a responsibility of the Issuer. The Issuer is fully responsible for attesting the compliance with its commitments defined in its policies, for their implementation and their monitoring. The opinion delivered by V.E neither focuses on the financial performance of the Instruments, nor on the effective allocation of its proceeds. V.E is not liable for the induced consequences when third parties use this opinion either to make investments decisions or to make any kind of business transaction.

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