ENI SHAREHOLDERS' MEETING, 15 MAY 2024
MESSAGE FROM THE CHAIRMAN OF THE BOARD, GIUSEPPE ZAFARANA AND THE CHIEF EXECUTIVE OFFICER, CLAUDIO DESCALZI ON CLIMATE STRATEGY

FOCUSED ON NET ZERO EMISSIONS TARGET AT 2050 MEETING THE CHALLENGE OF THE ENERGY TRILEMMA

FAST TRACKING DEVELOPMENT OF NEW, HIGH GROWTH AND VALUABLE ACTIVITIES RELATED TO ENERGY TRANSITION WHILE FULLY REALIZING THE VALUE OF OUR TRADITIONAL BUSINESSES

Dear Shareholders,

We are pleased to again share with you an outline of our climate transition strategy to 2050. Our commitment to reaching Net-Zero carbon emissions by 2050, aligned with the Paris Agreement target of a 1.5°C maximum temperature increase, remains unchanged and enjoys the full support of our Board of Directors, whose oversight role and that of its key committees is core to Eni's strategic transformation.

In our most recent Capital Markets Update in March 2024, we illustrated our plan through 2027 and beyond and confirmed our main interim decarbonization and business targets, underpinning our transition strategy to carbon neutrality by 2050. By 2030, we aim to reduce by 35% in absolute terms our net greenhouse gas lifecycle emissions (scope 1+2+3) and our net carbon intensity (scope 1+2+3) by 15% versus the baseline year 2018. The goals that are critical to delivering this outcome are embedded in executive remuneration and key performance indicators are also contained in our Sustainability-Linked borrowing.

In a complex and changing energy market, Eni's strategy is one that continues to be focused on maximizing our opportunities through developing technologies, transforming the business and improving activities acknowledging that energy transition is irreversible.

The complexity of the transformation of the energy sector raises many questions about the future mix of technologies, the role of geopolitics in the pace of change, how and when it will be executed in the different geographies, and, most importantly, how all of this can be affordable from an economic standpoint. In such a scenario, there is not **a single answer, valid for all, to manage the energy trilemma.** Therefore, Eni's strategy is **an adaptive one that aims at the different objectives, namely security, affordability and decarbonisation**, and which develops levers and business models that are tailored to the differing countries and industries and, crucially, are economically sustainable.

This is an approach that is progressively becoming the consensus among policy makers, recognising these different needs, and in the case of Eni spans from:

- the increased **supply of gas and renewables** replacing higher emitting energy sources in developing countries and improving their energy availability, to
- **the deployment of low and zero carbon technologies in OECD countries,** illustrated in our rapid build out of Plenitude and our industry leading positions in biofuels and Carbon Capture and Storage (CCS), in which we plan to build sizeable businesses.

In many cases, the development of our new businesses will involve the efficient repurposing of our existing facilities through a circular economy concept -for example - in the restructuring of our chemical business (Versalis) that we are repositioning, leveraging new platforms focused on specialized products, bio-based chemistry and circularity solutions, where we can compete with a leading position.
Leveraging on innovation and technological capabilities we have been successful in transforming our refining business and building out a leading position in the biorefining activity.
We are pursuing the same strategy for the transformation of our chemical business, targeting increased exposure to sectors / end use markets less exposed to base chemical margin volatility. For instance, we will continue to expand our portfolio of bioplastics for packaging or biodegradable products for the agriculture, having completed last October the acquisition of the remaining shares of Novamont, the world leader producer of bioplastics and biochemicals. We will also continue to expand our portfolio of specialized products in existing and new applications developing, for example, advanced solutions for the automotive, wire & cables, photovoltaic sectors.

We are clear that successfully seizing the industrial potential afforded by the Energy Transition requires innovation in the organisational and financial model.

Growth in new businesses requires us to apply managerial and financial focus to activities that have different characteristics in terms of frequency and size of investment decisions, geographies involved, or require a bigger role of marketing.

Above all, it is from an economic and financial perspective that a **potential trade off emerges.** Our satellite model – based on standalone companies either in the conventional business or in the new activities – addresses the capital absorption of new businesses **preserving the free cash flow from traditional assets for the benefit of shareholder distribution**. It allows us to develop emerging activities autonomously, usually with third-party funding, **accessing new pools of aligned capital and highlighting value creation. It is therefore the means by which we can manage our traditional businesses but also invest in the Energy Transition in a sustainable fashion.**

In our **Natural Resources** division our strategy emphasizes the reduction of greenhouse gas (GHG) emissions from operations, including flaring and methane, and developing a portfolio of CCS projects.

Our future production portfolio is shifting to lower emitting gas, with the gas component (including condensates) in production reaching more than 60% share by 2030. Our leading exploration business secures and enhances value in the Upstream and also focuses on gas. Moreover, exploration is conducted in the context of a focus on fast to market and the efficient use of existing industry infrastructure, ensuring efficient development of resources. We will grow production in the near-term (3-4% on yearly average through 2027, 2% reported after the effect of net portfolio activity) while continuing to reduce GHG emissions. At end 2023, our Upstream net carbon footprint (scope 1+2) was already reduced by 40% (Eni's -30%) and methane emissions by more than 60% versus the 2018 baseline, on track for the Net Zero Upstream (scope 1+2) at 2030 and Eni's by 2035.

We will continue to focus on methane emission abatement (encompassing fugitives, flaring and venting reduction programs) aiming at near-zero methane emissions in the Upstream by 2030, having received the Gold Standard within the UN Oil and Gas Methane Partnership 2.0 (UN OGMP 2.0) program. In terms of methane emission intensity on gas sales, we have already achieved the Oil and Gas Climate Initiative (OGCI) of "well below 0.2%" target by 2025 (0.06% in 2023).
In the longer term the share of gas in production continues to rise to more than 90% beyond 2040 from the current 50% - helping to drive a significant reduction in Scope 3 emissions over that period. Hydrocarbon volumes in total will reduce in the medium-long term, primarily contributing to our full decarbonization target.
Carbon capture and storage, which represents a crucial technology to decarbonize hard to abate industrial emissions, will emerge as an important new Transition business during the Plan with significant growth beyond

2027. In CCS, we have established a leadership position particularly in UK and Italy, where this year we will start up our first CCS plant, in Ravenna. Our goal is to reach more than 15 million tonnes of CO_2 stored per year in terms of gross capacity by 2030, rising to around 40 million tonnes in the following decade, relying on a large inventory of depleted reservoirs. Thanks to our distinctive exploration know-how and commercial capabilities we are well positioned to play the role of CO_2 Transport and Storage orchestrator for large industrial hubs.

In our **Energy Evolution** division Eni sees material opportunities to grow both activities and earnings from new forms of energy. Plenitude and Enilive are examples of how Eni can participate in the Transition, building businesses with high growth rates and attractive financial returns. On doing so they will contribute to a significant transformation in the overall scale, diversification and resilience of the Eni model.

After meeting or exceeding its targets, Plenitude is growing its renewable capacity to more than 8 GW in 2027 and to over 15 GW by 2030. Plenitude's integrated business model is a critical and differentiating quality. The combination of renewables and our 10 million clients provides valuable internal hedging, as seen in 2022 and 2023, two highly challenging years.

A highly significant event in late-2023 was the entry of Energy Infrastructure Partners as an investor in Plenitude. This investment provides additional resources for growth, validating our Satellite Model and confirming that there is a route to creating significant shareholder value while delivering the changes to the energy market required for Transition.

Biofuels will play a critical role in providing low carbon solutions for hard to abate transportation activities such as trucking, shipping and aviation. Leveraging our leading position in the biorefining business and our proprietary Ecofining technology, Enilive will grow bio-refining capacity from 1.6 million tonnes per year to over 3 by 2026 and more than 5 million tonnes per year by 2030. We have the option to dedicate around 40% of that capacity to the manufacture of sustainable aviation fuel, where we see especially high demand growth. In 2023, we acquired a 50% stake in a biorefinery in Louisiana and announced the intention to build new biorefineries with partners in Malaysia and South Korea. In early 2024, we announced the decision to build our third bio-refinery in Italy with the conversion of our Livorno refinery. A unique aspect of Eni's biofuels strategy is the vertical integration with the growth of novel vegetable oils, not in competition with the food chain, in our agribusiness. This will provide over 35% of our Italian throughputs by 2027, providing us with competitive feedstocks and security of supply. Moreover, Enilive is integrated along the value chain with the sales of mobility products and services to retail, wholesale and worldwide cargo markets.

Our model for the new businesses preserves the competitiveness and relevance of the existing economic and industrial systems but also focuses on commercial strategies through technology and innovation to address current and future energy demand. This has been the foundation for Plenitude and Enilive and could be repeated in emerging opportunities such as CCS and biochemistry, while developing innovative technologies and optionality capable of shaping the energy system of the future, like Fusion. CFS - a MIT's spinout of which Eni is a strategic investor through Eni Next - is building an experimental fusion plant near Boston targeting the second half of this decade to generate net energy, moving to a first industrial plant in the early 2030s.

In the past twelve months we have made significant strategic steps that give us increased confidence in the path we are taking, developing visibility on an industrial and financial strategy that will deliver the material reduction in emissions required while generating attractive returns for our shareholders. Ultimately, it is evident that the energy Transition can only become real if it creates material and sustainable returns and enables new forms of profitable business. And that is what we are doing.

Our consistent delivery has been confirmed also though Climate Action 100+ (CA100+) latest evaluation in October 2023, which indicated Eni as one of the companies most aligned with the investor coalition requirements for the third year in a row, following our engagement with CA100+ since 2019. This evaluation has been followed by the recent NZ Standard for Oil & Gas results by Institutional Investors Group on Climate Change (IIGCC), which confirmed once again Eni in a leadership position with respect to its peers. In addition, the Transition Pathway Initiative has recognized our net-zero pathway as in line with a 1.5°C scenario in the long term. Eni also maintained its A- score by CDP and was ranked first among Integrated Energy Companies by Carbon Tracker in its 2023 Absolute Impact Research report.

With the backdrop of persistent and significant energy market uncertainty, our decarbonization strategy is informed by continuous engagement and in-depth dialogue with our stakeholders, including CA100+ shareholders, government, civil society and customers. In this volatile context, we believe that this is the most appropriate and effective approach to gather feedback as we continue to monitor the development of the scenario.

23 April, 2024