

Consolidated financial statements

2021

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Consolidated balance sheet

(€ million)	Note	December 31, 2021		December 31, 2020	
		Total amount	of which with related parties	Total amount	of which with related parties
ASSETS					
Current assets					
Cash and cash equivalents	(6)	8,254		9,413	
Financial assets held for trading	(7)	6,301		5,502	
Other current financial assets	(17)	4,308	55	254	41
Trade and other receivables	(8)	18,850	1,301	10,926	802
Inventories	(9)	6,072		3,893	
Income tax receivables	(10)	195		184	
Other current assets	(11) (24)	13,634	492	2,686	145
		57,614		32,858	
Non-current assets					
Property, plant and equipment	(12)	56,299		53,943	
Right-of-use assets	(13)	4,821		4,643	
Intangible assets	(14)	4,799		2,936	
Inventory - Compulsory stock	(9)	1,053		995	
Equity-accounted investments	(16) (37)	5,887		6,749	
Other investments	(16)	1,294		957	
Other non-current financial assets	(17)	1,885	1,645	1,008	766
Deferred tax assets	(23)	2,713		4,109	
Income tax receivables	(10)	108		153	
Other non-current assets	(11) (24)	1,029	29	1,253	74
		79,888		76,746	
Assets held for sale	(25)	263		44	
TOTAL ASSETS		137,765		109,648	
LIABILITIES AND EQUITY					
Current liabilities					
Short-term debt	(19)	2,299	233	2,882	52
Current portion of long-term debt	(19)	1,781	21	1,909	
Current portion of long-term lease liabilities	(13)	948	17	849	54
Trade and other payables	(18)	21,720	2,298	12,936	2,100
Income tax payables	(10)	648		243	
Other current liabilities	(11) (24)	15,756	339	4,872	452
		43,152		23,691	
Non-current liabilities					
Long-term debt	(19)	23,714	5	21,895	
Long-term lease liabilities	(13)	4,389	1	4,169	112
Provisions	(21)	13,593		13,438	
Provisions for employee benefits	(22)	819		1,201	
Deferred tax liabilities	(23)	4,835		5,524	
Income tax payables	(10)	374		360	
Other non-current liabilities	(11) (24)	2,246	415	1,877	23
		49,970		48,464	
Liabilities directly associated with assets held for sale	(25)	124			
TOTAL LIABILITIES		93,246		72,155	
Share capital		4,005		4,005	
Retained earnings		22,750		34,043	
Cumulative currency translation differences		6,530		3,895	
Other reserves and equity instruments		6,289		4,688	
Treasury shares		(958)		(581)	
Profit (loss)		5,821		(8,635)	
Equity attributable to equity holders of Eni		44,437		37,415	
Non-controlling interest		82		78	
TOTAL EQUITY	(26)	44,519		37,493	
TOTAL LIABILITIES AND EQUITY		137,765		109,648	

Consolidated profit and loss account

(€ million)	Note	2021		2020		2019	
		Total amount	of which with related parties	Total amount	of which with related parties	Total amount	of which with related parties
Sales from operations		76,575	3,000	43,987	1,164	69,881	1,248
Other income and revenues		1,196	52	960	35	1,160	4
REVENUES AND OTHER INCOME	(29)	77,771		44,947		71,041	
Purchases, services and other	(30)	(55,549)	(8,644)	(33,551)	(6,595)	(50,874)	(9,173)
Net (impairments) reversals of trade and other receivables	(8)	(279)	(6)	(226)	(6)	(432)	28
Payroll and related costs	(30)	(2,888)	(21)	(2,863)	(36)	(2,996)	(28)
Other operating income (expense)	(24)	903	735	(766)	13	287	19
Depreciation and amortization	(12) (13) (14)	(7,063)		(7,304)		(8,106)	
Net (impairments) reversals of tangible and intangible assets and right-of-use assets	(15)	(167)		(3,183)		(2,188)	
Write-off of tangible and intangible assets	(12) (14)	(387)		(329)		(300)	
OPERATING PROFIT (LOSS)		12,341		(3,275)		6,432	
Finance income	(31)	3,723	79	3,531	114	3,087	96
Finance expense	(31)	(4,216)	(46)	(4,958)	(26)	(4,079)	(36)
Net finance income (expense) from financial assets held for trading	(31)	11		31		127	
Derivative financial instruments	(24) (31)	(306)		351		(14)	
FINANCE INCOME (EXPENSE)		(788)		(1,045)		(879)	
Share of profit (loss) from equity-accounted investments		(1,091)		(1,733)		(88)	
Other gain (loss) from investments		223		75		281	
INCOME (EXPENSE) FROM INVESTMENTS	(16) (32)	(868)		(1,658)		193	
PROFIT (LOSS) BEFORE INCOME TAXES		10,685		(5,978)		5,746	
Income taxes	(33)	(4,845)		(2,650)		(5,591)	
PROFIT (LOSS)		5,840		(8,628)		155	
Attributable to Eni		5,821		(8,635)		148	
Attributable to non-controlling interest		19		7		7	
Earnings (loss) per share (€ per share)	(34)						
Basic		1.61		(2.42)		0.04	
Diluted		1.60		(2.42)		0.04	

Consolidated statement of comprehensive income

(€ million)	Note	2021	2020	2019
Profit (loss)		5,840	(8,628)	155
Other items of comprehensive income (loss)				
<i>Items that are not reclassified to profit or loss in later periods</i>				
Remeasurements of defined benefit plans	(26)	119	(16)	(42)
Share of other comprehensive income (loss) on equity-accounted investments	(26)	2		(7)
Change of minor investments measured at fair value with effects to OCI	(26)	105	24	(3)
Tax effect	(26)	(77)	25	5
		149	33	(47)
<i>Items that may be reclassified to profit or loss in later periods</i>				
Currency translation differences	(26)	2,828	(3,314)	604
Change in the fair value of cash flow hedging derivatives	(26)	(1,264)	661	(679)
Share of other comprehensive income (loss) on equity-accounted investments	(26)	(34)	32	(6)
Tax effect	(26)	372	(192)	197
		1,902	(2,813)	116
Total other items of comprehensive income (loss)		2,051	(2,780)	69
Total comprehensive income (loss)		7,891	(11,408)	224
Attributable to Eni		7,872	(11,415)	217
Attributable to non-controlling interest		19	7	7

Consolidated statement of changes in equity

		Equity attributable to equity holders of Eni								
(€ million)	Note	Share capital	Retained earnings	Cumulative currency translation differences	Other reserves and equity instruments	Treasury shares	Profit (loss) for the year	Total	Non-controlling interest	Total equity
Balance at December 31, 2020	(26)	4,005	34,043	3,895	4,688	(581)	(8,635)	37,415	78	37,493
Profit (loss) for the year							5,821	5,821	19	5,840
Other items of comprehensive income (loss)										
Remeasurements of defined benefit plans net of tax effect	(26)				42			42		42
Share of "Other comprehensive income (loss)" on equity-accounted investments					2			2		2
Change of minor investments measured at fair value with effects to OCI	(26)				105			105		105
Items that are not reclassified to profit or loss in later periods					149			149		149
Currency translation differences	(26)			2,828				2,828		2,828
Change in the fair value of cash flow hedge derivatives net of tax effect	(26)				(892)			(892)		(892)
Share of "Other comprehensive income (loss)" on equity-accounted investments	(26)				(34)			(34)		(34)
Items that may be reclassified to profit or loss in later periods				2,828	(926)			1,902		1,902
Total comprehensive income (loss) of the year				2,828	(777)		5,821	7,872	19	7,891
Dividend distribution of Eni SpA	(26)		429				(1,286)	(857)		(857)
Interim dividend distribution of Eni SpA	(26)		(1,533)					(1,533)		(1,533)
Dividend distribution of other companies									(5)	(5)
Allocation of 2020 loss			(9,921)				9,921			
Acquisition of treasury shares	(26)		(400)		400	(400)		(400)		(400)
Long-term share-based incentive plan	(26) (30)		16		(23)	23		16		16
Increase in non-controlling interest relating to acquisition of consolidated entities									(11)	(11)
Issue of perpetual subordinated bonds	(26)				2,000			2,000		2,000
Coupon payment on perpetual subordinated bonds	(26)		(61)					(61)		(61)
Transactions with holders of equity instruments			(11,470)		2,377	(377)	8,635	(835)	(16)	(851)
Costs for the issue of perpetual subordinated bonds			(15)					(15)		(15)
Other changes			192	(193)	1				1	1
Other changes in equity			177	(193)	1			(15)	1	(14)
Balance at December 31, 2021	(26)	4,005	22,750	6,530	6,289	(958)	5,821	44,437	82	44,519

continued Consolidated statement of changes in equity

Equity attributable to equity holders of Eni										
	Note	Share capital	Retained earnings	Cumulative currency translation differences	Other reserves and equity instruments	Treasury shares	Profit (loss) for the year	Total	Non-controlling interest	Total equity
(€ million)										
Balance at December 31, 2019		4,005	35,894	7,209	1,564	(981)	148	47,839	61	47,900
Profit (loss) for the year							(8,635)	(8,635)	7	(8,628)
Other items of comprehensive income (loss)										
Remeasurements of defined benefit plans net of tax effect	(26)				9			9		9
Change of minor investments measured at fair value with effects to OCI	(26)				24			24		24
Items that are not reclassified to profit or loss in later periods					33			33		33
Currency translation differences	(26)			(3,313)	(1)			(3,314)		(3,314)
Change in the fair value of cash flow hedge derivatives net of tax effect	(26)				469			469		469
Share of "Other comprehensive income (loss)" on equity-accounted investments	(26)				32			32		32
Items that may be reclassified to profit or loss in later periods				(3,313)	500			(2,813)		(2,813)
Total comprehensive income (loss) of the year				(3,313)	533		(8,635)	(11,415)	7	(11,408)
Dividend distribution of Eni SpA	(26)		1,542				(3,078)	(1,536)		(1,536)
Interim dividend distribution of Eni SpA	(26)		(429)					(429)		(429)
Dividend distribution of other companies									(3)	(3)
Allocation of 2019 net income			(2,930)				2,930			
Cancellation of treasury shares	(26)				(400)	400				
Long-term share-based incentive plan			7					7		7
Increase in non-controlling interest relating to acquisition of consolidated entities	(27)								15	15
Issue of perpetual subordinated bonds	(26)				3,000			3,000		3,000
Transactions with holders of equity instruments			(1,810)		2,600	400	(148)	1,042	12	1,054
Costs for the issue of perpetual subordinated bonds			(25)					(25)		(25)
Other changes			(16)	(1)	(9)			(26)	(2)	(28)
Other changes in equity			(41)	(1)	(9)			(51)	(2)	(53)
Balance at December 31, 2020	(26)	4,005	34,043	3,895	4,688	(581)	(8,635)	37,415	78	37,493

continued Consolidated statement of changes in equity

	Equity attributable to equity holders of Eni							Non-controlling interest	Total equity
	Share capital	Retained earnings	Cumulative currency translation differences	Other reserves and equity instruments	Treasury shares	Profit (loss) for the year	Total		
(€ million)									
Balance at December 31, 2018	4,005	35,189	6,605	1,672	(581)	4,126	51,016	57	51,073
Changes in accounting policies (IAS 28)		(4)					(4)		(4)
Balance at January 1, 2019	4,005	35,185	6,605	1,672	(581)	4,126	51,012	57	51,069
Profit (loss) for the year						148	148	7	155
Other items of comprehensive income (loss)									
Remeasurements of defined benefit plans net of tax effect				(37)			(37)		(37)
Share of "Other comprehensive income (loss)" on equity-accounted investments				(7)			(7)		(7)
Change of minor investments measured at fair value with effects to OCI				(3)			(3)		(3)
Items that are not reclassified to profit or loss in later periods				(47)			(47)		(47)
Currency translation differences			604				604		604
Change in the fair value of cash flow hedge derivatives net of tax effect				(482)			(482)		(482)
Share of "Other comprehensive income (loss)" on equity-accounted investments				(6)			(6)		(6)
Items that may be reclassified to profit or loss in later periods			604	(488)			116		116
Total comprehensive income (loss) of the year			604	(535)		148	217	7	224
Dividend distribution of Eni SpA		1,513				(2,989)	(1,476)		(1,476)
Interim dividend distribution of Eni SpA		(1,542)					(1,542)		(1,542)
Dividend distribution of other companies								(4)	(4)
Reimbursements to minority shareholders								(1)	(1)
Allocation of 2018 net income		1,137				(1,137)			
Acquisition of treasury shares		(400)		400	(400)		(400)		(400)
Long-term share-based incentive plan		9					9		9
Transactions with shareholders		717		400	(400)	(4,126)	(3,409)	(5)	(3,414)
Other changes in shareholders' equity		(8)		27			19	2	21
Balance at December 31, 2019	4,005	35,894	7,209	1,564	(981)	148	47,839	61	47,900

Consolidated statement of cash flows

(€ million)	Note	2021	2020	2019
Profit (loss)		5,840	(8,628)	155
Adjustments to reconcile profit (loss) to net cash provided by operating activities				
Depreciation and amortization	(12) (13) (14)	7,063	7,304	8,106
Net Impairments (reversals) of tangible and intangible assets and right-of-use assets	(15)	167	3,183	2,188
Write-off of tangible and intangible assets	(12) (14)	387	329	300
Share of (profit) loss of equity-accounted investments	(16) (32)	1,091	1,733	88
Net gain on disposal of assets		(102)	(9)	(170)
Dividend income	(32)	(230)	(150)	(247)
Interest income		(75)	(126)	(147)
Interest expense		794	877	1,027
Income taxes	(33)	4,845	2,650	5,591
Other changes		(194)	92	(179)
Cash flow from changes in working capital		(3,146)	(18)	366
- inventories		(2,033)	1,054	(200)
- trade receivables		(7,888)	1,316	1,023
- trade payables		7,744	(1,614)	(940)
- provisions		(406)	(1,056)	272
- other assets and liabilities		(563)	282	211
Net change in the provisions for employee benefits		54		(23)
Dividends received		857	509	1,346
Interest received		28	53	88
Interest paid		(792)	(928)	(1,029)
Income taxes paid, net of tax receivables received		(3,726)	(2,049)	(5,068)
Net cash provided by operating activities		12,861	4,822	12,392
- of which with related parties	(36)	(4,331)	(4,640)	(6,356)
Cash flow from investing activities		(7,815)	(5,959)	(11,928)
- tangible assets	(12)	(4,950)	(4,407)	(8,049)
- prepaid right-of-use assets	(13)	(2)		(16)
- intangible assets	(14)	(284)	(237)	(311)
- consolidated subsidiaries and businesses net of cash and cash equivalent acquired	(27)	(1,901)	(109)	(5)
- investments	(16)	(837)	(283)	(3,003)
- securities and financing receivables held for operating purposes		(227)	(166)	(237)
- change in payables in relation to investing activities		386	(757)	(307)
Cash flow from disposals		536	216	794
- tangible assets		207	12	264
- intangible assets		1		17
- consolidated subsidiaries and businesses net of cash and cash equivalent disposed of	(27)	76		187
- tax on disposals		(35)		(3)
- investments		155	16	39
- securities and financing receivables held for operating purposes		141	136	195
- change in receivables in relation to disposals		(9)	52	95
Net change in securities and financing receivables held for non-operating purposes		(4,743)	1,156	(279)
Net cash used in investing activities		(12,022)	(4,587)	(11,413)
- of which with related parties	(36)	(976)	(1,372)	(2,912)

continued Consolidated statement of cash flows

(€ million)	Note	2021	2020	2019
Increase in long-term financial debt	(19)	3,556	5,278	1,811
Repayments of long-term financial debt	(19)	(2,890)	(3,100)	(3,512)
Payments of lease liabilities	(13)	(939)	(869)	(877)
Increase (decrease) in short-term financial debt	(19)	(910)	937	161
Dividends paid to Eni's shareholders		(2,358)	(1,965)	(3,018)
Dividends paid to non-controlling interest		(5)	(3)	(4)
Reimbursements to non-controlling interest				(1)
Acquisition of additional interests in consolidated subsidiaries		(17)		(1)
Acquisition of treasury shares	(26)	(400)		(400)
Issue of perpetual subordinated bonds	(26)	1,985	2,975	
Coupon payment on perpetual subordinated bonds	(26)	(61)		
Net cash used in financing activities		(2,039)	3,253	(5,841)
- of which with related parties	(36)	(13)	164	(817)
Effect of exchange rate changes and other changes on cash and cash equivalents		52	(69)	1
Net increase (decrease) in cash and cash equivalents		(1,148)	3,419	(4,861)
Cash and cash equivalents - beginning of the year	(6)	9,413	5,994	10,855
Cash and cash equivalents - end of the year^(a)	(6)	8,265	9,413	5,994

(a) As of December 31, 2021, cash and cash equivalents included €11 million of cash and cash equivalents of consolidated subsidiaries held for sale that were reported in the item "Assets held for sale".

Notes on Consolidated Financial Statements

RISKS AND UNCERTAINTIES

RISKS IN CONNECTION WITH THE WAR IN UKRAINE

The crisis in the relationships between Russia and Ukraine that in February 2022 gave rise to the Russian military invasion and to an open conflict on a large scale with violent armed clashes and loss of human lives implies various risk areas in relation to the economic and financial situation and the income prospects of the Group.

Macroeconomic risk

Possible outcomes of this situation might include a prolonged armed conflict, a possible escalation in the military action, risks of enlargement of the ongoing geopolitical crisis and a further tightening up of the economic sanctions against Russia. These factors could result in a scenario that could eventually sap consumers' confidence, deter investment decisions by operators and cripple industrial activities derailing the global recovery or, in the worst of the outcomes, triggering a new worldwide recession, while the economy has been still recovering from the fallout of the COVID-19 downturn. This scenario would drive a reduction in hydrocarbons demand and of commodity prices and would adversely and significantly affect our results of operations and cash flow.

Shortly after the outbreak of hostilities with the Russian invasion of Ukraine, the European Union, the USA, and the UK imposed a raft of tough economic and financial sanctions against Russia, which have added up to those already in force since 2014 as result of the illegal annexation of Crimea.

Risks associated with the supply of natural gas and oil from Russia

The restrictions imposed by the international community against Russia have mainly targeted the Russian financial sector, precluding access to funding from European and US-based financial institutions. As for energy products imported from Russia, many operators, traders, oil companies, refiners and others have decided on a voluntary basis to suspend purchases of crude oil and products from Russia, giving rise to an auto-sanctioning system; also the President of the United States signed an executive order to ban all imports of Russian energy products. As long as the conflict continues, it is possible that new increasingly tight restrictions could be imposed. At the moment, the flow of gas supplies from Russia has continued regularly; purchases of natural gas from Russia represent approximately 43% of the total procured by Eni in 2021 (approximately 30 billion cubic meters, of which 22 destined to Italy). Management, in coordination with government institutions, is evaluating plans aimed at diversifying/strengthening alternative sources of supply by leveraging portfolio flexibility, equity reserves, infrastructure availability and long-term relationships with

oil states overlooking the Mediterranean area. These options could mitigate possible impacts, at the moment unpredictable, in case of wider sanction scenarios adopted by the international community against the Russian energy sector or supply disruptions.

Furthermore, at present the Group has decided to cease signing new supply contracts of Russian crude oil. This decision is expected to lead to a worsening of our refining system, supply downturn and higher expenses which are not possible to quantify currently.

Financial risks associated with the volatility of commodity prices

Since the outbreak of the crisis, the energy commodity markets have entered a phase of extreme tension and volatility due to the uncertainties of European operators about the stability of gas supplies via pipeline from Russia and possible restrictions on oil flows. The spot prices of crude oil for the Brent benchmark and the main benchmarks of the spot prices for natural gas in the European markets recorded significant increases, reaching their highest levels since 2008 for Brent (at about 130 \$/bbl) and historical records for gas. This volatility will significantly affect the Group's operating expenses and revenues in 2022, driven by possible higher prices of energy commodities which might affect both revenues and purchase costs of oil feedstocks and natural gas.

Furthermore, the increased volatility could drive: (i) an increased counterparty risk due to the significant increase of the nominal value of trading receivables and the difficulties of the industrial sector in managing the significant increase in energy and raw material costs caused by the crisis; (ii) a higher level of financial risk of the Company in connection to the need to increase security deposits to secure the settlement of derivative transactions to fulfill the margining obligations (margin call). To counter the ongoing phase of extreme volatility in the energy commodities market the Group is planning to strengthen its financial headroom by increasing the liquidity reserves (cash on hand and committed borrowing facilities).

Possible impacts on the value of balance sheet assets

Eni's companies operating in Russia are indicated in note 37 - Other information about investments. The Group has announced the intention to divest its interest in the joint operation Blue Stream with a carrying amount of €40 million (Eni's share 50%) which manages the gas pipeline that transports natural gas produced in Russia to Turkey through the Black Sea. Those volumes of gas are jointly marketed by Eni and Gazprom to the Turkish state-owned company Botas. This divestment is not expected to have a significant impact on the Group's consolidated results and balance sheet.

The Group does not hold any other significant assets in Russia.

The full effects of the crisis on the Group economic and financial

performance in 2022 and beyond are currently unpredictable.

IMPACT OF COVID-19 PANDEMIC

The macroeconomic environment has gradually improved during 2021 due to the effectiveness of the vaccination campaign against COVID-19, together with measures to contain the spread of the virus, particularly in OECD Countries, allowing for a phased reopening of economic activities and increasing mobility of people. The expansionary monetary policies adopted by the central banks and the massive fiscal stimulus launched by governments supported consumptions and investments. In this context, the demand for hydrocarbons and the prices of commodities, the main driver of the Group's financial results, recorded a significant rebound.

Global energy demand first stabilized and then unexpectedly increased in the last quarter of the year, driven by an acceleration in the pace of the economic recovery, resulting in an increase in the price of oil of 70% vs. 2020 at about 71 \$/barrel on an annual average, while natural gas prices recorded material increases (in the order of several hundred percentage points) due to a particularly tight market. These trends were the basis of the strong recovery in profitability in the Exploration & Production and Global Gas & LNG Portfolio segments, together with the solid performance of the chemical business line, driven by a recovery in demand for commodities, and of the Plenitude businesses.

The Refining & Marketing business has continued to be weighted down by the effects of the pandemic, which affected its performance due to weak demand for jet fuel which penalized the profitability of traditional refining by creating an oversupply of gasoil leading to significantly lower products spreads. The profitability was also affected by higher costs of gas-indexed utilities and the higher costs for the purchase of emission allowances to comply with the environmental obligations of the European ETS, which more than doubled due to a recovery in industrial activities and as consumption of coal increased significantly due to its cost-competitiveness against natural gas to fire power generation and to produce steam.

Overall, 2021 saw a significant rebound in consolidated results which closed with a profit of €5.8 billion compared to a loss of €8.6 billion in 2020 and an operating cash flow of €12.9 billion, which increased by approximately €8 billion compared to 2020.

Looking to the future, the main risks for the Group's financial performance are linked to the possibility of the spread of new vaccine-resistant variants of the virus, as well as the resumption of inflation driven by the spill-over effects through the supply chains of increased raw material costs as the ultimate, unintended effect of accommodative monetary policies and big tax measures adopted to help the economy recover from the fallout of the pandemic.

1 SIGNIFICANT ACCOUNTING POLICIES, ESTIMATES AND JUDGMENTS

BASIS OF PREPARATION

The Consolidated Financial Statements of Eni SpA and its subsidiaries (collectively referred to as Eni or the Group) have been prepared on a going concern¹ basis in accordance with International Financial Reporting Standards (IFRS)² as issued by the International Accounting Standards Board (IASB) and adopted by the European Union (EU) pursuant to article 6 of the EC Regulation No. 1606/2002 of the European Parliament and of the Council of July 19, 2002, and in accordance with article 9 of the Italian Legislative Decree No. 38/05³.

The Consolidated Financial Statements have been prepared under the historical cost convention, taking into account, where appropriate, value adjustments, except for certain items that under IFRSs must be measured at fair value as described in the accounting policies that follow. The principles of consolidation and the significant accounting policies that follow have been consistently applied to all years presented, except where otherwise indicated.

The 2021 Consolidated Financial Statements, approved by the Eni's Board of Directors on March 17, 2022, were audited by the external auditor PricewaterhouseCoopers SpA. The external auditor of Eni SpA, as the main external auditor, is wholly in charge of the auditing activities of the Consolidated Financial Statements. Consolidated companies' financial statements, as well as their reporting packages prepared for use by the Group in preparing the Consolidated Financial Statements, are audited by external auditors; when there are other external auditors, PricewaterhouseCoopers SpA takes the responsibility of their work. The Consolidated Financial Statements are presented in euros and all values are rounded to the nearest million euros (€ million), except where otherwise indicated.

SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of the Consolidated Financial Statements requires the use of estimates and assumptions that affect the assets, liabilities, revenues and expenses recognised in the financial statements, as well as amounts included in the notes thereto, including disclosure of contingent assets and contingent liabilities. Estimates made are based on complex judgments and past experience of other assumptions deemed reasonable in consideration of the information available at the time. The accounting policies and areas that require the most significant judgments and estimates to be used in the preparation of the Consolidated Financial Statements are in relation to the accounting for oil and natural gas activities, specifically in the determination of

(1) With reference to the impacts of COVID-19, see information provided in the previous paragraph.

(2) IFRSs include also International Accounting Standards (IAS), currently effective, as well as the interpretations developed by the IFRS Interpretations Committee, previously named International Financial Reporting Interpretations Committee (IFRIC) and initially Standing Interpretations Committee (SIC).

(3) As applied to Eni, there are no differences between IFRSs as issued by the IASB and those adopted by the EU, effective for the year 2021.

reserves, impairment of financial and non-financial assets, leases, decommissioning and restoration liabilities, environmental liabilities, business combinations, employee benefits, revenue from contracts with customers, fair value measurements and income taxes. Although the Company uses its best estimates and judgments, actual results could differ from the estimates and assumptions used. The accounting estimates and judgments relevant for the preparation of the Consolidated Financial Statement are described below.

SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS MADE IN ASSESSING THE IMPACTS OF CLIMATE-RELATED RISKS

Significant accounting estimates and judgments made by management for the preparation of the 2021 Consolidated Financial Statements are affected by the effects of actions to address climate change and by the potential impact of the energy transition. In particular, the global pressure towards a low carbon economy, increasingly restrictive regulatory requirements for oil & gas activities and hydrocarbons consumption, carbon pricing schemes, the technological evolution of alternative energy sources for transportation, as well as changes in consumer preferences could imply a structural decline of the demand for hydrocarbons in the medium-long term, an increase in operating costs and a higher risk of stranded assets for Eni.

The Eni strategy provides for the achievement of carbon neutrality by 2050, in line with the provisions of the scenarios compatible with maintaining global warming within the 1.5°C threshold; furthermore, this strategy sets intermediate targets for 2030 and 2040 in terms of reduction in absolute emissions and carbon intensity. Scenarios adopted by management take into account policies, regulatory requirements and current and expected developments in technology and set out a development path of the future energy system, on the basis of an economic and demographic framework, analysis of existing and announced policies and technologies, identifying those which can reasonably reach maturity within the considered time horizon. Price variables reflect the best estimate by management of the fundamentals of several energy markets, which incorporates the ongoing and reasonably expected decarbonisation trends, and are subject to continuous benchmarking with the views of market analysts and peers.

Such scenarios represent the basis for significant estimates and judgments relating to: (i) the assessment of the intention to continue exploration projects; (ii) the assessment of the recoverability of non-current assets and credit exposures towards National Oil Companies; (iii) the definition of useful lives and residual values of fixed assets; (iv) impacts on provisions.

For further information on sensitivity analyses performed on

the values of assets considering the low carbon scenarios of international bodies, see the Management Report – Consolidated disclosure of Non-Financial Information.

PRINCIPLES OF CONSOLIDATION

SUBSIDIARIES

The Consolidated Financial Statements comprise the financial statements of the parent Company Eni SpA and those of its subsidiaries, being those entities over which the Company has control, either directly or indirectly, through exposure or rights to their variable returns and the ability to affect those returns through its power over the investees. To have power over an investee, the investor must have existing rights that give it the current ability to direct the relevant activities of the investee, i.e. the activities that significantly affect the investee's returns.

Subsidiaries are consolidated, on the basis of consistent accounting policies, from the date on which control is obtained until the date that control ceases.

Assets, liabilities, income and expenses of consolidated subsidiaries are fully recognised with those of the parent in the Consolidated Financial Statements, taking into account the appropriate eliminations of intragroup transactions (see the accounting policy for "Intragroup transactions"); the parent's investment in each subsidiary is eliminated against the corresponding parent's portion of equity of each subsidiary. Non-controlling interests are presented separately on the balance sheet within equity; the profit or loss and comprehensive income attributable to non-controlling interests are presented in specific line items, respectively, in the profit and loss account and in the statement of comprehensive income.

Taking into account the lack of any material⁴ impact on the representation of the financial position and performance of the Group⁵, the Consolidated Financial Statements do not consolidate: (i) some subsidiaries that are immaterial, both individually and in the aggregate, and; (ii) subsidiaries acting as sole-operator in the management of oil and gas contracts on behalf of companies participating in a joint project. In the latter case, the activities are financed proportionally based on a budget approved by the participating companies upon presentation of periodical reports of proceeds and expenses. Costs and revenue and other operating data (production, reserves, etc.) of the project, as well as the related obligations arising from the project, are recognised directly in the financial statements of the companies involved based on their own share.

When the proportion of the equity held by non-controlling interests changes, any difference between the consideration paid/received and the amount by which the related non-controlling interests are adjusted is attributed to Eni owners' equity. Conversely,

(4) According to IFRSs, information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements.

(5) Unconsolidated subsidiaries are accounted for as described in the accounting policy for "The equity method of accounting"; for further information, see the annex "List of companies owned by Eni SpA as of December 31, 2021"

the sale of equity interests with loss of control determines the recognition in the profit and loss account of: (i) any gain or loss calculated as the difference between the consideration received and the corresponding transferred net assets; (ii) any gain or loss recognised as a result of the remeasurement of any investment retained in the former subsidiary at its fair value; and (iii) any amount related to the former subsidiary previously recognised in other comprehensive income which may be reclassified subsequently to the profit and loss account⁶. Any investment retained in the former subsidiary is recognised at its fair value at the date when control is lost and shall be accounted for in accordance with the applicable measurement criteria.

INTERESTS IN JOINT ARRANGEMENTS

Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Investments in joint ventures are accounted for using the equity method as described in the accounting policy for "The equity method of accounting". A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have enforceable rights to the assets, and enforceable obligations for the liabilities, relating to the arrangement; in the Consolidated Financial Statements, Eni recognises its share of the assets/liabilities and revenues/expenses of joint operations on the basis of its rights and obligations relating to the arrangements.

After the initial recognition, the assets/liabilities and revenues/expenses of the joint operations are measured in accordance with the applicable measurement criteria. Immaterial joint operations structured through a separate vehicle are accounted for using the equity method or, if this does not result in a misrepresentation of the Company's financial position and performance, at cost less any impairment losses.

Investments in joint ventures previously classified as joint operations are measured on the date of change in the classification of the joint arrangement at the net amount of the carrying amounts of the assets and liabilities that Eni had previously recognised, line by line, on the basis of its rights and obligations relating to the arrangement.

INVESTMENTS IN ASSOCIATES

An associate is an entity over which Eni has significant influence, that is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control of those policies. Investments in associates are accounted for

using the equity method as described in the accounting policy for "The equity method of accounting". Investments in subsidiaries, joint arrangements and associates are presented separately in the annex "List of companies owned by Eni SpA as of December 31, 2021". This annex includes also the changes in the scope of consolidation.

THE EQUITY METHOD OF ACCOUNTING

Investments in joint ventures, associates and immaterial unconsolidated subsidiaries, are accounted for using the equity method⁷.

Under the equity method, investments are initially recognised at cost, allocating it, similarly to business combinations procedures, to the investee's identifiable assets/liabilities; any excess of the cost of the investment over the share of the net fair value of the investee's identifiable assets and liabilities is accounted for as goodwill, not separately recognised but included in the carrying amount of the investment. If this allocation is provisionally recognised at initial recognition, it can be retrospectively adjusted within one year from the acquisition date, to reflect new information obtained about facts and circumstances that existed at the acquisition date. Subsequently, the carrying amount is adjusted to reflect: (i) the investor's share of the profit or loss of the investee after the date of acquisition, adjusted to account for depreciation, amortization and any impairment losses of the equity-accounted entity's assets based on their fair values at the date of acquisition; and (ii) the investor's share of the investee's other comprehensive income. Distributions received from an equity-accounted investee reduce the carrying amount of the investment. In applying the equity method, consolidation adjustments are considered (see also the accounting policy for "Subsidiaries"). Losses arising from the application of the equity method in excess of the carrying amount of the investment, recognised in the profit and loss account within "Income (Expense) from investments", reduce the carrying amount, net of the related expected credit losses (see below), of any financing receivables towards the investee for which settlement is neither planned nor likely to occur in the foreseeable future (the so-called long-term interests), which are, in substance, an extension of the investment in the investee. The investor's share of any losses of an equity-accounted investee that exceeds the carrying amount of the investment and any long-term interests (the so-called net investment), is recognised in a specific provision only to the extent that the investor has incurred legal or constructive obligations or made payments on behalf of the investee.

Whenever there is objective evidence of impairment (e.g. relevant breaches of contracts, significant financial difficulty,

(6) Conversely, any amount related to the former subsidiary previously recognised in other comprehensive income, which may not be reclassified subsequently to the profit and loss account, are reclassified in another item of equity.

(7) Joint ventures, associates and immaterial unconsolidated subsidiaries are accounted for at cost less any impairment losses, if this does not result in a misrepresentation of the Company's financial position and performance.

probable default of the counterparty, etc.), the carrying amount of the net investment, resulting from the application of the abovementioned measurement criteria, is tested for impairment by comparing it with the related recoverable amount, determined by adopting the criteria indicated in the accounting policy for "Impairment of non-financial assets". When an impairment loss no longer exists or has decreased, any reversal of the impairment loss is recognised in the profit and loss account within "Income (Expense) from investments". The impairment reversal of the net investment shall not exceed the previously recognised impairment losses.

The sale of equity interests with loss of joint control or significant influence over the investee determines the recognition in the profit and loss account of: (i) any gain or loss calculated as the difference between the consideration received and the corresponding transferred share; (ii) any gain or loss recognised as a result of the remeasurement of any investment retained in the former joint venture/associate at its fair value⁸; and (iii) any amount related to the former joint venture/associate previously recognised in other comprehensive income which may be reclassified subsequently to the profit and loss account⁹. Any investment retained in the former joint venture/associate is recognised at its fair value at the date when joint control or significant influence is lost and shall be accounted for in accordance with the applicable measurement criteria.

BUSINESS COMBINATION

Business combinations are accounted for by applying the acquisition method. The consideration transferred in a business combination is the sum of the acquisition-date fair value of the assets transferred, the liabilities incurred and the equity interests issued by the acquirer. The consideration transferred includes also the fair value of any assets or liabilities resulting from contingent considerations, contractually agreed and dependent upon the occurrence of specified future events. Acquisition related costs are accounted for as expenses when incurred.

The acquirer shall measure the identifiable assets acquired and liabilities assumed at their acquisition-date fair values¹⁰, unless another measurement basis is required by IFRSs. The excess of the consideration transferred over the Group's share of the acquisition-date fair values of the identifiable assets acquired and liabilities assumed is recognised, on the balance sheet, as goodwill; conversely, a gain on a bargain purchase is recognised in the profit and loss account.

Any non-controlling interests are measured as the proportionate share in the recognised amounts of the

acquiree's identifiable net assets at the acquisition date excluding the portion of goodwill attributable to them (partial goodwill method). In a business combination achieved in stages, the purchase price is determined by summing the acquisition-date fair value of previously held equity interests in the acquiree and the consideration transferred for obtaining control; the previously held equity interests are remeasured at their acquisition-date fair value and the resulting gain or loss, if any, is recognized in the profit and loss account. Furthermore, on obtaining control, any amount recognised in other comprehensive income related to the previously held equity interests is reclassified to the profit and loss account, or in another item of equity when such amount may not be reclassified to the profit and loss account.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the provisional amounts recognised at the acquisition date shall be retrospectively adjusted within one year from the acquisition date, to reflect new information obtained about facts and circumstances that existed as of the acquisition date.

The acquisition of interests in a joint operation whose activity constitutes a business is accounted for applying the principles on business combinations accounting. In this regard, if the entity obtains control over a business that was a joint operation, the previously held interest in the joint operation is remeasured at the acquisition-date fair value and the resulting gain or loss is recognised in the profit and loss account¹¹.

Significant accounting estimates and judgments: investments and business

The assessment of the existence of control, joint control, significant influence over an investee, as well as for joint operations, the assessment of the existence of enforceable rights to the investee's assets and enforceable obligations for the investee's liabilities imply that management makes complex judgments on the basis of the characteristics of the investee's structure, arrangements between parties and other relevant facts and circumstances. Significant accounting estimates by management are required also for measuring the identifiable assets acquired and the liabilities assumed in a business combination at their acquisition-date fair values. For such measurement, to be performed also for the application of the equity method, Eni adopts the valuation techniques generally used by market participants taking into account the available information; for the most significant business combinations, Eni engages external independent evaluators.

(8) If the retained investment continues to be classified either as a joint venture or an associate and so accounted for using the equity method, no remeasurement at fair value is recognised in the profit and loss account.

(9) Conversely, any amount related to the former joint venture/associate previously recognised in other comprehensive income, which may not be reclassified subsequently to the profit and loss account, are reclassified in another item of equity.

(10) Fair value measurement principles are described in the accounting policy for "Fair value measurements".

(11) If the entity acquires additional interests in a joint operation that is a business, while retaining joint control, the previously held interest in the joint operation is not remeasured.

INTRAGROUP TRANSACTIONS

All balances and transactions between consolidated companies, and not yet realised with third parties, including unrealised profits arising from such transactions, have been eliminated.

Unrealised profits arising from transactions between the Group and its equity-accounted entities are eliminated to the extent of the Group's interest in the equity-accounted entity. In both cases, unrealised losses are not eliminated as the transaction provides evidence of an impairment loss of the asset transferred.

FOREIGN CURRENCY TRANSLATION

The financial statements of foreign operations having a functional currency other than the euro, that represents the parent's functional currency as well as the presentation currency of the Consolidated Financial Statements, are translated into euros using the spot exchange rates on the balance sheet date for assets and liabilities, historical exchange rates for equity and average exchange rates for the profit and loss account and the statement of cash flows.

The cumulative resulting exchange differences are presented in the separate component of Eni owners' equity "Cumulative currency translation differences"¹². Cumulative amount of exchange differences relating to a foreign operation are

reclassified to the profit and loss account when the entity disposes the entire interest in that foreign operation or when the partial disposal involves the loss of control, joint control or significant influence over the foreign operation. On a partial disposal that does not involve loss of control of a subsidiary that includes a foreign operation, the proportionate share of the cumulative exchange differences is reattributed to the non-controlling interests in that foreign operation. On a partial disposal of interests in joint arrangements or in associates that does not involve loss of joint control or significant influence, the proportionate share of the cumulative exchange differences is reclassified to the profit and loss account. The repayment of share capital made by a subsidiary having a functional currency other than the euro, without a change in the ownership interest, implies that the proportionate share of the cumulative amount of exchange differences relating to the subsidiary is reclassified to the profit and loss account.

The financial statements of foreign operations which are translated into euro are denominated in the foreign operations' functional currencies which generally is the U.S. dollar.

The main foreign exchange rates used to translate the financial statements into the parent's functional currency are indicated below:

(currency amount for 1€)	Annual average exchange rate 2021	Exchange rate at December 31, 2021	Annual average exchange rate 2020	Exchange rate at December 31, 2020	Annual average exchange rate 2019	Exchange rate at December 31, 2019
U.S. Dollar	1.18	1.13	1.14	1.23	1.12	1.12
Pound Sterling	0.86	0.84	0.89	0.90	0.88	0.85
Australian Dollar	1.57	1.56	1.66	1.59	1.61	1.60

SIGNIFICANT ACCOUNTING POLICIES

The most significant accounting policies used in the preparation of the Consolidated Financial Statements are described below.

OIL AND NATURAL GAS EXPLORATION, APPRAISAL, DEVELOPMENT AND PRODUCTION ACTIVITIES

Oil and natural gas exploration, appraisal and development activities are accounted for using the principles of the successful efforts method of accounting as described below.

ACQUISITION OF EXPLORATION RIGHTS

Costs incurred for the acquisition of exploration rights

(or their extension) are initially capitalised within the line item "Intangible assets" as "exploration rights - unproved" pending determination of whether the exploration and appraisal activities in the reference areas are successful or not. Unproved exploration rights are not amortised, but reviewed to confirm that there is no indication that the carrying amount exceeds the recoverable amount. This review is based on the confirmation of the commitment of the Company to continue the exploration activities and on the analysis of facts and circumstances that indicate the absence of uncertainties related to the recoverability of the carrying amount. If no future activity is planned, the carrying amount of the related exploration rights is recognised in the profit and loss account as write-off. Lower value exploration rights are pooled and amortised on a straight-line basis over the estimated period of exploration. In the event of a discovery of proved reserves (i.e. upon recognition of proved reserves and internal approval for development), the

(12) When the foreign subsidiary is partially owned, the cumulative exchange difference, that is attributable to the non-controlling interests, is allocated to and recognized as part of "Non-controlling interest".

carrying amount of the related unproved exploration rights is reclassified to "proved exploration rights", within the line item "Intangible assets". Upon reclassification, as well as whether there is any indication of impairment, the carrying amount of exploration rights to reclassify as proved is tested for impairment considering the higher of their value in use and their fair value less costs of disposal. From the commencement of production, proved exploration rights are amortised according to the unit of production method (the so-called UOP method, described in the accounting policy for "UOP depreciation, depletion and amortisation").

ACQUISITION OF MINERAL INTERESTS

Costs incurred for the acquisition of mineral interests are capitalised in connection with the assets acquired (such as exploration potential, possible and probable reserves and proved reserves). When the acquisition is related to a set of exploration potential and reserves, the cost is allocated to the different assets acquired based on their expected discounted cash flows.

Acquired exploration potential is measured in accordance with the criteria illustrated in the accounting policy for "Acquisition of exploration rights". Costs associated with proved reserves are amortised according to the UOP method (see the accounting policy for "UOP depreciation, depletion and amortisation"). Expenditure associated with possible and probable reserves (unproved mineral interests) is not amortised until classified as proved reserves; in case of a negative result of the subsequent appraisal activities, it is written off.

EXPLORATION AND APPRAISAL EXPENDITURE

Geological and geophysical exploration costs are recognised as an expense as incurred.

Costs directly associated with an exploration well are initially recognised within tangible assets in progress, as "exploration and appraisal costs - unproved" (exploration wells in progress) until the drilling of the well is completed and can continue to be capitalised in the following 12-month period pending the evaluation of drilling results (suspended exploration wells). If, at the end of this period, it is ascertained that the result is negative (no hydrocarbon found) or that the discovery is not sufficiently significant to justify the development, the wells are declared dry/unsuccessful and the related costs are written-off. Conversely, these costs continue to be capitalised if and until: (i) the well has found a sufficient quantity of reserves to justify its completion as a producing well, and (ii) the entity is making sufficient progress assessing the reserves and the economic and operating viability of the project; on the contrary, the capitalised costs are recognised in the profit and loss account as write-off. Analogous recognition criteria are adopted for the costs related to the appraisal activity. When proved reserves of oil

and/or natural gas are determined, the relevant expenditure recognised as unproved is reclassified to proved exploration and appraisal costs within tangible assets in progress. Upon reclassification, or when there is any indication of impairment, the carrying amount of the costs to reclassify as proved is tested for impairment considering the higher of their value in use and their fair value less costs of disposal. From the commencement of production, proved exploration and appraisal costs are depreciated according to the UOP method (see the accounting policy for "UOP depreciation, depletion and amortisation").

DEVELOPMENT COSTS

Development costs, including the costs related to unsuccessful and damaged development wells, are capitalised as "Tangible asset in progress - proved". Development costs are incurred to obtain access to proved reserves and to provide facilities for extracting, treating, gathering and storing the oil and gas. They are amortised, from the commencement of production, generally on a UOP basis. When development projects are unfeasible/not carried on, the related costs are written off when it is decided to abandon the project. Development costs are tested for impairment in accordance with the criteria described in the accounting policy for "Property, plant and equipment".

UOP DEPRECIATION, DEPLETION AND AMORTISATION

Proved oil and gas assets are depreciated generally under the UOP method, as their useful life is closely related to the availability of proved oil and gas reserves, by applying, to the depreciable amounts at the end of each quarter a rate representing the ratio between the volumes extracted during the quarter and the reserves existing at the end of the quarter, increased by the volumes extracted during the quarter. This method is applied with reference to the smallest aggregate representing a direct correlation between expenditures to be depreciated and oil and gas reserves. Proved exploration rights and acquired proved mineral interests are amortised over proved reserves; proved exploration and appraisal costs and development costs are depreciated over proved developed reserves, while common facilities are depreciated over total proved reserves. Proved reserves are determined according to US SEC rules that require the use of the yearly average oil and gas prices for assessing the economic producibility; material changes in reference prices could result in depreciation charges not reflecting the pattern in which the assets' future economic benefits are expected to be consumed to the extent that, for example, certain non-current assets would be fully depreciated within a short-term. In these cases the reserves considered in determining the UOP rate are estimated on the basis of economic viability parameters, reasonable and consistent with management's expectations of production, in order

to recognise depreciation charges that more appropriately reflect the expected utilization of the assets concerned.

PRODUCTION COSTS

Production costs are those costs incurred to operate and maintain wells and field equipment and are recognised as an expense as incurred.

PRODUCTION SHARING AGREEMENTS AND SERVICE CONTRACTS

Oil and gas reserves related to Production Sharing Agreements are determined on the basis of contractual terms related to the recovery of the contractor's costs to undertake and finance exploration, development and production activities at its own risk (Cost Oil) and the Company's stipulated share of the production remaining after such cost recovery (Profit Oil). Revenues from the sale of the lifted production, against both Cost Oil and Profit Oil, are accounted for on an accrual basis, whilst exploration, development and production costs are accounted for according to the above-mentioned accounting policies. The Company's share of production volumes and reserves includes the share of hydrocarbons that corresponds to the taxes to be paid, according to the contractual agreement, by the national government on behalf of the Company. As a consequence, the Company has to recognise at the same time an increase in the taxable profit, through the increase of the revenue, and a tax expense.

A similar scheme applies to service contracts.

PLUGGING AND ABANDONMENT OF WELLS

Costs expected to be incurred with respect to the plugging and abandonment of a well, dismantlement and removal of production facilities, as well as site restoration, are capitalised, consistent with the accounting policy described under "Property, plant and equipment", and then depreciated on a UOP basis.

Significant accounting estimates and judgments: oil and natural gas activities

Engineering estimates of the Company's oil and gas reserves are inherently uncertain. Proved reserves are the estimated volumes of crude oil, natural gas and gas condensates, liquids and associated substances which geological and engineering data demonstrate that can be economically producible with reasonable certainty from known reservoirs under existing economic conditions and operating methods. Although there are authoritative guidelines regarding the engineering and geological criteria that must be met before estimated oil and gas reserves can be categorised as "proved", the accuracy of reserve estimates depends on a number of factors, assumptions and variables, including: (i) the quality of

available geological, technical and economic data and their interpretation and judgment; (ii) projections regarding future rates of production and operating costs and development costs; (iii) changes in the prevailing tax rules, other government regulations and contractual conditions; (iv) results of drilling, testing and the actual production performance of Company's reservoirs after the date of the estimates which may drive substantial upward or downward revisions; and (v) changes in oil and natural gas commodity prices which could affect expected future cash flows and the quantities of Company's proved reserves since the estimates of reserves are based on prices and costs existing as of the date when these estimates are made. Lower oil prices or the projections of higher operating and development costs may impair the ability of the Company to economically produce reserves leading to downward reserve revisions.

Many of the factors, assumptions and variables involved in estimating proved reserves are subject to change over time and therefore affect the estimates of oil and natural gas reserves. Similar uncertainties concern unproved reserves. The determination of whether potentially economic oil and natural gas reserves have been discovered by an exploration well is made within a year after well completion. The evaluation process of a discovery, which requires performing additional appraisal activities on the potential oil and natural gas field and establishing the optimum development plans, can take longer, in most cases, depending on the complexity of the project and on the size of capital expenditures required. During this period, the costs related to these exploration wells remain suspended on the balance sheet. In any case, all such capitalised costs are reviewed, at least, on an annual basis to confirm the continued intent to develop, or otherwise to extract value from the discovery.

Field reserves will be categorised as proved only when all the criteria for attribution of proved status have been met. Proved reserves can be classified as developed or undeveloped. Volumes are classified into proved developed reserves as a consequence of development activity. Generally, reserves are booked as proved developed at the start of production. Major development projects typically take one to four years from the time of initial booking to the start of production.

Estimated proved reserves are used in determining depreciation, amortisation and depletion charges (see the accounting policy for "UOP depreciation, depletion and amortisation"). Assuming all other variables are held constant, an increase in estimated proved developed reserves for each field decreases depreciation, amortisation and depletion charge under the UOP method. Conversely, a decrease in estimated proved developed reserves increases depreciation, amortisation and depletion charge.

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment, including investment properties, are recognized using the cost model and initially stated at their purchase price or construction cost including any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. For assets that necessarily take a substantial period of time to get ready for their intended use, the purchase price or construction cost comprises the borrowing costs incurred in the period to get the asset ready for use that would have been avoided if the expenditure had not been made.

In the case of a present obligation for dismantling and removal of assets and restoration of sites, the initial carrying amount of an item of property, plant and equipment includes the estimated (discounted) costs to be incurred when the removal event occurs; a corresponding amount is recognised as part of a specific provision (see the accounting policy for "Decommissioning and restoration liabilities"). Analogous approach is adopted for present obligations to realise social projects in oil and gas development areas.

Property, plant and equipment are not revalued for financial reporting purposes.

Expenditures on upgrading, revamping and reconversion are recognised as items of property, plant and equipment when it is probable that they will increase the expected future economic benefits of the asset. Assets acquired for safety or environmental reasons, although not directly increasing the future economic benefits of any particular existing item of property, plant and equipment, qualify for recognition as assets when they are necessary for running the business.

Depreciation of tangible assets begins when they are available for use, i.e. when they are in the location and condition necessary for it to be capable of operating as planned. Property, plant and equipment are depreciated on a systematic basis over their useful life. The useful life is the period over which an asset is expected to be available for use by the Company. When tangible assets are composed of more than one significant part with different useful lives, each part is depreciated separately. The depreciable amount is the asset's carrying amount less its residual value at the end of its useful life, if it is significant and can be reasonably determined. Land is not depreciated, even when acquired together with a building. Tangible assets held for sale are not depreciated (see the accounting policy for

"Assets held for sale and discontinued operations"). Changes in the asset's useful life, in its residual value or in the pattern of consumption of the future economic benefits embodied in the asset, are accounted for prospectively.

Assets to be handed over for no consideration are depreciated over the shorter term between the duration of the concession or the asset's useful life.

Replacement costs of identifiable parts in complex assets are capitalised and depreciated over their useful life; the residual carrying amount of the part that has been substituted is charged to the profit and loss account. Non-removable leasehold improvements are depreciated over the earlier of the useful life of the improvements and the lease term. Expenditures for ordinary maintenance and repairs are recognised as an expense as incurred.

The carrying amount of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal; the arising gain or loss is recognized in the profit and loss account.

LEASING¹³

A contract is, or contains, a lease, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration¹⁴; such right exists whether, throughout the period of use, the customer has both the right to obtain substantially all of the economic benefits from use of the identified asset and the right to direct the use of the identified asset.

At the commencement date of the lease (i.e. the date on which the underlying asset is available for use), a lessee recognises on the balance sheet an asset representing its right to use the underlying leased asset (hereinafter also referred as right-of-use asset) and a liability representing its obligation to make lease payments during the lease term (hereinafter also referred as lease liability¹⁵). The lease term is the non-cancellable period of a contract, together with, if reasonably certain, periods covered by extension options or by the non-exercise of termination options. In particular, the lease liability is initially recognised at the present value of the following lease payments¹⁶ that are not paid at the commencement date: (i) fixed payments (including in-substance fixed payments), less any lease incentives receivable; (ii) variable lease payments that depend on an index or a rate¹⁷; (iii) amounts expected to

(13) As expressly provided for in IFRS 16, this accounting policy does not apply to leases to explore for and extract resources such as those for oil and gas rights, leases of land and any rights of way related to oil and gas activities.

(14) The assessment of whether the contract is, or contains, a lease is performed at the inception date, that is the earlier of the date of a lease agreement and the date of commitment by the parties to the principal terms and conditions of the lease.

(15) Eni applies the recognition exemptions allowed for short-term leases (for certain classes of underlying assets) and low-value leases, by recognising the lease payments associated with those leases as an expense on a straight-line basis over the lease term.

(16) Eni, in accordance with the practical expedient allowed by the accounting standard, does not separate non-lease components from lease components except for main contracts related to upstream activities (drilling rigs), which provide for single payments relating to both lease and non-lease components.

(17) Conversely, the other kinds of variable lease payments (e.g. payments that depend on the use of an underlying leased asset) are not included in the carrying amount of the lease liability, but are recognised in the profit and loss account as operating expenses over the lease term.

be payable by the lessee under residual value guarantees; (iv) the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and (v) payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease payments are discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the lessee's incremental borrowing rate. The latter is determined considering the term of the lease, the frequency and currency of the contractual lease payments, as well as the features of the lessee's economic environment (reflected in the country risk premium assigned to each country where Eni operates).

After the initial recognition, the lease liability is measured on an amortised cost basis and is remeasured, normally, as an adjustment to the carrying amount of the related right-of-use asset, to reflect changes to the lease payments due, essentially, to: (i) modifications in the lease contract not accounted as a separate lease; (ii) changes in indexes or rates (used to determine the variable lease payments); or (iii) changes in the assessment of contractual options (e.g. options to purchase the underlying asset, extension or termination options).

The right-of-use asset is initially measured at cost, which comprises: (i) the amount of the initial measurement of the lease liability; (ii) any initial direct costs incurred by the lessee¹⁸; (iii) any lease payments made at or before the commencement date, less any lease incentives received; and (iv) an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease. After the initial recognition, the right-of-use asset is adjusted for any accumulated depreciation¹⁹, any accumulated impairment losses (see the accounting policy for "Impairment of non-financial assets") and any remeasurement of the lease liability.

The depreciation charges of the right-of-use asset and the interest expenses on the lease liability directly attributable to the construction of an asset are capitalised as part of the cost of such asset and subsequently recognised in the profit and loss account through depreciation/impairments or write-off, mainly in the case of exploration assets.

In the oil and gas activities, the operator of an unincorporated joint operation which enters into a lease contract as the sole signatory recognises on the balance sheet: (i) the entire lease liability if, based on the contractual provisions and any other relevant facts and circumstances, it has primary responsibility for the liability towards the third-party supplier;

and (ii) the entire right-of-use asset, unless, on the basis of the terms and conditions of the contract, there is a sublease with the followers.

The followers' share of the right-of-use asset, recognised by the operator, will be recovered according to the joint operation's contractual arrangements by billing the project costs attributable to the followers and collecting the related cash calls. Costs recovered from the followers are recognised as "Other income and revenues" in the profit and loss account and as net cash provided by operating activities in the statement of cash flows.

Differently, if a lease contract is signed by all the partners, Eni recognises its share of the right-of-use asset and lease liability on the balance sheet based on its working interest. If Eni does not have primary responsibility for the lease liability and, on the basis of the terms and conditions of the contract, there is not a sublease, it does not recognise any right-of-use asset and lease liability related to the lease contract.

When lease contracts are entered into by companies other than subsidiaries that act as operators on behalf of the other participating companies (the so-called operating companies), consistent with the provision to recover from the followers the costs related to the oil and gas activities, the participating companies recognise their share of the right-of-use assets and the lease liabilities based on their working interest, defined according to the expected use, to the extent that it is reliably determinable, of the underlying assets.

Significant accounting estimates and judgments: lease transactions

With reference to lease contracts, management makes significant estimates and judgments related to: (i) determining the lease term, making assumptions about the exercise of extension and/or termination options; (ii) determining the lessee's incremental borrowing rate; (iii) identifying and, where appropriate, separating non-lease components from lease components, where an observable stand-alone price is not readily available, taking into account also the analysis performed with external experts; (iv) recognising lease contracts, for which the underlying assets are used in oil and gas activities (mainly drilling rigs and FPSOs), entered into as operator within an unincorporated joint operation, considering if the operator has primary responsibility for the liability towards the third-party supplier and the relationships with the followers; (v) identifying the variable lease payments and the related characteristics in order to include them in the measurement of the lease liability.

(18) Initial direct costs are incremental costs of obtaining a lease that would not have been incurred if the lease had not been obtained.

(19) Depreciation charges are recognised on a systematic basis from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. Nevertheless, if the lease transfers ownership of the underlying asset to the lessee by the end of the lease term, or if the cost of the right-of-use asset reflects that the lessee will exercise a purchase option, the right-of-use asset is depreciated from the commencement date to the end of the useful life of the underlying asset.

INTANGIBLE ASSETS

Intangible assets are identifiable non-monetary assets without physical substance, controlled by the Company and able to produce future economic benefits, and goodwill. An asset is classified as intangible when management is able to distinguish it clearly from goodwill. Intangible assets are initially recognized at cost as determined by the criteria used for tangible assets and they are never revalued for financial reporting purposes.

Intangible assets with finite useful lives are amortised on a systematic basis over their useful life; the amount to be amortised and the recoverability of the carrying amount are determined in accordance with the criteria described in the accounting policy for "Property, plant and equipment".

Goodwill and intangible assets with indefinite useful lives are not amortised. For the recoverability of the carrying amounts of goodwill and other intangible assets see the accounting policy for "Impairment of non-financial assets".

Costs of obtaining a contract with a customer are recognised on the balance sheet if the Company expects to recover those costs. The intangible asset arising from those costs is amortised on a systematic basis, that is consistent with the transfer to the customer of the goods or services to which the asset relates, and is tested for impairment.

Costs of technological development activities are capitalised when: (i) the cost attributable to the development activity can be measured reliably; (ii) there is the intention and the availability of financial and technical resources to make the asset available for use or sale; and (iii) it can be demonstrated that the asset is able to generate probable future economic benefits.

The carrying amount of intangible assets is derecognised on disposal or when no future economic benefits are expected from its use or disposal; any arising gain or loss is recognised in the profit and loss account.

IMPAIRMENT OF NON-FINANCIAL ASSETS

Non-financial assets (tangible assets, intangible assets and right-of-use assets) are tested for impairment whenever events or changes in circumstances indicate that the carrying amounts for those assets may not be recoverable. The recoverability assessment is performed for each cash generating unit (hereinafter also CGU) represented by the smallest identifiable group of assets that generate cash inflows that are largely independent of the cash inflows from other assets or group of assets.

CGUs may include corporate assets which do not generate

cash inflows independently of other assets or group of assets, allocable on a reasonable and consistent basis. Corporate assets not attributable to a single CGU are allocated to a group of CGUs. Goodwill is tested for impairment at least annually, and whenever there is any indication of impairment, at the lowest level within the entity at which it is monitored for internal management purposes. Right-of-use assets, which generally do not generate cash inflows independently of other assets or groups of assets, are allocated to the CGU to which they belong; the right-of-use assets which cannot be fully attributed to a CGU are considered as corporate assets. The recoverability of the carrying amount of common facilities within the E&P operating segment is assessed by considering the set of recoverable amounts of the CGUs benefiting from the common facility.

The recoverability of a CGU is assessed by comparing its carrying amount with the recoverable amount, which is the higher of the CGU's fair value less costs of disposal and its value in use. Value in use is the present value of the future cash flows expected to be derived from continuing use of the CGU and, if significant and reliably measurable, the cash flows expected to be obtained from its disposal at the end of its useful life, after deducting the costs of disposal. The expected cash flows are determined on the basis of reasonable and supportable assumptions that represent management's best estimate of the range of economic conditions that will exist over the remaining useful life of the CGU, giving greater weight to external evidence. The value in use of CGUs which include material right-of-use assets is calculated, normally, by ignoring lease payments included in the measurement of the lease liabilities. With reference to commodity prices, management uses the price scenario adopted for economic and financial projections and for the evaluation of investments over their entire life. In particular, for the cash flows associated with oil, natural gas and petroleum products prices (and prices derived from them), the price scenario is approved by the Board of Directors (see "Significant accounting estimates and judgments used to take into account the impacts of climate-related risks").

For impairment test purposes, cash outflows expected to be incurred to guarantee compliance with laws and regulations regarding CO₂ emissions (e.g. Emission Trading Scheme) or on a voluntary basis (e.g. cash outflows related to forestry certificates acquired or produced consistent with the Company's decarbonization strategy - hereinafter also forestry) are taken into account.

In particular, in estimating value in use, the cash outflows for forestry projects²⁰ are included, consistent with the targets of the decarbonization strategy, within the expected operating cash outflows; in this regard, considering that the forestry

(20) For the recognition criteria of forestry certificates see the accounting policy for "Costs".

projects can be developed in countries where Eni does not carry out operating activities and given the difficulty to allocate such cash outflows, on a reasonable and consistent basis, to CGUs of the relevant operating segment, the related discounted cash outflows are treated as a reduction of the headroom of the E&P operating segment.

For the determination of value in use, the estimated future cash flows are discounted using a rate that reflects a current market assessment of the time value of money and of the risks specific to the asset that are not reflected in the estimated future cash flows. In particular, the discount rate used is the Weighted Average Cost of Capital (WACC) adjusted for the specific country risk of the CGU. These adjustments are measured considering information from external parties. WACC differs considering the risk associated with each operating segment/business where the asset operates. In particular, for the assets belonging to the Global Gas & LNG Portfolio (GGP) operating segment, the Chemical business, the Power business and Retail & Renewables business, the riskiness is determined on the basis of a sample of comparable companies. For the E&P operating segment and R&M business, the riskiness is determined, on a residual basis, as the difference between the risk of Eni as a whole and the risk of other operating segments/businesses. Value in use is calculated net of the tax effect as this method results in values similar to those resulting from discounting pre-tax cash flows at a pre-tax discount rate derived, through an iteration process, from a post-tax valuation. When the carrying amount of the CGU, including goodwill allocated thereto, determined taking into account any impairment loss of the non-current assets belonging to the CGU, exceeds its recoverable amount, the excess is recognised as an impairment loss. The impairment loss is allocated first to reduce the carrying amount of goodwill; any remaining excess is allocated to the other assets of the unit pro rata on the basis of the carrying amount of each asset in the CGU, up to the related recoverable amount.

When an impairment loss no longer exists or has decreased, a reversal of the impairment loss is recognised in the profit and loss account. The impairment reversal shall not exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. An impairment loss recognised for goodwill is not reversed in a subsequent period²¹.

GRANTS RELATED TO ASSETS

Government grants related to assets are recognized by deducting them in calculating the carrying amount of the related assets when there is reasonable assurance that the

Company will comply with the conditions attaching to them and the grants will be received.

INVENTORIES

Inventories, including compulsory stock, are measured at the lower of purchase or production cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale, or, with reference to inventories of crude oil and petroleum products already included in binding sale contracts, the contractual selling price. Inventories which are principally acquired with the purpose of selling in the near future and generating a profit from fluctuations in price are measured at fair value less costs to sell and any subsequent changes in fair value are recognised in the profit and loss account. Materials and other supplies held for use in production are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

The cost of inventories of hydrocarbons (crude oil, condensates and natural gas) and petroleum products is determined by applying the weighted average cost method on a three-month basis, or on a different time period (e.g. monthly), when it is justified by the use and the turnover of inventories of crude oil and petroleum products; the cost of inventories of the Chemical business is determined by applying the weighted average cost on an annual basis.

When take-or-pay clauses are included in long-term gas purchase contracts, pre-paid gas volumes that are not withdrawn to fulfill minimum annual take obligations are measured using the pricing formulas contractually defined. They are recognised within "Other assets" as "Deferred costs", as a contra to "Trade and other payables" or, after settlement, to "Cash and cash equivalents". The allocated deferred costs are charged to the profit and loss account: (i) when natural gas is actually withdrawn - the related cost is included in the determination of the weighted average cost of inventories; and (ii) for the portion which is not recoverable, when it is not possible to withdraw the previously pre-paid gas within the contractually defined deadlines. Furthermore, the allocated deferred costs are tested for economic recoverability by comparing the related carrying amount and their net realisable value, determined adopting the same criteria described for inventories.

Significant accounting estimates and judgments: impairment of non-financial assets

The recoverability of non-financial assets is assessed

(21) Impairment losses recognised for goodwill in an interim period are not reversed also when, considering conditions existing in a subsequent interim period, they would have been recognised in a smaller amount or would not have been recognised.

whenever events or changes in circumstances indicate that carrying amounts of the assets may not be recoverable.

Such impairment indicators include changes in the Group's business plans, changes in commodity prices leading to unprofitable performance, a reduced capacity utilisation of plants and, for oil and gas properties, significant downward revisions of estimated reserve quantities or significant increase of the estimated development and production costs. Determination as to whether and how much an asset is impaired involves management estimates on highly uncertain and complex matters such as future commodity prices, future discount rates, future development costs and production costs, the effects of inflation and technology improvements on operating expenses, production profiles and the outlook for global or regional market supply-and-demand conditions also with reference to the decarbonization process and the effects of changes in regulatory requirements. The definition of CGUs and the identification of their appropriate grouping for the purpose of testing for impairment the carrying amount of goodwill, corporate assets as well as common facilities within the E&P operating segment, require judgment by management. In particular, CGUs are identified considering, inter alia, how management monitors the entity's operations (such as by business lines) or how management makes decisions about continuing or disposing of the entity's assets and operations.

Similar remarks are valid for assessing the physical recoverability of assets recognised on the balance sheet (deferred costs - see also the accounting policy for "Inventories") related to natural gas volumes not withdrawn under long-term supply contracts with take-or-pay clauses. The expected future cash flows used for impairment analyses are based on judgmental assessments of future production volumes, prices and costs, considering available information at the date of review and are discounted using a rate which considers the risks specific to the asset.

For oil and natural gas properties, the expected future cash flows are estimated based on proved and probable reserves, including, among other elements, production taxes and the costs to be incurred for the reserves yet to be developed. In limited cases (e.g. for mineral interests acquired from third parties as part of a business combination) the expected cash flows may take into account also the risk-adjusted possible reserves, if they are considered to determine the consideration transferred. The estimate of the future rates of production is based on assumptions related to future commodity prices, operating costs, lifting and development costs, field decline rates, market demand and other factors.

More details on the main assumptions underlying the

determination of the recoverable amount of tangible, intangible and right-of-use assets are set out in note 15 – Impairment review of tangible and intangible assets and right-of-use assets.

FINANCIAL INSTRUMENTS

FINANCIAL ASSETS

Financial assets are classified, on the basis of both contractual cash flow characteristics and the entity's business model for managing them, in the following categories: (i) financial assets measured at amortised cost; (ii) financial assets measured at fair value through other comprehensive income (hereinafter also OCI); (iii) financial assets measured at fair value through profit or loss (hereinafter also FVTPL).

At initial recognition, a financial asset is measured at its fair value plus, in the case of a financial asset not at FVTPL, transaction costs that are directly attributable; at initial recognition, trade receivables that do not have a significant financing component are measured at their transaction price.

After initial recognition, financial assets whose contractual terms give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured at amortised cost if they are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows (the so-called hold to collect business model). For financial assets measured at amortised cost, interest income determined using the effective interest rate, foreign exchange differences and any impairment losses²² (see the accounting policy for "Impairment of financial assets") are recognised in the profit and loss account.

Conversely, financial assets that are debt instruments are measured at fair value through OCI (hereinafter also FVTOCI) if they are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets (the so-called hold to collect and sell business model). In these cases: (i) interest income determined using the effective interest rate, foreign exchange differences and any impairment losses (see the accounting policy for "Impairment of financial assets") are recognised in the profit and loss account; (ii) changes in fair value of the instruments are recognised in equity, within other comprehensive income. The accumulated changes in fair value, recognised in the equity reserve related to other comprehensive income, is reclassified to the profit and loss

(22) Receivables and other financial assets measured at amortised cost are presented on the balance sheet net of their loss allowance.

account when the financial asset is derecognised. Currently the Group does not have any financial assets measured at fair value through OCI.

A financial asset represented by a debt instrument that is neither measured at amortised cost nor at FVTOCI, is measured at FVTPL; financial assets held for trading fall into this category. Interest income on assets held for trading contributes to the fair value measurement of the instrument and is recognised in "Finance income (expense)", within "Net finance income (expense) from financial assets held for trading".

When the purchase or sale of a financial asset is under a contract whose terms require delivery of the asset within the time frame established generally by regulation or convention in the marketplace concerned, the transaction is accounted for on the settlement date.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash on hand, demand deposits, as well as financial assets originally due, generally, up to three months, readily convertible to known amount of cash and subject to an insignificant risk of changes in value.

IMPAIRMENT OF FINANCIAL ASSETS

The expected credit loss model is adopted for the impairment of financial assets that are debt instruments, but are not measured at FVTPL²³.

In particular, the expected credit losses are generally measured by multiplying: (i) the exposure to the counterparty's credit risk net of any collateral held and other credit enhancements (Exposure At Default, EAD); (ii) the probability that the default of the counterparty occurs (Probability of Default, PD); and (iii) the percentage estimate of the exposure that will not be recovered in case of default (Loss Given Default, LGD), considering the past experiences and the range of recovery tools that can be activated (e.g. extrajudicial and/or legal proceedings, etc.).

With reference to trade and other receivables, Probabilities of Default of counterparties are determined by adopting the internal credit ratings already used for credit worthiness and are periodically reviewed using, inter alia, backtesting analyses; for government entities (e.g. National Oil Companies), the Probability of Default, represented essentially by the probability of a delayed payment, is determined by using, as input data, the country risk premium adopted to determine WACC for the impairment review of non-financial assets.

For customers without internal credit ratings, the expected credit losses are measured by using a provision matrix, defined by grouping, where appropriate, receivables into adequate clusters to which apply expected loss rates defined on the basis of their historical credit loss experiences, adjusted, where appropriate, to take into account forward-looking information on credit risk of the counterparty or clusters of counterparties²⁴. Considering the characteristics of the reference markets, financial assets with more than 180 days past due or, in any case, with counterparties undergoing litigation, restructuring or renegotiation, are considered to be in default. Counterparties are considered undergoing litigation when judicial/legal proceedings aimed to recover a receivable have been activated or are going to be activated. Impairment losses of trade and other receivables are recognised in the profit and loss account, net of any impairment reversal, within the line item of the profit and loss account "Net (impairment losses) reversals of trade and other receivables".

The financing receivables held for operating purposes, granted to associates and joint ventures, for which settlement is neither planned nor likely to occur in the foreseeable future and which in substance form part of the entity's net investment in these investees, are tested for impairment, first, on the basis of the expected credit loss model and, then, together with the carrying amount of the investment in the associate/joint venture, in accordance with the criteria indicated in the accounting policy for "The equity method of accounting". In applying the expected credit loss model, any adjustments to the carrying amount of long-term interest that arise from applying the accounting policy for "The equity method of accounting" are not taken into account.

Significant accounting estimates and judgments: impairment of financial assets

Measuring impairment losses of financial assets requires management evaluation of complex and highly uncertain elements such as, for example, Probabilities of Default of counterparties, the assessment of any collateral or other credit enhancements, the expected exposure that will not be recovered in case of default, as well as the definition of customers' clusters to be adopted.

Further details on the main assumptions underlying the measurement of expected credit losses of financial assets are provided in note 8 – Trade and other receivables.

(23) The expected credit loss model is also adopted for issued financial guarantee contracts not measured at FVTPL. Expected credit losses recognised on issued financial guarantees are not material.

(24) For credit exposures arising from intragroup transactions, the recovery rate is normally assumed equal to 100% taking into account, inter alia, the Group central treasury function which supports both financial and capital needs of subsidiaries.

INVESTMENTS IN EQUITY INSTRUMENTS

Investments in equity instruments that are not held for trading are measured at fair value through other comprehensive income, without subsequent transfer of fair value changes to profit or loss on derecognition of these investments; conversely, dividends from these investments are recognised in the profit and loss account, within the line item "Income (Expense) from investments", unless they clearly represent a recovery of part of the cost of the investment. In limited circumstances, an investment in equity instruments can be measured at cost if it is an appropriate estimate of fair value.

FINANCIAL LIABILITIES

At initial recognition, financial liabilities, other than derivative financial instruments, are measured at their fair value, minus transaction costs that are directly attributable, and are subsequently measured at amortised cost.

The sustainability-linked bonds, i.e. financial liabilities where the interest rate is periodically adjusted to reflect changes in the borrower's performance relative to certain sustainability targets (the so-called ESG metrics), are measured at amortised cost.

Generally, changes in the interest rate result in an update of the effective interest rate to be used for the recognition of interest expense.

Significant judgments: financial liabilities

The Group's companies can negotiate with suppliers an extension of payment terms, without the involvement of a financial institution. In such cases, management judges whether or not payables towards suppliers have to be reclassified as financial liabilities from trade/investing activity payables. In order to make such judgment, management considers if the payment terms differ from the ones that are customary in the industry, any additional security is provided as part of the arrangement as well as any other facts and circumstances. The classification as a financial liability determines: (i) upon reclassification/initial recognition of the liability, a non-monetary change in financial liabilities, with no impacts on the statement of cash flows; (ii) upon the settlement of the liability, the classification of the payment within net cash used in financing activities.

With reference to sustainability-linked bonds, management assesses whether the non-compliance with an ESG metric could adversely impact operations and, therefore, revenue generation and creditworthiness of the Company.

DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGE ACCOUNTING

Derivative financial instruments, including embedded derivatives (see below) that are separated from the host

contract, are assets and liabilities measured at their fair value. With reference to the defined risk management objectives and strategy, the qualifying criteria for hedge accounting requires: (i) the existence of an economic relationship between the hedged item and the hedging instrument in order to offset the related value changes and the effects of counterparty credit risk do not dominate the economic relationship between the hedged item and the hedging instrument; and (ii) the definition of the relationship between the quantity of the hedged item and the quantity of the hedging instrument (the so-called hedge ratio) consistent with the entity's risk management objectives, under a defined risk management strategy; the hedge ratio is adjusted, where appropriate, after taking into account any adequate rebalancing. A hedging relationship is discontinued prospectively, in its entirety or a part of it, when it no longer meets the risk management objectives on the basis of which it qualified for hedge accounting, it ceases to meet the other qualifying criteria or after rebalancing it.

When derivatives hedge the risk of changes in the fair value of the hedged items (fair value hedge, e.g. hedging of the variability in the fair value of fixed interest rate assets/liabilities), the derivatives are measured at fair value through profit and loss. Consistently, the carrying amount of the hedged item is adjusted to reflect, in the profit and loss account, the changes in fair value of the hedged item attributable to the hedged risk; this applies even if the hedged item should be otherwise measured.

When derivatives hedge the exposure to variability in cash flows of the hedged items (cash flow hedge, e.g. hedging the variability in the cash flows of assets/liabilities as a result of the fluctuations of exchange rate), the effective changes in the fair value of the derivatives are initially recognised in the equity reserve related to other comprehensive income and then reclassified to the profit and loss account in the same period during which the hedged transaction affects the profit and loss account.

If a hedged forecast transaction subsequently results in the recognition of a non-financial asset or a non-financial liability, the accumulated changes in fair value of hedging derivatives, recognised in equity, are included directly in the carrying amount of the hedged non-financial asset/liability (commonly referred to as a "basis adjustment").

The changes in the fair value of derivatives that are not designated as hedging instruments, including any ineffective portion of changes in fair value of hedging derivatives, are recognised in the profit and loss account. In particular, the changes in the fair value of non-hedging derivatives on interest rates and exchange rates are recognised in the profit and loss account line item "Finance income (expense)"; conversely, the changes in the fair value of non-hedging derivatives on commodities are recognised in the profit and loss account line item "Other operating (expense)".

income". Derivatives embedded in financial assets are not accounted for separately; in such circumstances, the entire hybrid instrument is classified depending on the contractual cash flow characteristics of the financial instrument and the business model for managing it (see the accounting policy for "Financial assets"). Derivatives embedded in financial liabilities and/or non-financial assets are separated if: (i) the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host contract; (ii) a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and (iii) the entire hybrid contract is not measured at FVTPL.

Eni assesses the existence of embedded derivatives to be separated when it becomes party to the contract and, afterwards, when a change in the terms of the contract that modifies its cash flows occurs.

Contracts to buy or sell commodities entered into and continued to be held for the purpose of their receipt or delivery in accordance with the Group's expected purchase, sale or usage requirements are recognised on an accrual basis (the so-called normal sale and normal purchase exemption or own use exemption).

OFFSETTING OF FINANCIAL ASSETS AND LIABILITIES

Financial assets and liabilities are set off on the balance sheet if the Group currently has a legally enforceable right to set off and intends to settle on a net basis (or to realise the asset and settle the liability simultaneously).

DERECOGNITION OF FINANCIAL ASSETS AND LIABILITIES

Transferred financial assets are derecognised when the contractual rights to receive the cash flows from the financial assets expire or are transferred to another party. Financial liabilities are derecognised when they are extinguished, or when the obligation specified in the contract is discharged, cancelled or expired.

PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

A provision is a liability of uncertain timing or amount on the balance sheet date. Provisions are recognised when: (i) there is a present obligation, legal or constructive, as a result of a past event; (ii) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and (iii) the amount of the obligation can be reliably estimated. The amount recognised as a provision is the best estimate of the expenditure required to settle the present obligation or to transfer it to third parties on the balance sheet date. The amount recognised for

onerous contracts is the lower of the cost necessary to fulfill the obligations, net of expected economic benefits deriving from the contracts, and any compensation or penalties arising from failure to fulfill these obligations. Where the effect of the time value is material, and the payment date of the obligations can be reasonably estimated, provisions to be accrued are the present value of the expenditures expected to be required to settle the obligation at a discount rate that reflects the Company's average borrowing rate taking into account the risks associated with the obligation. The change in provisions due to the passage of time is recognised within "Finance income (expense)".

A provision for restructuring costs is recognised only when the Company has a detailed formal plan for the restructuring and has raised a valid expectation in the affected parties that it will carry out the restructuring.

Provisions are periodically reviewed and adjusted to reflect changes in the estimates of costs, timing and discount rates. Changes in provisions are recognised in the same profit and loss account line item where the original provision was charged.

Contingent liabilities are: (i) possible obligations arising from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or (ii) present obligations arising from past events, whose amount cannot be reliably measured or whose settlement will probably not result in an outflow of resources embodying economic benefits. Contingent liabilities are not recognised in the financial statements but are disclosed. Contingent assets, that are possible assets arising from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, are not recognised in financial statements unless the realisation of economic benefits is virtually certain. Contingent assets are disclosed when an inflow of economic benefits is probable. Contingent assets are assessed periodically to ensure that developments are appropriately reflected in the financial statements.

DECOMMISSIONING AND RESTORATION LIABILITIES

Liabilities for decommissioning and restoration costs are recognized, together with a corresponding amount as part of the related property, plant and equipment, when the conditions indicated in the accounting policy "Provisions, Contingent Liabilities And Contingent Assets" are met.

Considering the long-time span between the recognition of the obligation and its settlement, the amount recognised is the present value of the future expenditures expected to be required to settle the obligation. Any change due to the unwinding of discount on provisions is recognised within "Finance income (expense)".

Such liabilities are reviewed regularly to take into account the changes in the expected costs to be incurred, contractual obligations, regulatory requirements and practices in force in the countries where the tangible assets are located. The effects of any changes in the estimate of the liability are recognised generally as an adjustment to the carrying amount of the related property, plant and equipment; however, if the resulting decrease in the liability exceeds the carrying amount of the related asset, the excess is recognised in the profit and loss account.

Analogous approach is adopted for present obligations to realise social projects related to operating activities carried out by the Company.

ENVIRONMENTAL LIABILITIES

Environmental liabilities are recognised when the Group has a present obligation, legal or constructive, relating to environmental clean-up and remediation of soil and groundwater in areas owned or under concession where the Group performed in the past industrial operations that were progressively divested, shut down, dismantled or restructured. Liabilities for environmental costs are recognised when a clean-up is probable and the associated costs can be reliably estimated. The liability is measured on the basis of on the costs expected to be incurred in relation to the existing situation at the balance sheet date, considering virtually certain future developments in technology and legislation that are known.

Significant accounting estimates and judgments: decommissioning and restoration liabilities, environmental liabilities and other provisions

The Group holds provisions for dismantling and removing items of property, plant and equipment, and restoring land or seabed at the end of the oil and gas production activity. Estimating obligations to dismantle, remove and restore items of property, plant and equipment is complex. It requires management to make estimates and judgments with respect to removal obligations that will come to term many years into the future and contracts and regulations are often unclear as to what constitutes removal. In addition, the ultimate financial impact of environmental laws and regulations is not always clearly known as asset removal technologies and costs constantly evolve in the countries where Eni operates, as do political, environmental, safety and public expectations.

The discount rate used to determine the provision and the timing of future cash outflows, as well as any related update, are based on complex managerial judgments.

Decommissioning and restoration provisions, recognised in the financial statements, include, essentially, the present value of the expected costs for decommissioning oil and natural gas facilities at the end of the economic lives of fields, well-plugging, abandonment and site restoration of the Exploration & Production operating segment. Any decommissioning and restoration provisions associated with the other operating segments' assets, given their indeterminate settlement dates, also considering the strategy to reconvert plants in order to produce low carbon products, are recognised when it is possible to make a reliable estimate of the discounted abandonment costs. In this regard, Eni performs periodic reviews for any changes in facts and circumstances that might require recognition of a decommissioning and restoration provision.

Eni is subject to numerous EU, national, regional and local environmental laws and regulations concerning its oil and gas operations, production and other activities. They include legislations that implement international conventions or protocols. Environmental liabilities are recognised when it becomes probable that an outflow of resources will be required to settle the obligation and such obligation can be reliably estimated²⁵.

The reliable determinability is verified on the basis of the available information such as, for example, the approval or filing of the environmental projects to the relevant administrative authorities or the making of a commitment to the relevant administrative authorities, where supported by adequate estimates.

Management, considering the actions already taken, insurance policies obtained to cover environmental risks and provisions already recognised, does not expect any material adverse effect on Eni's consolidated results of operations and financial position as a result of such laws and regulations. However, there can be no assurance that there will not be a material adverse impact on Eni's consolidated results of operations and financial position due to: (i) the possibility of an unknown contamination; (ii) the results of the ongoing surveys and other possible effects of statements required by applicable laws; (iii) the possible effects of future environmental legislations and rules; (iv) the effects of possible technological changes relating to future remediation; and (v) the possibility of litigation and the difficulty of determining Eni's liability, if any, against other potentially responsible parties with respect to such litigations and the possible reimbursements.

(25) With reference to the environmental liabilities assumed, the expected operating costs to be incurred for managing groundwater treatment plants are not included in the estimates of environmental liabilities because it is not possible to reliably define a time horizon within which the operations of the plant will be terminated. In this regard, Eni performs periodic reviews for any changes in facts and circumstances, including changes in regulatory framework and technology, that might require the recognition of the environmental liability.

In addition to environmental and decommissioning and restoration liabilities, Eni recognises provisions primarily related to legal and trade proceedings. These provisions are estimated on the basis of complex managerial judgments related to the amounts to be recognised and the timing of future cash outflows. After the initial recognition, provisions are periodically reviewed and adjusted to reflect the current best estimate.

EMPLOYEE BENEFITS

Employee benefits are considerations given by the Group in exchange for service rendered by employees or for the termination of employment.

Post-employment benefit plans, including informal arrangements, are classified as either defined contribution plans or defined benefit plans depending on the economic substance of the plan as derived from its principal terms and conditions. Under defined contribution plans, the Company's obligation, which consists in making payments to the State or to a trust or a fund, is determined on the basis of contributions due.

The liabilities related to defined benefit plans, net of any plan assets, are determined on the basis of actuarial assumptions and charged on an accrual basis during the employment period required to obtain the benefits. Net interest includes the return on plan assets and the interest cost. Net interest is measured by applying to the liability, net of any plan assets, the discount rate used to calculate the present value of the liability; net interest of defined benefit plans is recognised in "Finance income (expense)".

Remeasurements of the net defined benefit liability, comprising actuarial gains and losses, resulting from changes in the actuarial assumptions used or from changes arising from experience adjustments, and the return on plan assets excluding amounts included in net interest, are recognised within the statement of comprehensive income. Remeasurements of the net defined benefit liability, recognised within other comprehensive income, are not reclassified subsequently to the profit and loss account.

Obligations for long-term benefits are determined by adopting actuarial assumptions. The effects of remeasurements are taken to profit and loss account in their entirety.

The liabilities for termination benefits are recognised at the earlier of the following dates: (a) when the entity can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that involves the payment of termination benefits. Such liabilities are measured in accordance with the nature of the employee benefit. Liabilities for termination benefits are determined applying the requirements: (i) for short-term employee

benefits, if the termination benefits are expected to be settled wholly before twelve months after the end of the annual reporting period in which the termination benefits are recognised; or (ii) for long-term benefits if the termination benefits are not expected to be settled wholly before twelve months after the end of the annual reporting period.

SHARE-BASED PAYMENTS

The line item "Payroll and related costs" includes the cost of the share-based incentive plan, consistent with its actual remunerative nature. The cost of the share-based incentive plan is measured by reference to the fair value of the equity instruments granted and the estimate of the number of shares that eventually vest; the cost is recognised on an accrual basis pro rata temporis over the vesting period, that is the period between the grant date and the settlement date. The fair value of the shares underlying the incentive plan is measured at the grant date, taking into account the estimate of achievement of market conditions (e.g. Total Shareholder Return), and is not adjusted in subsequent periods; when the achievement is linked also to non-market conditions, the number of shares expected to vest is adjusted during the vesting period to reflect the updated estimate of these conditions. If, at the end of the vesting period, the incentive plan does not vest because of failure to satisfy the performance conditions, the portion of cost related to market conditions is not reversed to the profit and loss account.

Significant accounting estimates and judgments: employee benefits and share-based payments

Defined benefit plans are evaluated with reference to uncertain events and based upon actuarial assumptions including, among others, discount rates, expected rates of salary increases, mortality rates, estimated retirement dates and medical cost trends. The significant assumptions used to account for defined benefit plans are determined as follows: (i) discount and inflation rates are based on the market yields on high quality corporate bonds (or, in the absence of a deep market of these bonds, on the market yields on government bonds) and on the expected inflation rates in the reference currency area; (ii) the future salary levels of the individual employees are determined including an estimate of future changes attributed to general price levels (consistent with inflation rate assumptions), productivity, seniority and promotion; (iii) healthcare cost trend assumptions reflect an estimate of the actual future changes in the cost of the healthcare related benefits provided to the plan participants and are based on past and current healthcare cost trends, including healthcare

inflation, changes in healthcare utilisation, changes in health status of the participants and the contributions paid to health funds; and (iv) demographic assumptions such as mortality, disability and turnover reflect the best estimate of these future events for individual employees involved.

Differences in the amount of the net defined benefit liability (asset), deriving from the remeasurements, comprising, among others, changes in the current actuarial assumptions, differences in the previous actuarial assumptions and what has actually occurred and differences in the return on plan assets, excluding amounts included in net interest, usually occur. Similar to the approach followed for the fair value measurement of financial instruments, the fair value of the shares underlying the incentive plans is measured by using complex valuation techniques and identifying, through structured judgments, the assumptions to be adopted.

EQUITY INSTRUMENTS

TREASURY SHARES

Treasury shares, including shares held to meet the future requirements of the share-based incentive plans, are recognised as deductions from equity at cost. Any gain or loss resulting from subsequent sales is recognised in equity.

HYBRID BONDS

The perpetual subordinated hybrid bonds are classified in the financial statements as equity instruments considering that the issuer has the unconditional right to defer, until the date of its own liquidation, the repayment of the principal amount and the payment of accrued interest²⁶. Therefore, the issuer recognises the cash received from the bondholders, net of costs incurred in issuing the hybrid bonds, as an increase in Eni owners' equity; differently, the repayments of the principal amount and the payments of accrued interest (upon the arising of the related contractual payment obligation) are accounted for as a decrease in Eni owners' equity.

REVENUE FROM CONTRACTS WITH CUSTOMERS

Revenue from contracts with customers is recognised on the basis of the following five steps: (i) identifying the contract with the customer; (ii) identifying the performance obligations, that are promises in a contract to transfer goods and/or services to a customer; (iii) determining the transaction price; (iv) allocating the transaction price to each performance obligation on the basis of the relative stand-alone selling prices of each good or service; and (v) recognising revenue when (or as) a performance obligation

is satisfied, that is when a promised good or service is transferred to a customer. A promised good or service is transferred when (or as) the customer obtains control of it. Control can be transferred over time or at a point in time. With reference to the most important products sold by Eni, revenue is generally recognised for:

- ▶ crude oil, upon shipment;
- ▶ natural gas and electricity, upon delivery to the customer;
- ▶ petroleum products sold to retail distribution networks, upon delivery to the service stations, whereas all other sales of petroleum products are recognised upon shipment;
- ▶ chemical products and other products, upon shipment.

Revenue from crude oil and natural gas production from properties in which Eni has an interest together with other producers is recognised on the basis of the quantities actually lifted and sold (sales method); costs are recognised on the basis of the quantities actually sold.

Revenue is measured at the fair value of the consideration to which the Company expects to be entitled in exchange for transferring promised goods and/or services to a customer, excluding amounts collected on behalf of third parties. In determining the transaction price, the promised amount of consideration is adjusted for the effects of the time value of money if the timing of payments agreed to by the parties to the contract provides the customer or the entity with a significant benefit of financing the transfer of goods or services to the customer. The promised amount of consideration is not adjusted for the effect of the significant financing component if, at contract inception, it is expected that the period between the transfer of a promised good or service to a customer and when the customer pays for that good or service will be one year or less. If the consideration promised in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the promised goods and/or services to a customer; in particular, the amount of consideration can vary because of discounts, refunds, incentives, price concessions, performance bonuses, penalties or if the price is contingent on the occurrence or non-occurrence of future events.

If, in a contract, the Company grants a customer the option to acquire additional goods or services for free or at a discount (e.g. sales incentives, customer award points, etc.), this option gives rise to a separate performance obligation in the contract only if the option provides a material right to the customer that it would not receive without entering into that contract. When goods or services are exchanged for goods or services which are of a similar nature and value, the exchange is not regarded as a transaction which generates revenue.

(26) The payment of accrued interest is required upon the occurrence of events under the issuer's control such as, for example, a distribution of dividends to shareholders.

Significant accounting estimates and judgments: revenue from contracts with customers

Revenue from sales of electricity and gas to retail customers includes the amount accrued for electricity and gas supplied between the date of the last invoiced meter reading (actual or estimated) of volumes consumed and the end of the year. These estimates consider information provided by the grid managers about the volumes allocated among the customers of the secondary distribution network, about the actual and estimated volumes consumed by customers, as well as internal estimates about volumes consumed by customers. Therefore, revenue is accrued as a result of a complex estimate based on the volumes distributed and allocated, communicated by third parties, likely to be adjusted, according to applicable regulations, within the fifth year following the one in which they are accrued, as well as on estimates about volumes consumed by customers. Considering the contractual obligations on the supply delivery points, revenue from sales of electricity and gas to retail customers includes costs for transportation and dispatching and in these cases the gross amount of consideration to which the Company is entitled is recognised.

COSTS

Costs are recognised when the related goods and services are sold or consumed during the year, when they are allocated on a systematic basis or when their future economic benefits cannot be identified. Costs associated with emission quotas, incurred to meet the compliance requirements (e.g. Emission Trading Scheme) and determined on the basis of market prices, are recognised in relation to the amounts of the carbon dioxide emissions that exceed free allowances. Costs related to the purchase of the emission rights that exceed the amount necessary to meet regulatory obligations are recognised as intangible assets. Revenue related to emission quotas is recognised when they are sold. Emission rights held for trading are recognised within inventories. The costs incurred on a voluntary basis for the acquisition or production of forestry certificates, also taking into account the absence of an active market, are recognised in the profit and loss account when incurred.

The costs for the acquisition of new knowledge or discoveries, the study of products or alternative processes, new techniques or models, the planning and construction of prototypes or, in any case, costs incurred for other scientific research activities or technological development, which cannot be capitalised (see also the accounting policy for "Intangible assets"), are included in the profit and loss account when they are incurred.

EXCHANGE DIFFERENCES

Revenues and costs associated with transactions in foreign currencies are translated into the functional currency by applying the exchange rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the spot exchange rate on the balance sheet date and any resulting exchange differences are included in the profit and loss account within "Finance income (expense)" or, if designated as hedging instruments for the foreign currency risk, in the same line item in which the economic effects of the hedged item are recognised. Non-monetary assets and liabilities denominated in foreign currencies, measured at cost, are not retranslated subsequent to initial recognition. Non-monetary items measured at fair value, recoverable amount or net realisable value are retranslated using the exchange rate at the date when the value is determined.

DIVIDENDS

Dividends are recognised when the right to receive payment of the dividend is established.

Dividends and interim dividends to owners are shown as changes in equity when the dividends are declared by, respectively, the shareholders' meeting and the Board of Directors.

INCOME TAXES

Current income taxes are determined on the basis of estimated taxable profit. Current income tax assets and liabilities are measured at the amount expected to be paid to (recovered from) the taxation authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities are recognised for temporary differences arising between the carrying amounts of the assets and liabilities and their tax bases, based on tax rates and tax laws that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Deferred tax assets are recognised when their recoverability is considered probable, i.e. when it is probable that sufficient taxable profit will be available in the same year as the reversal of the deductible temporary difference. Similarly, deferred tax assets for the carry-forward of unused tax credits and unused tax losses are recognised to the extent that their recoverability is probable. The carrying amount of the deferred tax assets is reviewed, at least, on an annual basis.

If there is uncertainty over income tax treatments, if the company concludes it is probable that the taxation authority will accept an uncertain tax treatment, it determines the (current and/or deferred) income taxes to be recognised in the financial statements consistent with the tax treatment used or planned to be used in its income tax filings. Conversely, if the company concludes it is not probable that the taxation authority will accept an uncertain tax treatment, the company reflects the effect of uncertainty in determining the (current and/or deferred) income taxes to be recognised in the financial statements.

Relating to the taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint arrangements, the related deferred tax liabilities are not recognised if the investor is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future. Deferred tax assets and liabilities are presented within non-current assets and liabilities and are offset at a single entity level if related to offsettable taxes. The balance of the offset, if positive, is recognised in the line item "Deferred tax assets" and, if negative, in the line item "Deferred tax liabilities". When the results of transactions are recognised in other comprehensive income or directly in equity, the related current and deferred taxes are also recognised in other comprehensive income or directly in equity.

Significant accounting estimates and judgments: income taxes

The computation of income taxes involves the interpretation of applicable tax laws and regulations in many jurisdictions throughout the world. Although Eni aims to maintain a relationship with the taxation authorities characterised by transparency, dialogue and cooperation (e.g. by not using aggressive tax planning and by using, if available, procedures intended to eliminate or reduce tax litigations), there can be no assurance that there will not be a tax litigation with the taxation authorities where the legislation could be open to more than one interpretation. The resolution of tax disputes, through negotiations with relevant taxation authorities or through litigation, could take several years to complete. The estimate of liabilities related to uncertain tax treatments requires complex judgments by management. After the initial recognition, these liabilities are periodically reviewed for any changes in facts and circumstances.

Management makes complex judgments regarding mainly the assessment of the recoverability of deferred tax assets, related both to deductible temporary differences and unused tax losses, which requires estimates and evaluations about the amount and the timing of future taxable profits.

ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

Non-current assets and current and non-current assets included within disposal groups are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset or the disposal group is available for immediate sale in its present condition. When there is a sale plan involving loss of control of a subsidiary, all the assets and liabilities of that subsidiary are classified as held for sale, regardless of whether a non-controlling interest in its former subsidiary will be retained after the sale.

Non-current assets held for sale, current and non-current assets included within disposal groups that have been classified as held for sale and the liabilities directly associated with them are recognised on the balance sheet separately from other assets and liabilities.

Immediately before the initial classification of a non-current asset and/or a disposal group as held for sale, the non-current asset and/or the assets and liabilities in the disposal group are measured in accordance with applicable IFRSs. Subsequently, non-current assets held for sale are not depreciated or amortised and they are measured at the lower of the fair value less costs to sell and their carrying amount. If an equity-accounted investment, or a portion of that investment meets the criteria to be classified as held for sale, it is no longer accounted for using the equity method and it is measured at the lower of its carrying amount at the date the equity method is discontinued, and its fair value less costs to sell. Any retained portion of the equity-accounted investment that has not been classified as held for sale is accounted for using the equity method until disposal of the portion that is classified as held for sale takes place.

Any difference between the carrying amount of the non-current assets and the fair value less costs to sell is taken to the profit and loss account as an impairment loss; any subsequent reversal is recognised up to the cumulative impairment losses, including those recognised prior to qualification of the asset as held for sale. Non-current assets classified as held for sale and disposal groups are considered a discontinued operation if they, alternatively: (i) represent a separate major line of business or geographical area of operations; (ii) are part of a disposal program of a separate major line of business or geographical area of operations; or (iii) are a subsidiary acquired exclusively with a view to resale. The results of discontinued operations, as well as any gain or loss recognised on the disposal, are indicated in a separate line item of the profit and loss account, net of the related tax effects; the economic figures of discontinued operations are indicated also for prior periods presented in the financial statements.

If events or circumstances occur that no longer allow to classify a non-current asset or a disposal group as held for sale, the non-current asset or the disposal group is reclassified into the original line items of the balance sheet and measured at the lower of: (i) its carrying amount at the date of classification as held for sale adjusted for any depreciation, amortisation, impairment losses and reversals that would have been recognised had the asset or disposal group not been classified as held for sale, and (ii) its recoverable amount at the date of the subsequent decision not to sell.

FAIR VALUE MEASUREMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants (not in a forced liquidation or a distress sale) at the measurement date (exit price). Fair value measurement is based on the market conditions existing at the measurement date and on the assumptions of market participants (market-based measurement). A fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market to which the entity has access, independently from the entity's intention to sell the asset or transfer the liability to be measured.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. Highest and best use is determined from the perspective of market participants, even if the entity intends a different use; an entity's current use of a non-financial asset is presumed to be its highest and best use, unless market or other factors suggest that a different use by market participants would maximise the value of the asset.

The fair value of a liability, both financial and non-financial, or of the Company's own equity instrument, in the absence of a quoted price, is measured from the perspective of a market participant that holds the identical item as an asset at the measurement date. The fair value of financial instruments takes into account the counterparty's credit risk for a financial asset (Credit Valuation Adjustment, CVA) and the Company's own credit risk for a financial liability (Debit Valuation Adjustment, DVA). In the absence of available market quotation, fair value is measured by using valuation techniques that are appropriate in the circumstances, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Significant accounting estimates and judgments: fair value

Fair value measurement, although based on the best available information and on the use of appropriate valuation techniques, is inherently uncertain, requires the use of professional judgment and could result in expected values other than the actual ones.

2 PRIMARY FINANCIAL STATEMENTS

Assets and liabilities on the balance sheet are classified as current and non-current. Items in the profit and loss account are presented by nature.

The statement of comprehensive income (loss) shows net profit integrated with income and expenses that are not recognised directly in the profit and loss account according to IFRSs.

The statement of changes in equity includes the total comprehensive income (loss) for the year, transactions with owners in their capacity as owners and other changes in equity. The statement of cash flows is presented using the indirect method, whereby net profit (loss) is adjusted for the effects of non-cash transactions.

3 CHANGES IN ACCOUNTING POLICIES

Starting from 2021, the amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 "Interest Rate Benchmark Reform - Phase 2" (hereinafter the amendments) are effective. The amendments provide practical expedients and temporary exceptions from the application of some IFRS requirements related to financial instruments measured at amortised cost and/or hedging relationships modified as a consequence of the interest rate benchmark reform. This reform, still ongoing, provides for the replacement of some benchmark interest rates, e.g. LIBOR (London Interbank Offered Rate), with alternative risk-free rates.

With reference to the Eni Group, an internal working group has been set up to monitor the regulatory and market developments, as well as to support the assessment of the impacts arising from the reform, the measurement of the exposures to benchmark rates to be replaced, the identification of the changes to be implemented (e.g. renegotiation of loans with counterparties, implementation of fallback clauses, updating of information systems, etc.) and the transition to alternative risk-free rates.

As December 31, 2021, the Group holds, principally, financial instruments indexed to USD LIBOR benchmark rates, affected by the reform, which will be replaced by June 30, 2023 with SOFR (Secured Overnight Financing Rate). Such financial instruments are essentially represented by bonds relating to the Euro Medium Term Notes program for an amount

of 1,750 million of US dollars. The Group has adhered, in December 2021, to the IBOR fallbacks protocol published by the International Swaps and Derivatives Association (ISDA). The other amendments to IFRSs effective from January 1, 2021 and adopted by Eni did not have a material impact on the Consolidated Financial Statements.

4 IFRSs NOT YET EFFECTIVE

IFRSs ISSUED BY THE IASB AND ADOPTED BY THE EU

By the Commission Regulation No. 2021/1080 issued on June 28, 2021, the European Commission adopted:

- ▶ the amendments to IAS 37, aimed to provide clarifications for the purpose of assessing whether a contract is onerous;
- ▶ the amendments to IAS 16, aimed to state that the proceeds from selling items produced while the company is preparing the asset for its intended use shall be recognised in the profit and loss account, together with the related production costs;
- ▶ the amendments to IFRS 3, aimed to: (i) replace all remaining references to the previous versions of the IFRS Framework with references to the new Conceptual Framework for Financial Reporting included in IFRS 3; (ii) provide clarifications on the requirements for recognising, at the acquisition date, provisions, contingent liabilities and levies assumed in a business combination; (iii) state explicitly that a contingent asset acquired in a business combination cannot be recognised;
- ▶ the document "Annual Improvements to IFRS Standards 2018-2020 Cycle", which includes, basically, technical and editorial changes to existing standards.

Such amendments shall be applied for annual reporting periods beginning on or after January 1, 2022.

By the Commission Regulation No. 2021/2036 issued by the European Commission on November 19, 2021, IFRS 17 "Insurance Contracts" (hereinafter IFRS 17), as well as the related amendments issued in 2020 providing, among others, the deferral of the effective date of IFRS 17 by two years, were adopted. In particular, IFRS 17, which replaces IFRS 4 "Insurance Contracts", sets out the accounting for the insurance contracts issued and the reinsurance contracts held. IFRS 17, shall be applied for annual reporting periods beginning on or after January 1, 2023.

By the Commission Regulation No. 2022/357 issued on March 2nd, 2022, the European Commission adopted:

- ▶ the amendments to IAS 1 and IFRS Practice Statement 2 (hereinafter the amendments), aimed to provide clarifications on identifying the material accounting policies to be disclosed in the financial statements. The amendments shall be applied for annual reporting periods beginning on or after January 1st, 2023;

- ▶ the amendments to IAS 8 (hereinafter the amendments), which introduce the definition of accounting estimates essentially to clarify how to distinguish changes in accounting policies from changes in accounting estimates. The amendments shall be applied for annual reporting periods beginning on or after January 1st, 2023.

IFRSs ISSUED BY THE IASB AND NOT YET ADOPTED BY THE EU

On January 23, 2020, the IASB issued the amendments to IAS 1 "Classification of Liabilities as Current or Non-current" (hereinafter the amendments), which clarify how to classify debt and other liabilities as current or non-current. Because of further amendments issued on July 15, 2020 ("Classification of Liabilities as Current or Non-current - Deferral of Effective Date"), the amendments shall be applied for annual reporting periods beginning on or after January 1st, 2023.

On May 7, 2021, the IASB issued the amendments to IAS 12 "Deferred Tax related to Assets and Liabilities arising from a Single Transaction" (hereinafter the amendments), aimed to require companies to recognise deferred tax on particular transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. The amendments shall be applied for annual reporting periods beginning on or after January 1st, 2023.

Eni is currently reviewing the IFRSs not yet adopted in order to determine the likely impact on the Consolidated Financial Statements.

Change in the classification of the joint arrangement Mozambique Rovuma Venture SpA

As part of the continuous monitoring of facts and circumstances relevant to the classification of joint arrangements, starting from December 31, 2021 the classification of the investment held in Mozambique Rovuma Venture SpA was changed from joint operation to joint venture. The company has entered a new phase marked by an evolution of the business in terms of greater number and complexity of projects managed with the strengthening of the management and financial autonomy.

The elements considered by management to support this change in the classification of the investment include, among other things: (i) the substantial completion of the Coral South project and the substantially certain sale of LNG to a third party unrelated to the shareholders; and (ii) the extension in the scope of the company with forecasts of new investments in other projects with different degrees of maturity and a high mining potential, in particular the gradual progression in the relevant project Mamba resulting from the commercial declaration of further reserves in Area 4, whose reserves are planned to be developed

independently by the venture of Area 4 and coordinatedly with the operator of the adjacent Area 1 subsequent to the unification of the two development areas. For this reason, the interest of the shareholders must be considered in all respects in relation to the net assets of the company (as a result of the several projects managed) and no longer

in relation to the rights on the assets and the obligations for liabilities. Therefore, as of December 31, 2021, the investment in Mozambique Rovuma Venture SpA was recognized at an amount equal to the carrying amount of the net assets (€355 million), previously recognized, line by line, on the basis of the shares attributable to Eni.

(€ million)	Effect of the change in the classification of Mozambique Rovuma Venture SpA
Cash and cash equivalents	29
Other current assets	43
Current assets	72
Property, plant and equipment	1,318
Other non-current assets	42
Non-current assets	1,360
TOTAL ASSETS	1,432
Current financial liabilities	2
Other current liabilities	56
Current liabilities	58
Non-current financial liabilities	1,008
Provisions	7
Other non-current liabilities	4
Non-current liabilities	1,019
TOTAL LIABILITIES	1,077
TOTAL NET ASSETS	355

5 BUSINESS COMBINATIONS AND OTHER SIGNIFICANT TRANSACTIONS

BUSINESS COMBINATIONS

In 2021 Eni completed several business combinations for a total consideration of €2,222 million and the assumption of net financial liabilities for €614 million of which cash and cash equivalents totaled €163 million.

On March 10, 2021 an agreement was finalized with the Arab Republic of Egypt (ARE) and the Spanish partner Naturgy for the resolution of all pending issues relating to the supply of feed-gas to the Damietta plant owned by the former joint venture Unión Fenosa Gas SA and the settlement of the liquefaction fees by the Egyptian state companies. As a result of these agreements and the restructuring of Unión Fenosa Gas, Eni acquired a 50% stake in the Damietta plant and the related liquefaction capacity (5.4 million TPA of 100% LNG), as well as 100% of the marketing activities of gas in Spain managed by Unión Fenosa Gas Comercializadora SA (now Eni España Comercializadora De Gas SAU), a subsidiary of Unión Fenosa Gas SA before the transaction. The transaction resulted in a total cash adjustment in favor of Eni of €32 million related to the disposals and the assumption of net financial liabilities of €128 million of which cash and cash equivalents totaled €42 million. The price allocation of net assets acquired of €200 million was made on a definitive basis with recognition of goodwill for €2 million.

On April 7, 2021 Eni finalized the acquisition of 100% of Aldro Energía Y Soluciones SLU, a company operating in the retail market for the sale of electricity, gas and energy services with a portfolio of approximately 250,000 retail customers of power, natural gas and services, primarily in Spain and Portugal, as part of the growth and integration strategy between retail and renewable energy production with the Plenitude business line. The total cash consideration of the transaction amounted to €221 million with the assumption of net financial liabilities for €36 million of which cash and cash equivalents totaled €7 million. The price allocation of net assets acquired was made on a definitive basis with recognition of goodwill for €168 million.

On June 3, 2021 Eni finalized the acquisition of 100% of FRI-EL Biogas Holding (now EniBioCh4in SpA), a leader in the Italian bioenergy production sector. FRI-EL Biogas Holding owns 21 plants each with a nominal power of 2 megawatts. The assets acquired include a plant for processing OFMSW - the organic fraction of municipal solid waste. The deal is part of Eni's decarbonization strategy and involves the conversion of the acquired capacity into biomethane production units with the Refining & Marketing business line. The transaction resulted in a total cash consideration of €132 million with acquisition of net financial liabilities for €14 million of which cash and cash equivalents for €13 million. The price allocation of net assets acquired was made on a provisional basis with recognition of goodwill for €80 million.

On July 29, 2021 Eni finalized the acquisition of a portfolio of 13 onshore wind farms in Italy, for a total capacity of 315 MW already in operation, from Glennmont Partners and PGGM Infrastructure

Fund. The operation resulted in a total cash consideration of €485 million with the assumption of net financial liabilities for €215 million of which cash and cash equivalents totaled €41 million. The price allocation of net assets acquired was made on a provisional basis with recognition of goodwill for €302 million. The acquisition is part of the Plenitude business line.

On October 4, 2021 Eni finalized the acquisition of Dhamma Energy Group. The group holds a platform for the development of solar plants in France and Spain. Dhamma's asset portfolio comprises a pipeline of projects in France and Spain at various stages of development for almost 3 GW and includes plants already in operation or in advanced development for around 120 MW. The transaction resulted in a total cash consideration of €140 million with assumption of net financial liabilities totaled €101 million of which cash and cash equivalents for €10 million. The price allocation of net assets acquired was made on a provisional basis with recognition of goodwill for €120 million. The acquisition is part of the Plenitude business line.

On October 22, 2021 Eni finalized the acquisition from Azora Capital of a portfolio of nine renewable energy projects in Spain. The transaction involved three wind farms in service and a wind farm under construction, for a total of 234 MW, and five solar projects in advanced development for around 0.9 GW. The transaction resulted in a total cash consideration of €118 million with the assumption of net financial liabilities for €32 million of which cash and cash equivalents totaled €5 million. The price allocation of net assets acquired was made on a provisional basis with recognition of goodwill for €81 million. The acquisition is part of the Plenitude business line.

On October 28, 2021, Eni finalized the acquisition of the control of Finproject by exercising the call option to buy the remaining 60% of the shares in order to raise its stake to 100%. The acquisition aims to complement the Eni's portfolio of chemical specialties managed by Versalis to create an all-Italian leading platform, leveraging the synergy between Versalis' technological and industrial leadership in the chemical industry and Finproject's positioning in the market of high added value applications, with a business that is resilient to the volatility of the chemical industry scenario. The acquisition resulted in a cash consideration of €149 million with the assumption of net financial liabilities for €85 million, of which cash and cash equivalents totaled €21 million. The allocation of the acquisition price (€149 million) and of the fair value of the stake already owned (€99 million) of the net assets acquired was made on a definitive basis with recognition of goodwill for €93 million.

On November 2, 2021 Eni finalized the acquisition from Zouk Capital and Aretex of Be Power, a company operating in the segment of charging infrastructures for electric mobility with approximately 6,000 charging points for electric vehicles, becoming the second operator in Italy as a consequence of the co-branding agreement already in place for the charging

stations Be Charge. The deal is part of Eni's decarbonization strategy within the Plenitude business line. The consideration for the transaction of €764 million was paid for the 50% at the closing while the remaining part will be paid in 2022; furthermore, Eni assumed net financial assets of €9 million of which cash

and cash equivalents totaled €24 million. The price allocation of net assets acquired was made on a provisional basis with recognition of goodwill for €728 million.

Balance sheet values at the acquisition date of the business combinations realized in 2021 are shown in the following table:

(€ million)	Unión Fenosa Gas	Aldo Energía Y Soluciones SLU	FRI-EL Biogas Holding (now EniBioCH4in SpA)	Portfolio of thirteen onshore wind facilities	Dharma Energy Group	Portfolio of nine renewable energy projects	Finproject SpA	Be Power	Other acquisitions and Businesses	Total
Cash and cash equivalents	42	7	13	41	10	5	21	24		163
Current financial assets				150	29	6		23		208
Other current assets	370	78	23	32	2	7	92	22	6	632
Current assets	412	85	36	223	41	18	113	69	6	1,003
Property, plant and equipment	335		38	423	119	57	35	29	30	1,066
Goodwill	2	168	80	302	120	81	93	728		1,574
Other non-current assets	41	69	15	43	15	25	205	10	13	436
Non-current assets	378	237	133	768	254	163	333	767	43	3,076
TOTAL ASSETS	790	322	169	991	295	181	446	836	49	4,079
Current financial liabilities	35	36	11	79		4	102			267
Other current liabilities	224	37	7	22	4	2	54	30		380
Current liabilities	259	73	18	101	4	6	156	30		647
Non-current financial liabilities	135	7	16	327	140	39	4	38	12	718
Provisions			1	4			1	2		8
Deferred tax liabilities	15	7		62	8	8	35			135
Other non-current liabilities	181	14	1	12		10	2	2	24	246
Non-current liabilities	331	28	18	405	148	57	42	42	36	1,107
TOTAL LIABILITIES	590	101	36	506	152	63	198	72	36	1,754
Equity attributable to Eni	200	221	132	485	140	118	248	764	13	2,321
Non-controlling interest			1		3					4
TOTAL EQUITY	200	221	133	485	143	118	248	764	13	2,325
TOTAL LIABILITIES AND EQUITY	790	322	169	991	295	181	446	836	49	4,079

The qualitative factors that make up the goodwill recognized within the Plenitude business line are disclosed in Note 14 - Intangible assets.

For transactions where the purchase allocations are provisional

as of December 31, 2021, not all relevant information has been obtained by the Company in order to finalize related estimates of the fair values of assets acquired.

OTHER SIGNIFICANT TRANSACTIONS

On February 26, 2021 Eni finalized the acquisition from Equinor and SSE Renewables of a 20% stake in the UK Dogger Bank (A and B), the world's largest offshore wind project of its kind for a total capacity of 2.4 GW at full capacity. The construction will

be completed by 2023 and 2024. With this acquisition Eni adds 480 MW of renewable energy to its target of decarbonisation. The transaction resulted in a total cash consideration and recognition of an equity investment of €480 million.

6 CASH AND CASH EQUIVALENTS

Cash and cash equivalents of €8,254 million (€9,413 million at December 31, 2020) included financial assets with maturity of up to three months at the date of inception amounting to €5,496 million (€6,913 million at December 31, 2020) and mainly included deposits with financial institutions, having notice of more than 48 hours.

Expected credit losses on deposits with banks and financial institutions measured at amortized cost are immaterial.

Cash and cash equivalents consist essentially of deposits in euros (€5,589 million) and in U.S. dollars (€2,415 million)

representing the use of cash on hand in the market for the financial needs of the Group.

Restricted cash amounted to approximately €115 million (€198 million at December 31, 2020) in relation to foreclosure measures by third parties and obligations relating to the payment of debts. The average maturity of financial assets originally due within 3 months was 15 days with a negative effective interest rate of 0.6% for bank deposits in euros (€4,160 million) and 7 days with an effective interest rate of 0.1% for bank deposits in U.S. dollars (€1,336 million).

7 FINANCIAL ASSETS HELD FOR TRADING

(€ million)	December 31, 2021	December 31, 2020
Bonds issued by sovereign states	1,149	1,223
Other	5,152	4,279
	6,301	5,502

The Company has established a liquidity reserve as part of its internal targets and financial strategy with a view of ensuring an adequate level of flexibility to the Group development plans and of coping with unexpected fund requirements or difficulties in accessing financial markets. The management of this liquidity reserve is performed through trading activities in view of the

optimizing returns, within a predefined and authorized level of risk threshold, targeting the preservation of the invested capital and the ability to promptly convert it into cash.

Financial assets held for trading include securities subject to lending agreements of €1,398 million (€1,361 million at December 31, 2020). The breakdown by currency is provided below:

(€ million)	December 31, 2021	December 31, 2020
Euro	3,913	3,731
U.S. dollars	2,336	1,688
Other currencies	52	83
	6,301	5,502

The breakdown by issuing entity and credit rating is presented below:

	Nominal value (€ million)	Fair Value (€ million)	Rating - Moody's	Rating - S&P
Quoted bonds issued by sovereign states				
<i>Fixed rate bonds</i>				
Italy	307	315	Baa3	BBB
Chile	167	170	A1	A
United States of America	122	124	Aaa	AA+
Other(*)	107	108	from Aaa to Baa1	from AAA to A-
	703	717		
<i>Floating rate bonds</i>				
Italy	390	392	Baa3	BBB
Switzerland	29	29	Aaa	AAA
Other	11	11	from Aaa to Baa2	from AA+ to BBB
	430	432		
Total quoted bonds issued by sovereign states	1,133	1,149		
Other Bonds				
<i>Fixed rate bonds</i>				
Quoted bonds issued by industrial companies	1,792	1,833	from Aa1 to Baa3	from AA+ to BBB-
Quoted bonds issued by financial and insurance companies	942	955	from Aaa to Baa3	from AAA to BBB-
Other bonds	290	293	from Aaa to Baa3	from AAA to BBB-
	3,024	3,081		
<i>Floating rate bonds</i>				
Quoted bonds issued by industrial companies	537	540	from Aa1 to Baa3	from AA+ to BBB-
Quoted bonds issued by financial and insurance companies	1,205	1,215	from Aa1 to Baa3	from AA+ to BBB-
Other bonds	315	316	from Aa1 to Baa2	from AA+ to BBB
	2,057	2,071		
Total other bonds	5,081	5,152		
Total other financial assets held for trading	6,214	6,301		

(*) Amounts included herein are lower than €50 million.

The fair value hierarchy is level 1 for €5,749 million and level 2 for €552 million. During 2021, there were no significant transfers between the different hierarchy levels of fair value.

8 TRADE AND OTHER RECEIVABLES

(€ million)	December 31, 2021	December 31, 2020
Trade receivables	15,524	7,087
Receivables from divestments	8	21
Receivables from joint ventures in exploration and production activities	1,888	2,293
Other receivables	1,430	1,525
	18,850	10,926

Generally, trade receivables do not bear interest and provide payment terms within 180 days.

The increase in trade receivables of €8,437 million referred to the segments Global Gas & LNG Portfolio for €5,636 million, Refining & Marketing and Chemical for €1,405 million and Plenitude & Power for €1,039 million and reflected the noticeable increase in the prices of energy commodities, in particular gas, which increased the nominal value of the receivables.

At December 31, 2021, Eni sold without recourse receivables due in 2022 with a nominal value of €2,059 million (€1,377 million at December 31, 2020 due in 2021). Derecognized receivables in 2021 related to the segments Global Gas & LNG Portfolio for €893 million, Refining & Marketing and Chemical segment for €770 million and Plenitude & Power segment for €396 million.

Receivables from joint ventures in exploration and production activities included amounts due by partners in unincorporated joint operations in Nigeria of €681 million (€1,015 million at December 31, 2020). Those receivables were in respect to the share of development costs attributable to the joint operators in oil projects operated by Eni, where the Company bears upfront all the costs of the initiative and charges these costs back to the partners through the cash call mechanism. At the balance sheet date, the overdue amount relating to net receivables due to Eni by the Nigerian state oil company NNPC was €474 million (€605 million at December 31, 2020). Approximately 50% of this amount related to past reporting years and was covered by a "Repayment Agreement", whereby Eni is to be reimbursed through the sale of the entitlement attributable to NNPC in certain rig-less petroleum initiatives with low mineral risk, with a completion of the reimbursement plan expected within the next two years based on Eni's Brent price scenario. The overdue receivable is stated net of a discount factor equal to 8%, calculated based on the risk of the underlying mineral initiative. The other 50% related to net receivables accrued for the operations of 2021. A significant progress in the repayment was noted in the final part of the year.

A cash call exposure towards a privately held Nigerian oil company amounted to €195 million (€134 million at

December 31, 2020) which were past due at the reporting date. The amounts were stated net of a provision based on the loss given default (LGD) defined by Eni for international oil companies in a default state and on the basis of specific factors. During the 2021, the partner suspended the payments of the cash calls, making a claim against the amounts billed. Arbitration procedures have been started for the resolution of the dispute.

Receivables from other counterparties comprised: (i) the recoverable amount of €538 million (€376 million at December 31, 2020) of overdue trade receivables owed to Eni by the state-owned oil company of Venezuela, PDVSA, in relation to equity volumes of natural gas supplied by the joint venture Cardón IV, equally participated by Eni and Repsol. Those trade receivables were divested by the joint venture to the two shareholders. The receivables were stated net of an allowance for doubtful accounts estimated on the basis of average recovery percentages obtained by creditors in the context of sovereign defaults, adjusted to reflect the strategic value of the Oil & Gas sector, and also applied for assessing the recoverability of the carrying amount of the investment and the long-term interest in the initiative, as described in note 17 - Other financial assets. Risks associated with the complex financial outlook of the country and the deteriorated operating environment were taken into account in the estimation of the expected loss by assuming a deferral in the timing of collection of future revenues and overdue credit amounts which resulted in an expected credit loss rate of about 53%. The tightening of the US sanction framework against Venezuela has prevented the implementation of the mechanism of credit offsetting through in-kind refunds with assignments to Eni of oil products of PDVSA. Therefore, the amount of the receivable increased compared to the end of 2020; (ii) amounts to be received from customers following the triggering of the take-or-pay clause of long-term gas supply contracts for €325 million at December 31, 2020 were collected during 2021.

Trade and other receivables stated in euro and U.S. dollars amounted to €12,275 million and €5,222 million, respectively.

Credit risk exposure and expected losses relating to trade and other receivables has been prepared on the basis of internal ratings as follows:

(€ million)	Performing receivables					Total
	Low risk	Medium Risk	High Risk	Defaulted receivables	Plenitude customers	
December 31, 2021						
Business customers	4,348	6,628	818	1,560		13,354
National Oil Companies and Public Administrations	331	884	1	2,674		3,890
Other counterparties	1,854	311	16	137	2,601	4,919
Gross amount	6,533	7,823	835	4,371	2,601	22,163
Allowance for doubtful accounts	(25)	(416)	(69)	(2,209)	(594)	(3,313)
Net amount	6,508	7,407	766	2,162	2,007	18,850
Expected loss (% net of counterpart risk mitigation factors)	0.4	5.3	8.3	50.5	22.8	14.9
December 31, 2020						
Business customers	1,398	2,746	432	1,351		5,927
National Oil Companies and Public Administrations	841	620	7	2,653		4,121
Other counterparties	1,243	450	28	141	2,173	4,035
Gross amount	3,482	3,816	467	4,145	2,173	14,083
Allowance for doubtful accounts	(32)	(21)	(29)	(2,429)	(646)	(3,157)
Net amount	3,450	3,795	438	1,716	1,527	10,926
Expected loss (% net of counterpart risk mitigation factors)	0.9	0.6	6.2	58.6	29.7	22.4

The classification of the Company's customers and counterparties and the definition of the classes of counterparty risk are disclosed in note 1 - Significant accounting policies.

The assessments of the recoverability of trade receivables for the supply of hydrocarbons, products and power to retail, business customers and national oil companies and of receivables towards joint operators of the Exploration & Production segment for cash calls (national oil companies, local private operators or international oil companies) are reviewed at each annual deadline to reflect the scenario and the current business trends, as well as any higher counterparty risks. The gradual recovery of worldwide

economies from the fallout caused by COVID-19 crisis and the improvement in the oil scenario have lessened the debt burden of many state oil companies, with the exception of Venezuela due to specific factors relating to the sanctioning framework. On the other hand, the significant increase in the prices of natural gas and electricity significantly increased the exposures towards large industrial customers, requiring a revision in the credit loss rate upwards to incorporate an increased economic risk. With regard to customers of the Plenitude business line, the recoverability assessments incorporate the most updated information relating to the performance in credit collection and the ageing of overdue amounts.

The exposure to credit risk and expected losses relating to customers of Plenitude was assessed based on a provision matrix as follows:

(€ million)	Not-past due	Ageing				Total
		from 0 to 3 months	from 3 to 6 months	from 6 to 12 months	over 12 months	
December 31, 2021						
Plenitude customers:						
- Retail	1,291	70	55	92	337	1,845
- Middle	424	22	5	7	188	646
- Other	57	43	6	1	3	110
Gross amount	1,772	135	66	100	528	2,601
Allowance for doubtful accounts	(63)	(22)	(27)	(52)	(430)	(594)
Net amount	1,709	113	39	48	98	2,007
Expected loss (%)	3.6	16.3	40.9	52.0	81.4	22.8
December 31, 2020						
Plenitude customers:						
- Retail	1,155	105	50	102	366	1,778
- Middle	75	16	3	8	232	334
- Other	61					61
Gross amount	1,291	121	53	110	598	2,173
Allowance for doubtful accounts	(46)	(23)	(22)	(57)	(498)	(646)
Net amount	1,245	98	31	53	100	1,527
Expected loss (%)	3.6	19.0	41.5	51.8	83.3	29.7

Trade and other receivables are stated net of the allowance for doubtful accounts which has been determined

considering actions to mitigate counterparty risk amounting to €5,350 million (€1,016 million at December 31, 2020):

(€ million)	2021	2020
Allowance for doubtful accounts - beginning of the year	3,157	3,246
Additions on trade and other performing receivables	202	112
Additions on trade and other defaulted receivables	348	231
Deductions on trade and other performing receivables	(135)	(82)
Deductions on trade and other defaulted receivables	(421)	(275)
Other changes	162	(75)
Allowance for doubtful accounts - end of the year	3,313	3,157

Additions to allowance for doubtful accounts on trade and other performing receivables related to: (i) the Global Gas & LNG Portfolio segment for €94 million (€7 million in 2020) for supplies to large industrial customers as a consequence of the noticeable increase in the exposure due to market conditions; (ii) the Plenitude business line for €71 million (€84 million in 2020), mainly in the retail business.

Additions to allowance for doubtful accounts on trade and other defaulted receivables related to: (i) the Exploration & Production segment for €229 million (€118 million in 2020) for receivables towards joint operators, State oil Companies and local private companies for cash calls in oil projects operated by Eni; (ii) to the Plenitude business line for €101 million (€97 million in 2020), particularly in the retail business.

Utilizations of allowance for doubtful accounts on trade and other performing and defaulted receivables amounted to €556 million (€357 million in 2020) and mainly related to: (i) the Plenitude business line for €239 million (€200 million in 2020), in particular utilizations against charges of €196 million (€178 million in 2020) mainly related to the retail business; (ii) the Exploration & Production segment for €233 million (€101 million in 2020) essentially related to redetermination of receivables from the Nigerian state-owned company NNPC due to a settlement which recognized Eni's rights to recover investment costs made, subject to arbitration, as part of a larger agreement defining the extension and revision of the contractual terms of the license. The credit recovery will be reimbursed through attribution to Eni and the other partners of a share of the state company's oil entitlements in the project.

Net (impairment losses) reversals of trade and other receivables are disclosed as follows:

(€ million)	2021	2020	2019
Net (impairment losses) reversals of trade and other receivables			
New or increased provisions	(550)	(343)	(620)
Net credit losses	(66)	(36)	(45)
Reversals	337	153	233
	(279)	(226)	(432)

Receivables with related parties are disclosed in note 36 - Transactions with related parties.

9 CURRENT AND NON-CURRENT INVENTORIES

Current inventories are disclosed as follows:

(€ million)	December 31, 2021	December 31, 2020
Raw and auxiliary materials and consumables	1,001	706
Consumables for infrastructure and facility maintenance of perforation activities	1,611	1,580
Finished products and goods	3,452	1,603
Other	8	4
	6,072	3,893

Raw and auxiliary materials and consumables include oil-based feedstock and other consumables pertaining to refining and chemical activities.

Materials and supplies include materials to be consumed in drilling activities and spare parts to the Exploration & Production segment for €1,481 million (€1,463 million at December 31, 2020). Finished products and goods included natural gas and oil products for €2,414 million (€874 million at December 31, 2020) and chemical products for €626 million (€443 million at December 31, 2020).

Inventories are stated net of write-down provisions of €570 million (€348 million at December 31, 2020).

Inventories held for compliance purposes of €1,053 million (€995 million at December 31, 2020) related to Italian subsidiaries for €1,032 million (€977 million at December 31, 2020) in accordance with minimum stock requirements for oil and petroleum products set forth by applicable laws.

The increase in current and non-current inventories was essentially due to the recovery in oil and hydrocarbons prices. Natural gas inventories of €269 million were pledged to guarantee the potential imbalance exposure towards Snam Rete Gas SpA.

10 INCOME TAX RECEIVABLES AND PAYABLES

(€ million)	December 31, 2021				December 31, 2020			
	Receivables		Payables		Receivables		Payables	
	Current	Non-current	Current	Non-current	Current	Non-current	Current	Non-current
Income taxes	195	108	648	374	184	153	243	360

Income taxes are described in note 33 - Income tax expense. Non-current income tax payables include the likely outcome of pending litigation with tax authorities in relation to uncertain

tax matters relating to foreign subsidiaries of the Exploration & Production segment for €230 million (€254 million at December 31, 2020).

11 OTHER ASSETS AND LIABILITIES

(€ million)	December 31, 2021				December 31, 2020			
	Assets		Liabilities		Assets		Liabilities	
	Current	Non-current	Current	Non-current	Current	Non-current	Current	Non-current
Fair value of derivative financial instruments	12,460	51	12,911	115	1,548	152	1,609	162
Contract liabilities			482	726			1,298	394
Other Taxes	442	182	1,435	27	450	181	1,124	26
Other	732	796	928	1,378	688	920	841	1,295
	13,634	1,029	15,756	2,246	2,686	1,253	4,872	1,877

The fair value related to derivative financial instruments is disclosed in note 24 - Derivative financial instruments and hedge accounting.

Assets related to other taxes included VAT for €498 million, of which €340 million are current, and advances made in December (€475 million at December 31, 2020, of which €315 million current).

Other assets include: (i) gas volumes prepayments that were made in previous years due to the take-or-pay obligations in relation to the Company's long-term supply contracts, whose underlying current portion Eni plans to recover within the next 12 months for €41 million (€53 million at December 31, 2020), and beyond 12 months for €94 million (€651 million at December 31, 2020). The reduction was due to the withdrawal of prepaid gas volumes; (ii) underlifting positions of the Exploration & Production segment of €316 million (€338 million at December 31, 2020); (iii) non-current receivables for investing activities for €23 million (€11 million at December 31, 2020).

Current contract liabilities decreased due to the settlement of advances in local currency offset by supplies of equity gas, which were originally received from the Egyptian state-owned companies to finance the development of reserves as part of the Concession Agreements in the country, among which in particular, the progress of the Zohr project, considering the substantial completion of the investment activities (€546 million at December 31, 2020). Other contract liabilities included: (i) advances received by Engie SA (former Suez) relating to a long-term agreement for supplying natural gas and electricity. The current portion amounted to €60 million (€62 million at December 31, 2020), the non-current portion amounted to €333 million (€393 million at December

31, 2020); (ii) advances received from Società Oleodotti Meridionali SpA for the infrastructure upgrade of the crude oil transport system at the Taranto refinery for €391 million (€394 million at December 31, 2020).

Revenues recognized during the year related to contract liabilities stated at December 31, 2021 are indicated in note 29 - Revenues and other income.

Liabilities related to other current taxes include excise duties and consumer taxes for €700 million (€516 million at December 31, 2020) and VAT liabilities for €248 million (€212 million at December 31, 2020).

Other liabilities included: (i) overlifting imbalances of the Exploration & Production segment for €630 million (€559 million at December 31, 2020); (ii) prepaid revenues and income for €361 million (€398 million at December 31, 2020), of which current for €90 million (€75 million at December 31, 2020); (iii) cautionary deposits for €268 million (€261 million at December 31, 2020), of which €223 million from retail customers for the supply of gas and electricity (€228 million at December 31, 2020); (iv) the value of gas not withdrawn by customers due to the triggering of the take-or-pay clause provided for by the relevant long-term contracts for €112 million (€437 million at December 31, 2020), of which the underlying volumes are expected to be withdrawn within the next 12 months for €73 million (€65 million at December 31, 2020) and beyond 12 months for €39 million (€372 million at December 31, 2020). The decrease was due to withdrawals of prepaid gas volume; (v) payables related to investing activities for €103 million.

Transactions with related parties are described in note 36 - Transactions with related parties.

12 PROPERTY, PLANT AND EQUIPMENT

(€ million)	Land and buildings	E&P wells, plant and machinery	Other plant and machinery	E&P exploration assets and appraisal	E&P tangible assets in progress	Other tangible assets in progress and advances	Total
2021							
Net carrying amount - beginning of the year	1,128	39,648	3,299	1,341	7,118	1,409	53,943
Additions	18	8	277	380	3,413	854	4,950
Depreciation capitalized				28	90		118
Depreciation ^(*)	(49)	(5,421)	(496)				(5,966)
Reversals		1,080	118		337		1,535
Impairment	(101)	(90)	(768)		(85)	(582)	(1,626)
Write-off	(1)		(2)	(331)	(18)		(352)
Currency translation differences	2	2,956	66	106	546	12	3,688
Initial recognition and changes in estimates		200		(9)	4		195
Changes in the scope of consolidation	22		1,001	(199)	(1,119)	43	(252)
Transfers	50	3,841	409	(44)	(3,797)	(459)	
Other changes	2	120	(54)	(28)	56	(30)	66
Net carrying amount - end of the year	1,071	42,342	3,850	1,244	6,545	1,247	56,299
Gross carrying amount - end of the year	4,175	149,117	30,618	1,244	10,485	3,107	198,746
Provisions for depreciation and impairments	3,104	106,775	26,768		3,940	1,860	142,447
2020							
Net carrying amount - beginning of the year	1,218	46,492	3,632	1,563	7,412	1,875	62,192
Additions	12	6	229	265	3,127	768	4,407
Depreciation capitalized				4	100		104
Depreciation ^(*)	(55)	(5,642)	(508)				(6,205)
Reversals	13	183	342		98	12	648
Impairment	(82)	(1,551)	(972)		(567)	(582)	(3,754)
Write-off			(1)	(296)	(7)	(1)	(305)
Currency translation differences	(2)	(3,325)	(75)	(119)	(605)	(14)	(4,140)
Initial recognition and changes in estimates		870		(9)	94		955
Transfers	39	2,677	755	(47)	(2,630)	(794)	
Other changes	(15)	(62)	(103)	(20)	96	145	41
Net carrying amount - end of the year	1,128	39,648	3,299	1,341	7,118	1,409	53,943
Gross carrying amount - end of the year	4,082	136,468	28,839	1,341	11,169	2,742	184,641
Provisions for depreciation and impairments	2,954	96,820	25,540		4,051	1,333	130,698

(*) Before capitalization of depreciation of tangible assets.

Capital expenditures included capitalized finance expenses of €68 million (€73 million in 2020) related to the Exploration & Production segment for €54 million (€51 million in 2020). The interest rate used for capitalizing finance expense ranged from 0.4% to 2.1% (1.3% to 2.2% at December 31, 2020).

Capital expenditures primarily related to the Exploration & Production segment for €3,843 million (€3,444 million in 2020). Capital expenditures by industry segment and geographical area of destination are reported in note 35 - Segment information and information by geographical area.

The main depreciation rates used were substantially unchanged from the previous year and ranged as follows:

(%)	
Buildings	2 - 10
Mineral exploration wells and plants	UOP
Refining and chemical plants	3 - 17
Gas pipelines and compression stations	4 - 12
Power plants	3 - 5
Other plant and machinery	6 - 12
Industrial and commercial equipment	5 - 25
Other assets	10 - 20

The criteria adopted by Eni for determining impairment losses and reversal is reported in note 15 - Impairment review of tangible and intangible assets and right-of-use assets.

Currency translation differences related to subsidiaries which utilize the U.S. dollar as functional currency (€3,603 million).

Initial recognition and change in estimates include the increase in the asset retirement cost of Exploration & Production segment mainly due to the cost reduction, partially offset by the increase in discount rates and in estimated costs for social projects to be incurred in respect to the commitments being formalized between Eni SpA and the Basilicata region, following to the development plan of oilfields in Val d'Agri relating to royalties for mineral concessions (€134 million).

Changes in the scope of consolidation related to: (i) the deconsolidation of Mozambique Rovuma Venture SpA following the change from joint operation to joint venture for €1,318 million; (ii) the acquisition of companies by the Plenitude business line for €658 million referring in particular to onshore wind assets already in operation in Italy (€423 million); (iii) the acquisition of Spanish Egyptian Gas Co SAE (now Damietta LNG (DLNG) SAE) for €176 million as part of the restructuring of the formerly equity-accounted Unión

Fenosa Gas SA. More information on business combinations is provided in note 5 - Business combinations and other significant transactions.

Transfers from E&P tangible assets in progress to E&P UOP wells, plant and machinery related for €3,556 million to the commissioning of wells, plants and machinery primarily in Indonesia, Egypt, Kazakhstan, United States, Angola, Italy, Iraq and Mexico.

In 2021, exploration and appraisal activities comprised write-offs of unsuccessful exploration wells costs for €331 million mainly in Gabon, Montenegro, Myanmar, Bahrain, Egypt and Angola.

Other changes include the carrying amount of a 5% participating interest in the OML 17 property in Nigeria, which has been divested to a local operator. The transaction is currently being reviewed by the Nigerian antitrust authorities for alleged lack of communication regarding the transaction.

Exploration and appraisal activities related for €1,101 million to the costs of suspended exploration wells pending final determination of commerciality and management's continuing commitment and for €136 million to costs of exploration wells in progress at the end of the year. Changes relating to suspended wells are reported below:

(€ million)	2021	2020	2019
Costs for exploratory wells suspended - beginning of the year	1,268	1,246	1,101
Increases for which is ongoing the determination of proved reserves	288	408	368
Amounts previously capitalized and expensed in the year	(286)	(226)	(183)
Reclassification to successful exploratory wells following the estimation of proved reserves	(43)	(48)	(46)
Disposals	(3)		(15)
Changes in the scope of consolidation	(199)		
Currency translation differences	100	(112)	21
Other changes	(24)		
Costs for exploratory wells suspended - end of the year	1,101	1,268	1,246

The following information relates to the stratification of the suspended wells pending final determination (ageing):

	2021		2020		2019	
	(€ million)	(number of wells in Eni's interest)	(€ million)	(number of wells in Eni's interest)	(€ million)	(number of wells in Eni's interest)
Costs capitalized and suspended for exploratory well activity						
- within 1 year	175	4.0	157	6.7	185	7.7
- between 1 and 3 years	269	12.2	250	11.0	171	6.4
- beyond 3 years	657	19.7	861	19.3	890	26.4
	1,101	35.9	1,268	37.0	1,246	40.5
Costs capitalized for suspended wells						
- fields including wells drilled over the last 12 months	175	4.0	157	6.7	185	7.7
- fields for which the delineation campaign is in progress	567	17.9	631	14.9	556	11.3
- fields including commercial discoveries that proceeds to sanctioning	359	14.0	480	15.4	505	21.5
	1,101	35.9	1,268	37.0	1,246	40.5

Suspended wells costs awaiting a final investment decision amounted to €359 million and primarily related to several initiatives in the main countries of presence (Angola, Congo, Egypt, Indonesia and Nigeria).

Unproved mineral interests, comprised in assets in progress

of the Exploration & Production segment, include the purchase price allocated to unproved reserves following business combinations or acquisition of individual properties. Unproved mineral interests were as follows:

(€ million)	Congo	Nigeria	Turkmenistan	USA	Algeria	Egypt	United Arab Emirates	Total
2021								
Carrying amount - beginning of the year	203	860		114	100	18	468	1,763
Additions				3	6			9
Net (impairments) reversals	(1)		3	35		(2)		35
Reclassification to Proved Mineral Interest		(48)		(92)		(1)		(141)
Currency translation differences	16	80		8	8	1	40	153
Carrying amount - end of the year	218	892	3	68	114	16	508	1,819
2020								
Carrying amount - beginning of the year	253	939	139	162	115	19	535	2,162
Additions					55	2		57
Net (impairments) reversals	(25)		(134)	(37)				(196)
Reclassification to Proved Mineral Interest			(2)		(61)	(2)	(25)	(90)
Currency translation differences	(25)	(79)	(3)	(11)	(9)	(1)	(42)	(170)
Carrying amount - end of the year	203	860	114	100	18	468	1,763	

Unproved mineral interests comprised the Oil Prospecting License 245 property ("OPL 245"), offshore Nigeria, for €867 million corresponding to the price paid in 2011 to the Nigerian Government to acquire a 50% interest in the property, with another international oil company acquiring the remaining 50%. As of December 31, 2021, the net book value of the property amounted to €1,176 million, including capitalized exploration costs and pre-development costs. The acquisition

of OPL 245 is subject to judicial proceedings in Italy and in Nigeria for alleged corruption and money laundering in respect of the Resolution Agreement signed on April 29, 2011, relating to the purchase of the license. This proceeding is disclosed in note 28 - Guarantees, Commitments and Risks - legal proceedings. The exploration period of the license OPL 245 expired on May 11, 2021. Eni is awaiting the conversion of the license into an Oil Mining Lease (OML) from the

relevant Nigerian authorities to start the development of the reserves, having submitted an application for the conversion within the contractual terms and having verified compliance with all conditions and requirements provided for. Based on these considerations, Eni believes to have acquired the right to conversion. Consistently, the assessment of the recoverability of the asset book value was made in accordance with its value-in-use, which confirmed the book value also incorporating a stress test assuming possible delays in the start of production activities. In September 2020 Eni started an arbitration at ICSID, the International Centre for Settlement of Investment Disputes, to protect the value of its asset. In case of refusal to conversion, a continuing deadlock by the Nigerian authorities or other action suggesting an expropriation, in the next financial reports the Company will consider a reclassification of the asset in a dedicated line item and the evaluation of the underlying right for compensation.

Accumulated provisions for impairments amounted to €20,796 million (€20,343 million at December 31, 2020).

Property, plant and equipment include assets subject to operating leases for €372 million, essentially relating to service stations of the Refining & Marketing business line.

At December 31, 2021, Eni pledged property, plant and equipment for €24 million to guarantee payments of excise duties (same amount as of December 31, 2020).

Government grants recorded as a decrease of property, plant and equipment amounted to €105 million (€103 million at December 31, 2020).

Contractual commitments related to the purchase of property, plant and equipment are disclosed in note 28 - Guarantees, commitments and risks - Liquidity risk.

Property, plant and equipment under concession arrangements are described in note 28 - Guarantees, commitments and risks.

13 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

(€ million)	Floating production storage and offloading vessels (FPSO)	Drilling rig	Naval facilities and related logistic bases for oil and gas transportation	Motorway concessions and service stations	Oil and gas distribution facilities	Office buildings	Vehicles	Other	Total
2021									
Net carrying amount - beginning of the year	2,672	244	446	424	11	652	32	162	4,643
Additions		215	583	104	23	34	40	105	1,104
Depreciation ^(a)	(217)	(170)	(274)	(63)	(11)	(122)	(22)	(49)	(928)
Impairment			(25)	(6)	(14)			(14)	(59)
Currency translation differences	213	12	11	3		8		6	253
Changes in the scope of consolidation						(6)		116	110
Other changes	(1)	(118)	(166)	(8)	5	52	(2)	(64)	(302)
Net carrying amount at the end of the year	2,667	183	575	454	14	618	48	262	4,821
Gross carrying amount at the end of the year	3,366	572	1,268	666	66	948	84	433	7,403
Provisions for depreciation and impairment	699	389	693	212	52	330	36	171	2,582
2020									
Net carrying amount - beginning of the year	3,153	313	497	460	6	707	32	181	5,349
Additions	79	193	281	49	22	65	24	95	808
Depreciation ^(a)	(232)	(189)	(252)	(57)	(2)	(118)	(22)	(56)	(928)
Impairment				(21)	(15)			(11)	(47)
Currency translation differences	(251)	(13)	(13)			(8)		(7)	(292)
Other changes	(77)	(60)	(67)	(7)		6	(2)	(40)	(247)
Net carrying amount at the end of the year	2,672	244	446	424	11	652	32	162	4,643
Gross carrying amount at the end of the year	3,107	528	927	573	29	859	65	293	6,381
Provisions for depreciation and impairment	435	284	481	149	18	207	33	131	1,738

(a) Before capitalization of depreciation of tangible assets.

Right-of-use assets (RoU) related: (i) for €3,195 million (€3,274 million at December 31, 2020) to the Exploration & Production segment and mainly comprised leases of certain FPSO vessels hired in connection with operations at offshore development projects in Ghana (OCTP) and Angola (Block 15/06 West and East hub) with expiry date between 8 and 15 years including a renewal option and in addition the lease component of long-term leases of offshore rigs; (ii) for €765 million (€788 million at December 31, 2020) to the Refining & Marketing and Chemical segment relating to motorway concessions, land leases, leases of service stations for the sale of oil products, leasing of vessels for shipping activities and the car fleet dedicated to the car sharing business; (iii) for €541 million (€526 million at December 31, 2020) to the Corporate and other activities segment mainly regarding property rental contracts.

The increase recorded in 2021 mainly referred to: (i) the Exploration & Production segment for €392 million relating to the rental of drilling rigs (€215 million) and vessels and related logistics for Oil & Gas transport (€159 million); (ii) the Global Gas & LNG Portfolio business line for €343 million relating to LNG transport vessels (€331 million); (iii) the Refining & Marketing business line for €251 million relating to leases of vessels for shipping and storage activities of Eni Trade & Biofuels SpA (€108 million) and new motorway concessions, price extensions/reviews of contracts, land leases, leases

of service stations, car fleet dedicated to the car sharing business (€122 million); (iv) the Corporate and other activities segment for €104 million relating to two aircraft sold and repurchased through a leaseback agreement (€69 million) and leasing of assets for staff activities (company cars, IT, real estate, for €32 million).

The change in the scope of consolidation referred to the Plenitude business line for €75 million.

The main leasing contracts signed for which the asset is not yet available concerns: (i) a contract with a nominal value of €1.8 billion relating to an FPSO vessel that will be deployed for the development of Area 1 in Mexico. The asset is expected to enter under the Group's control and be accounted as RoU in 2022, expiring in 2040; (ii) a contract with a nominal value of €437 million relating to leasing of office buildings with an expiry date of 20 years including an extension option of 6 years; (iii) storage capacity and time charter vessel rental contracts of €311 million.

Main future cash outflows potentially due not reflected in the measurements of lease liabilities related to: (i) options for the extension or termination of lease for office buildings of €302 million; (ii) extension options related to service stations for the sale of oil products of €130 million; (iii) other extension options related to ancillary assets in the upstream business for €67 million.

Liabilities for leased assets were as follows:

(€ million)	Current portion of long-term lease liabilities	Long-term lease liabilities	Total
2021			
Book amount at the beginning of the year	849	4,169	5,018
Additions		1,102	1,102
Decreases	(934)	(5)	(939)
Currency translation differences	38	231	269
Changes in the scope of consolidation	14	89	103
Other changes	981	(1,197)	(216)
Book amount at the end of the year	948	4,389	5,337
2020			
Book amount at the beginning of the year	889	4,759	5,648
Additions		808	808
Decreases	(866)	(3)	(869)
Currency translation differences	(40)	(269)	(309)
Other changes	866	(1,126)	(260)
Book amount at the end of the year	849	4,169	5,018

Lease liabilities related for €1,684 million (€1,652 million at December 31, 2020) to the portion of the liabilities attributable to joint operators in Eni-led projects which will be recovered through the mechanism of the cash calls.

Total cash outflows for leases consisted of the following: (i) cash payments for the principal portion of the lease liability for €939 million; (ii) cash payments for the interest portion of €307 million. Lease liabilities stated in U.S. dollars and euro amounted to €3,690 million and €1,495 million, respectively.

The change in the scope of consolidation referred to the Plenitude business line for €72 million.

Other changes in right-of-use assets and lease liabilities essentially related to early termination or renegotiation of lease contracts.

Liabilities for leased assets with related parties are described in note 36 - Transactions with related parties.

The amounts recognised in the profit and loss account consist of the following:

(€ million)	2021	2020	2019
Other income and revenues			
Income from remeasurement of lease liabilities	18	12	6
	18	12	6
Purchases, services and other			
Short-term leases	85	67	115
Low-value leases	31	37	39
Variable lease payments not included in the measurement of lease liabilities	14	7	16
Capitalised direct cost associated with self-constructed assets - tangible assets	(4)	(2)	(2)
	126	109	168
Depreciation and impairments			
Depreciation of RoU leased assets	928	928	999
Capitalised direct cost associated with self-constructed assets - tangible assets	(110)	(96)	(210)
Impairment losses of RoU leased assets	59	47	41
	877	879	830
Finance income (expense) from leases			
Interests on lease liabilities	(304)	(347)	(378)
Capitalised finance expense of ROU leased assets - tangible assets	5	7	17
Net currency translation differences on lease liabilities	(34)	24	(6)
	(333)	(316)	(367)

14 INTANGIBLE ASSETS

(€ million)	Exploration rights	Industrial patents and intellectual property rights	Other intangible assets with definite useful lives	Intangible assets with definite useful lives	Goodwill	Other intangible assets with indefinite useful lives	Total
2021							
Net carrying amount - beginning of the year	888	162	589	1,639	1,297		2,936
Additions	12	28	244	284			284
Amortization	(30)	(89)	(168)	(287)			(287)
Impairment		(2)	(14)	(16)	(22)		(38)
Reversals	21			21			21
Write-off	(35)			(35)			(35)
Changes in the scope of consolidation		11	226	237	1,574	24	1,835
Currency translation differences	57		2	59	13		72
Other changes		45	(34)	11			11
Net carrying amount at the end of the year	913	155	845	1,913	2,862	24	4,799
Gross carrying amount at the end of the year	1,707	1,709	4,843	8,259			
Provisions for amortization and impairment	794	1,554	3,998	6,346			
2020							
Net carrying amount - beginning of the year	1,031	195	568	1,794	1,265		3,059
Additions	18	23	196	237			237
Amortization	(53)	(92)	(130)	(275)			(275)
Impairment	(23)		(7)	(30)	(24)		(54)
Reversals			24	24			24
Write-off	(19)	(5)		(24)			(24)
Changes in the scope of consolidation			7	7	70		77
Currency translation differences	(66)		(3)	(69)	(14)		(83)
Other changes		41	(66)	(25)			(25)
Net carrying amount at the end of the year	888	162	589	1,639	1,297		2,936
Gross carrying amount at the end of the year	1,613	1,623	4,399	7,635			
Provisions for amortization and impairment	725	1,461	3,810	5,996			

Exploration rights comprised the residual book value of license and leasehold property acquisition costs relating to areas with proved reserves, which are amortized based on UOP criteria and are regularly reviewed for impairment. Furthermore, they include the cost of unproved areas which are suspended pending a final determination of the success of the exploration

activity or until management confirms its commitment to the initiative. Additions for the year related to signature bonuses paid for the acquisition of new exploration acreage in Angola and Ivory Coast.

The breakdown of exploration rights by type of asset was as follows:

(€ million)	December 31, 2021	December 31, 2020
Proved licence and leasehold property acquisition costs	236	225
Unproved licence and leasehold property acquisition costs	677	653
Other mineral interests		10
	913	888

Industrial patents and intellectual property rights mainly regarded the acquisition and internal development of software and rights for the use of production processes and software.

Write-offs of €35 million related to exploration licenses due

primarily to the abandonment of underlying initiatives for geopolitical and environmental factors.

Other intangible assets comprised: (i) customer acquisition costs relating to Plenitude business line for €348 million (€262 million at December 31, 2020); (ii) concessions, licenses, trademarks and

similar items for €139 million (€88 million at December 31, 2020) comprised transmission rights for natural gas imported from Algeria for €32 million (€25 million at December 31, 2020); (iii) customer relationship for €109 million recognized following the acquisition of Finproject group; (iv) capital expenditures in progress on natural gas pipelines for which Eni has acquired transport rights for €78 million (same amount as of December 31, 2020).

Other intangible assets with an indefinite useful life related to the acquisition of Finproject's brands XL EXTRALIGHT and Levirex.

The main amortization rates used were substantially unchanged from the previous year and ranged as follows:

(%)	
Exploration rights	UOP
Transport rights of natural gas	3
Other concessions, licenses, trademarks and similar items	3 - 33
Industrial patents and intellectual property rights	20 - 33
Capitalized costs for customer acquisition	17 - 33
Other intangible assets	4 - 20

Cumulative impairments charges of goodwill at the end of the year amounted to €2,500 million.

The breakdown of goodwill by segment and business line is provided below:

(€ million)	December 31, 2021	December 31, 2020
Plenitude	2,446	1,047
Refining & Marketing	173	93
Exploration & Production	139	146
Chemical	93	
Corporate and Other activities	11	11
	2,862	1,297

An impairment loss of goodwill in 2021 was essentially recorded in relation to the Exploration & Production segment. Changes in the scope of consolidation of goodwill related: (i) for €728 million to the acquisition of 100% of Be Power SpA which, through the subsidiary Be Charge, is the second Italian operator in the segment of charging infrastructures for electric mobility; (ii) for €168 million to the 100% acquisition of Aldro Energía y Soluciones SLU, a company operating in the Iberian retail market for the sale of electricity, gas and energy services; (iii) for €302 million to the acquisition of Eolica Lucana Srl, Green Energy Management Services Srl (GEMS), Finpower Wind Srl, Società Energie Rinnovabili SpA (SER), Società Energie Rinnovabili 1 SpA (SER1) owning wind farms onshore in service; (iv) for €120 million to the acquisition of Dhamma Energy Group, owner of a platform for the development of photovoltaic plants in France and Spain; (v) for €93 million to the acquisition of the control of Finproject by Versalis; (vi) for €81 million to the acquisition from Azora Capital of a portfolio of renewable energy projects under development and capacity in service; (vii) for €80 million to the 100% acquisition of FRI-EL Biogas Holding (now EniBioCh4in SpA), a company operating in the Italian bioenergy sector.

Information about the allocations of goodwill deriving from business combinations are provided in note 5 - Business combinations and other significant transactions.

Goodwill acquired through business combinations has been allocated to the CGUs that are expected to benefit from the synergies of the acquisition.

With regard to the Plenitude business line engaged in the retail sale of natural gas and electricity, with significant allocated values of goodwill, in consideration of the high integration between the countries in which the Plenitude Group operates and the possible transnational synergies, the CGU defined for the recoverability valuation of the goodwill for a total of €1,214 million deriving from the acquisitions was extended from Italy to the entire perimeter of the Retail business and renamed Domestic-Foreign market. That goodwill concerns: the buy-out of the minorities of the former Italgas in 2003 (€706 million), the acquisition of local Italian companies synergic to Eni's main areas of activity in previous years (€198 million), the acquisition in 2021 of 100% of Aldro Energía y Soluciones SLU active in the Iberian market (€168 million), as well as the pre-existing goodwill of Eni Gas & Power France SA (€95 million), and other minor amounts. The impairment review performed at the balance sheet date confirmed the recoverability of the carrying amount of this second-level CGU comprising the goodwill. The impairment review of the CGU Domestic-Foreign market, including goodwill, was performed by comparing the carrying amount to the value in use of the CGU, which was estimated based on the cash flows of the four-year

plan approved by management and on a terminal value calculated as the perpetuity of the cash flow of the last year of the plan by assuming a nominal long-term growth rate equal to zero, unchanged from the previous year. These cash flows were discounted by using the post-tax WACC of the retail business adjusted considering the country risks of operation equal to an average of 4.9%. There are no reasonable assumptions of changes in the discount rate, growth rate, profitability or volumes that would lead to zeroing the headroom amounting to about €5 billion of the value in use of the CGU Retail with respect to its book value, including the allocated goodwill.

In the renewable business of Plenitude, the CGUs have been identified at a significant project level, in some cases grouped at company level for projects/plants characterized by relevant synergies. Cash flows included both those relating to existing assets (acquired or build internally) and those associated with the repowering process in the case of acquired assets. For the acquisitions of 2021, the impairment was assessed by updating the valuation model used for the acquisition which confirmed the recoverability of the goodwill allocated to the complex of the CGUs.

Goodwill of the E-mobility business of Plenitude recognized in connection with the acquisition in 2021 of the entire share capital of Be Power SpA, which through the subsidiary Be Charge is the second Italian operator in the segment of charging infrastructures for electric mobility (€728 million), was assessed by updating the valuation model of the operation.

15 IMPAIRMENT REVIEW OF TANGIBLE AND INTANGIBLE ASSETS AND RIGHT-OF-USE ASSETS

The impairment test assumptions of the Plenitude & Power operating segment are disclosed in note 14 - Intangible assets. The recoverability test of carrying amounts of Oil & Gas cash generating units (CGUs) is the most important of the critical accounting estimates in the preparation of Eni's consolidated financial statements. This owes to the relative weight of the invested capital in the Oil & Gas sector with respect to the total consolidated assets and to the complexity of the estimation process of the values-in-use (VIUs) of Oil & Gas CGUs.

Future expected cash flows associated with the use of Oil & Gas assets are based on management's judgment and subjective evaluation about highly uncertain matters like future, long-term hydrocarbons prices, assets' useful lives, projections of future operating and capital expenditures, the volumes of reserves that will ultimately be recovered and costs of decommissioning Oil & Gas assets at the end of their useful lives. Among all these variables, future hydrocarbons prices are the main value driver and because

we are in a commodity business, they tend to be very volatile and unpredictable due both to the number of driving forces underlying long-term trends in demands and supplies of hydrocarbons, and to the trend of financial markets.

Forecasts of hydrocarbons prices adopted by Eni's management for the purpose of evaluating both Oil & Gas assets recoverability and of making final investment decisions are estimated on the basis of management's view of a number of fundamental trends, namely the expected evolution of the global energy mix in the next twenty-to-thirty years in line with the decarbonization goals of countries conference last year, the pace of the energy transition, the enduring impacts of the COVID-19 pandemic, technology developments, long-term trends in demand and supplies of hydrocarbons, global macroeconomic and demographic growth, the evolution of technologies and climate policies, together with the evolution in consumers' and investors' preferences.

In the short-term, Eni's hydrocarbons forecasts also consider market forward prices of crude oil and natural gas, as well as projections made by investment banks and other market observatories.

Eni recognizes and fully endorses the transition of the economy towards a low carbon development model and the goals of the Paris COP21 agreements and based on this has designed a strategy to achieve the decarbonization of the Company's products and industrial processes targeting net zero emissions in Scope 1+2+3 by 2050. Consistently with this long-term path which is factoring possible trends in markets, technologies and a gradual evolution in the Company's products, management is assuming a long-term price of the Brent crude oil benchmark of 62 \$/barrel in 2020 USD until the year 2035 and then a declining trend to 46 \$/barrel in 2050 due to the expected phase-out of crude oil from the global energy mix in view of achieving the goals of the Paris agreement. In the year 2022-2023, management is projecting nominal prices of 80 \$ and 75 \$/barrel, respectively, considering a strong macroeconomic cycle, financial discipline and consequent limitation of investments by listed oil companies and production issues in countries of the OPEC+ alliance. The corresponding pricing assumptions in the 2020 financial statements were 55 \$ and 60 \$/barrel.

Regarding natural gas future prices, while in the short-to-medium term the benchmark price for spot sales at the European continental hub "TTF" is forecast to strengthen considerably due to tight supplies at 21.2 \$ and 14.4 \$/mmBTU in 2022 and 2023, respectively (in the 2020 financial statements the corresponding projections were 4.7 \$ and 4.9 \$/mmBTU), in the long-term management expects a decline due to the assumption of increasing competition from renewable energies and consumption efficiency for a TTF price forecast of 8.5 \$/mmBTU in real currency 2020 in the period 2025-2045 and a further decline to 6.2 \$/mmBTU in 2050. Short-term forecasts are exposed to the unpredictable consequences of

the ongoing conflict between Russia and Ukraine, which up to date has caused an unprecedented phase of volatility in the energy commodity market.

The post-tax, discount rate of future expected cash flows associated with the use of Oil & Gas CGUs was estimated based on the weighted average cost of equity (Ke) and of financial debt, in line with the methodology recommended by the capital asset pricing model. The cost of equity considers a market risk premium measured on the basis of the long-term returns of the S&P 500 and an additional premium which was estimated by management to discount the operational risks of the countries of activity and the risks of the energy transition. As a result of these assumptions, our cost of equity is estimated at about 10%, counterbalancing a decline in yields of risk-free assets, which are incorporated both in the cost of equity and in cost of the financial debt. Overall, our risk-adjusted weighted average cost of capital (adjusted WACC) was about 7% in 2021.

In 2021, management has recognized reversals at previously impaired Oil & Gas CGUs driven by strengthened hydrocarbons prices, particularly gas prices. The main amounts regarded gas fields in Italy and fields in Congo, Libya, USA, Algeria, Turkmenistan, Nigeria and East Timor. The post-tax, risk-adjusted WACC that were used in the impairment review ranged

between 10.7% and 6.5%. In the case of a reversal higher than €100 million, a risk-adjusted post-tax WACC of 6.8% was used, which redetermines to about 18% pre-tax.

The VIU of the whole portfolio of Oil & Gas CGUs estimated under management's pricing and other operating assumptions shows a headroom greater than 90% of the underlying book values, also discounting the expected expenses associated with the purchase of carbon credits as part of the Company's strategy to decarbonize its products/processes through the participation to forestry conservation projects, which belong to the REDD+ framework defined by the United Nations. The calculation included all the assets of consolidated companies, joint ventures and associates excluding Vår Energi AS and an asset under arbitration procedure.

Considering the level of judgment in the estimation process of the VIUs of Oil & Gas assets, management has prepared a stress-test analysis utilizing alternative decarbonization scenario as adopted by the IEA in its SDS WEO '21 and net zero emissions 2050 (NZE 2050) scenarios. The sensitivity tests to the IEA SDS and NZE 2050 scenario consider energy commodity pricing assumptions different from those adopted by the management and the utilization of a cost for carbon emissions across all geographic areas where Eni operates its oil & gas activities based on the prices reported in the following table:

	Value in use of the O&G CGUs Headroom vs. Carrying amounts		Assumption at 2050 in real terms USD 2020		
	Tax-deductible CO ₂ charges	Non tax-deductible CO ₂ charges	Brent price	European gas price	Cost of CO ₂
Eni's scenario	~90%	-	46 \$/bbl	6.2 \$/mmBTU	CO ₂ costs projections in the EU/ETS + projections of forestry costs
IEA SDS WEO 2021 scenario	76%	75%	50 \$/bbl	4.5 \$/mmBTU	200-95 per tonne of CO ₂ *
IEA NZE 2050 scenario	35%	32%	24 \$/bbl	3.6 \$/mmBTU	250-55 per tonne of CO ₂ *

(*) Prices relating to advanced/emerging economies.

In relation to the NZE 2050 scenario, for which possible value recovery actions are not considered, such as rescheduling/cancellation of planned development activities, contractual renegotiations, effect on costs or actions aimed at accelerating the pay-back period, a headroom is determined, that is, the excess of the total value-in-use compared to the corresponding book value of the E&P CGU, consistent and in excess of more than 30% compared to the book value.

The 2021 valuation of the recoverability of the assets also resulted in the write-down of the residual book value of the refineries and the joint operations in Italy and Europe for an amount of €1,179 million (including the stay-in-business

investments of the CGUs previously impaired). The driver of this loss is the significant decline in margins, compressed by the worsening of crack spreads for the products and the increase in the cost of gas-indexed utilities, and the reduced profitability prospects of Eni's CGUs due to structural weaknesses in the European refining sector (suboptimal size of the plants and competitive pressure from more efficient refiners) and the projections of limited recovery in the demand for fuels also due to competition from electric mobility. In addition, operating costs are penalized by the increase in charges for the purchase of emission certificates under the European Emission Trading System scheme.

16 INVESTMENTS

EQUITY-ACCOUNTED INVESTMENTS

	2021				2020			
	Investments in unconsolidated entities controlled by Eni	Joint ventures	Associates	Total	Investments in unconsolidated entities controlled by Eni	Joint ventures	Associates	Total
(€ million)								
Carrying amount - beginning of the year	80	2,832	3,837	6,749	86	4,592	4,357	9,035
Additions and subscriptions	1	558	103	662	2	75	198	275
Divestments and reimbursements	(21)	(231)	(133)	(385)		(3)	(1)	(4)
Share of profit of equity-accounted investments	6	31	165	202	3	21	14	38
Share of loss of equity-accounted investments	(3)	(910)	(381)	(1,294)	(2)	(1,399)	(332)	(1,733)
Deduction for dividends	(25)	(586)	(16)	(627)	(5)	(296)	(13)	(314)
Changes in the scope of consolidation	5	355		360	3	30	1	34
Currency translation differences	2	83	296	381	(4)	(254)	(345)	(603)
Other changes	(1)	(75)	(85)	(161)	(3)	66	(42)	21
Carrying amount - end of the year	44	2,057	3,786	5,887	80	2,832	3,837	6,749

Acquisitions and share capital increases mainly related for €480 million to the acquisition of a 20% stake in Doggerbank Offshore Wind Farm Project 1 Holdco Ltd and Doggerbank Offshore Wind Farm Project 2 Holdco Ltd, which are developing the Dogger Bank (A and B) offshore wind power generation project in the British North Sea.

Divestments and reimbursement essentially related to the sale of Unión Fenosa Gas SA for €232 million to the Spanish partner Naturgy following the corporate restructuring through the splitting of the assets of the venture among the shareholders, as well as a capital reimbursement made by Angola Lng Ltd for €130 million.

Eni's share of the results of entities accounted for under the equity method mainly comprised a loss incurred at: (i) Saipem SpA for €752 million due to operating losses on contracts and to the recognition of extraordinary and restructuring charges. The loss was estimated by management on the

basis of the best information available on the market and on the preliminary results of 2021 announced; (ii) Abu Dhabi Oil Refining Co (TAKREER) for €362 million relating to the loss of the year mainly due to the recognition of write-downs of plants due to lower profitability prospects and decommissioning provisions due to the closure of some production lines.

Share of losses of equity-accounted investments included a loss of €78 million accounted at the joint venture Cardón IV SA (Eni's interest 50%) which is operating the Perla gas field in Venezuela, affected by the slowdown in the gas supplies to the buyer PDVSA due to a deteriorated operating environment and credit losses. The residual value of €51 million of the investment in the PetroJunín project was canceled due to the lack of profitability prospects of the project.

Deduction for dividends related for €561 million to Vår Energi AS.

Net carrying amount related to the following companies:

(€ million)	December 31, 2021		December 31, 2020	
	Net carrying amount	% of the investment	Net carrying amount	% of the investment
Investments in unconsolidated entities controlled by Eni				
Eni BTC Ltd	2	100.00	24	100.00
Other	42		56	
	44		80	
Joint ventures				
Vår Energi AS	645	69.85	1,144	69.85
Mozambique Rovuma Venture SpA	355	35.71		
Cardón IV SA	279	50.00	199	50.00
Doggerbank Offshore Wind Farm Project 1 Holdco Ltd	246	20.00		
Doggerbank Offshore Wind Farm Project 2 Holdco Ltd	238	20.00		
Saipem SpA	137	31.20	908	31.08
Lotte Versalis Elastomers Co Ltd	54	50.00	51	50.00
Società Oleodotti Meridionali - SOM SpA	27	70.00	32	70.00
PetroJunin SA		40.00	50	40.00
Unión Fenosa Gas SA			242	50.00
Gas Distribution Company of Thessaloniki - Thessaly SA			140	49.00
Other	76		66	
	2,057		2,832	
Associates				
Abu Dhabi Oil Refining Co (Takreer)	2,151	20.00	2,335	20.00
Angola LNG Ltd	1,084	13.60	1,039	13.60
Coral FLNG SA	156	25.00	138	25.00
Novis Renewables Holdings LLC	75	49.00	65	49.00
United Gas Derivatives Co	75	33.33	58	33.33
Bluebell Solar Class A Holdings II LLC	71	99.00		
ADNOC Global Trading Ltd	42	20.00		20.00
Finproject SpA			73	40.00
Other	132		129	
	3,786		3,837	
	5,887		6,749	

The interest held in Mozambique Rovuma Venture SpA, previously accounted for as a joint operation, was reclassified as joint venture. More information is disclosed in note 4 - IFRSs not yet adopted - Change in the classification of the joint arrangement Mozambique Rovuma Venture SpA.

The results of equity-accounted investments by segment are disclosed in note 35 - Segment information and information by geographical area.

The carrying amounts of equity-accounted investments

included differences between the purchase price of acquired interests and their underlying book value of net assets amounting to €487 million mainly relating to Doggerbank Offshore Wind Farm Project 1 Holdco Ltd and Doggerbank Offshore Wind Farm Project 2 Holdco Ltd for €483 million. Such surplus was driven by the long-term profitability outlook of the acquired company at the time of the acquisition.

As of December 31, 2021, the market value of the investments listed in regulated stock markets was as follows:

	Saipem SpA
Number of shares held	308,767,968
% of the investment	31.20
Share price (€)	1.845
Market value (€ million)	570
Book value (€ million)	137

Additional information is included in note 37 - Other information about investments.

OTHER INVESTMENTS

(€ million)	2021	2020
Carrying amount - beginning of the year	957	929
Additions and subscriptions	175	8
Change in the fair value with effect to OCI	105	24
Divestments and reimbursements		(12)
Currency translation differences	57	(61)
Other changes		69
Carrying amount - end of the year	1,294	957

The fair value of the main non-controlling interests in non-listed investees on regulated markets, classified within level 3 of the fair value hierarchy, was estimated based on a methodology that combines future expected earnings and the sum-of-the-parts methodology (so-called residual income approach) and takes into account, inter alia, the following inputs: (i) expected net profits, as a gauge of the future profitability of the investees, derived from the business plans, but adjusted, where appropriate, to include the assumptions that market participants would incorporate; (ii) the cost of capital, adjusted to include the risk premium of the specific country in which each investee operates. A stress test based on a 1% change in the cost of capital considered in the valuation did not produce significant changes at the fair value valuation.

Acquisitions and subscriptions concerned the payment of advances for the purchase of investments for €120 million. The fair value measurement with effect to OCI referred for €106 million to Novamont SpA.

Dividend income from these investments is disclosed in note 32 - Income (expense) from investments.

The investment book value as of December 31, 2021 primarily related to Nigeria LNG Ltd for €637 million (€579 million at December 31, 2020), Saudi European Petrochemical Co "IBN ZAHR" for €124 million (€115 million at December 31, 2020) and Novamont SpA for €183 million (€77 million at December 31, 2020).

17 OTHER FINANCIAL ASSETS

(€ million)	December 31, 2021		December 31, 2020	
	Current	Non-current	Current	Non-current
Long-term financing receivables held for operating purposes	17	1,832	29	953
Short-term financing receivables held for operating purposes	39		22	
	56	1,832	51	953
Financing receivables held for non-operating purposes	4,252		203	
	4,308	1,832	254	953
Securities held for operating purposes		53		55
	4,308	1,885	254	1,008

Changes in allowance for doubtful accounts were as follows:

(€ million)	2021	2020
Carrying amount at the beginning of the year	352	379
Additions	41	7
Deductions	(15)	(7)
Currency translation differences	25	(26)
Other changes		(1)
Carrying amount at the end of the year	403	352

Financing receivables held for operating purposes related principally to funds provided to joint ventures and associates in the Exploration & Production segment (€1,763 million) to execute capital projects of interest to Eni. These receivables are long-term interests in the initiatives funded. The main exposure is towards: (i) the joint venture Mozambique Rovuma Venture SpA for €1,008 million; (ii) Coral FLNG SA for €383 million (€288 million at December 31, 2020); (iii) Cardón IV SA (Eni's interest 50%), the joint venture which is currently operating the Perla offshore gas field in Venezuela, for €199 million (€383 million at December 31, 2020).

Financing receivables held for operating purposes due beyond five years amounted to €399 million (€771 million at December 31, 2020).

The fair value of non-current financing receivables held for operating purposes of €1,832 million has been estimated based on the present value of expected future cash flows discounted at rates ranging from -0.3% to 1.7% (-0.5% and 1.4% at December 31, 2020).

In addition to the expected credit loss model, the recoverability of the financial loan granted to the joint venture Cardón IV SA was assessed on the basis of the recoverability of the

investment made by the JV for the development of the Perla field corresponding to the future cash flows of the project adjusted to price possible difficulties in converting future gas sales into cash, essentially assuming a deferral in the timing of revenues collection.

The recoverability of other long-term financial assets was assessed by considering the expected probability default in the next twelve months only, as the creditworthiness suffered no significant deterioration in the reporting period.

Financing receivables held for non-operating purposes related for €4,233 million (€203 million at December 31, 2020) restricted deposits in escrow to guarantee transactions on derivative contracts mainly referred to Global Gas & LNG Portfolio segment and for €19 million bank deposits with the purpose to invest cash surpluses.

Financing receivables were denominated in euro and U.S. dollar for €3,729 million and €1,980 million, respectively.

Securities held for operating purposes related to listed bonds issued by sovereign states.

Securities for €20 million (same amount at December 31, 2020) were pledged as guarantee of the deposit for gas cylinders as provided for by the Italian law.

The following table analyses securities per issuing entity:

	Amortized cost (€ million)	Nominal value (€ million)	Fair Value (€ million)	Nominal rate of return %	Maturity date	Rating - Moody's	Rating - S&P
Sovereign states							
Fixed rate bonds							
Italy	24	24	24	from 0.0 to 1.75	from 2022 to 2031	Baa3	BBB
Others (*)	16	16	16	from 0.0 to 0.20	from 2023 to 2025	from Aa3 to Baa1	from AA to A
Floating rate bonds							
Italy	11	11	11	from 0.22 to 0.43	from 2022 to 2025	Baa3	BBB
Others	2	2	2	1.10	2022	Baa2	BBB
Total sovereign states	53	53	53				

(*) Amounts included herein are lower than €10 million.

All securities have maturity within five years.
The fair value of securities was derived from quoted market prices.

Receivables with related parties are described in note 36 - Transactions with related parties.

18 TRADE AND OTHER PAYABLES

(€ million)	December 31, 2021	December 31, 2020
Trade payables	16,795	8,679
Down payments and advances from joint ventures in exploration & production activities	552	417
Payables for purchase of non-current assets	1,732	1,393
Payables due to partners in exploration & production activities	1,188	1,120
Other payables	1,453	1,327
	21,720	12,936

The increase in trade payables of €8,116 million refers to Global Gas & LNG Portfolio segment for €6,626 million and to Refining & Marketing and Chemical segment for €1,220 million.

Other payables included: (i) payroll payables for €328 million (€255 million at December 31, 2020); (ii) the amounts still due to the triggering of the take-or-pay clause of the long-term supply contracts for €185 million (€376 million at December 31, 2020); (iii) payables for social security contributions for €112 million (€92 million at December 31, 2020).

Trade and other payables were denominated in euro for €14,250 million and in U.S. dollar for €5,864 million.

Because of the short-term maturity and conditions of remuneration of trade payables, the fair values approximated the carrying amounts.

Trade and other payables due to related parties are described in note 36 - Transactions with related parties.

19 FINANCE DEBTS

(€ million)	December 31, 2021				December 31, 2020			
	Short-term debt	Current portion of long-term debt	Long-term debt	Total	Short-term debt	Current portion of long-term debt	Long-term debt	Total
Banks	362	347	4,650	5,359	337	759	3,193	4,289
Ordinary bonds		913	18,049	18,962		1,140	18,280	19,420
Convertible bonds		399		399			396	396
Sustainability-Linked Bond		2	996	998				
Commercial papers	836			836	2,233			2,233
Other financial institutions	1,101	120	19	1,240	312	10	26	348
	2,299	1,781	23,714	27,794	2,882	1,909	21,895	26,686

Finance debts increased by €1,108 million is disclosed in table "Changes in liabilities arising from financing activities" detailed at the end of this paragraph.

Commercial papers were issued by the Group's financial subsidiaries.

As of December 31, 2021, finance debts include sustainability-linked financial contracts with leading banking institutions which provide for an adjustment mechanism of the funding cost linked to the achievement of certain sustainability targets for €1,300 million (this amount does not consider the undrawn committed borrowing facilities as of December 31, 2021).

Eni entered into long-term borrowing facilities with the European Investment Bank. These borrowing facilities are subject to the retention of a minimum level of credit rating. According to the agreements, should the Company lose the minimum credit rating, new guarantees could be required to be agreed upon with the European Investment Bank. At December 31, 2021, debts subjected to restrictive covenants amounted to €899 million (€1,051 million at December 31, 2020). Eni was in compliance with those covenants.

Ordinary bonds consisted of bonds issued within the Euro Medium Term Notes Program for a total of €15,542 million and other bonds for a total of €3,420 million.

The following table provides a breakdown of ordinary bonds by issuing entity, maturity date, interest rate and currency as of December 31, 2021:

	Amount	Discount on bond issue and accrued expense	Total	Currency	Maturity		Rate %	
					from	to	from	to
(€ million)								
Issuing entity								
<i>Euro Medium Term Notes</i>								
Eni SpA	1,000	29	1,029	EUR		2029		3.625
Eni SpA	1,200	15	1,215	EUR		2025		3.750
Eni SpA	1,000	13	1,013	EUR		2023		3.250
Eni SpA	1,000	10	1,010	EUR		2026		1.500
Eni SpA	1,000	10	1,010	EUR		2031		2.000
Eni SpA	1,000	3	1,003	EUR		2030		0.625
Eni SpA	1,000	1	1,001	EUR		2026		1.250
Eni SpA	900	(1)	899	EUR		2024		0.625
Eni SpA	800	1	801	EUR		2028		1.625
Eni SpA	750	11	761	EUR		2024		1.750
Eni SpA	750	7	757	EUR		2027		1.500
Eni SpA	750	(4)	746	EUR		2034		1.000
Eni SpA	700	3	703	EUR		2022		0.750
Eni SpA	650	4	654	EUR		2025		1.000
Eni SpA	600	(3)	597	EUR		2028		1.125
Eni Finance International SA	1,545	(4)	1,541	USD	2026	2027		variable
Eni Finance International SA	795	7	802	EUR	2025	2043	1.275	5.441
	15,440	102	15,542					
<i>Other bonds</i>								
Eni SpA	883	7	890	USD		2023		4.000
Eni SpA	883	4	887	USD		2028		4.750
Eni SpA	883		883	USD		2029		4.250
Eni SpA	309	1	310	USD		2040		5.700
Eni USA Inc	353		353	USD		2027		7.300
CEF3 Wind Energy SpA	99	(2)	97	EUR		2025		2.010
	3,410	10	3,420					
	18,850	112	18,962					

As of December 31, 2021, ordinary bonds maturing within 18 months amounted to €703 million. During 2021, Eni did not issue new ordinary bonds.

The following table provides a breakdown of convertible bonds issued by Eni SpA as of December 31, 2021:

	Amount	Discount on bond issue and accrued expense	Total	Currency	Maturity	Rate %
(€ million)						
Eni SpA	400	(1)	399	EUR	2022	0.000

This is a non-dilutive equity-linked bond, which provides for a redemption value linked to the market price of Eni's shares. The bondholders can exercise their conversion rights at certain expiry dates and/or in the presence of certain events, while the bonds will be cash-settled. Accordingly, to hedge its exposure, Eni purchased cash-settled call options relating to Eni shares that will be settled on a net cash basis. The bond conversion price is equal €17.62 and includes a 35% premium with respect to the Eni's share reference price at the date of issuance. The convertible bond is measured at amortized cost. The conversion option, embedded in the financial instrument issued, and the call option on Eni's shares acquired are valued at fair value with effects recognized through profit and loss. The bond expires within the next 12 months.

As part of the Euro Medium Term Notes program, during 2021 Eni issued a sustainability-linked bond for a nominal amount of €1 billion linked to the achievement of the following sustainability targets: (i) Net Carbon Footprint upstream (GHG emission Scope 1 and 2) equal to or lower than 7.4 million tons of CO₂ equivalent by 2024; (ii) renewable energy installed capacity equal to or greater than 5 GW by 2025. If one of the targets is not achieved, a step-up mechanism will be applied, increasing the interest rate.

Information relating to the sustainability-linked bond is as follows:

(€ million)	Amount	Discount on bond issue and accrued expense	Total	Currency	Maturity	Rate %
Eni SpA	1,000	(2)	998	EUR	2028	0.375

Eni has in place a program for the issuance of Euro Medium Term Notes up to €20 billion, of which €16.4 billion were drawn as of December 31, 2021.

The following table provides a breakdown by currency of finance debt and the related weighted average interest rates:

	December 31, 2021				December 31, 2020			
	Short-term debt (€ million)	Average rate (%)	Long-term debt and current portion of long-term debt (€ million)	Average rate (%)	Short-term debt (€ million)	Average rate (%)	Long-term debt and current portion of long-term debt (€ million)	Average rate (%)
Euro	1,356		20,399	1.5	1,004		19,142	1.7
U.S. dollar	928	0.2	5,096	3.8	1,870	1.1	4,522	4.6
Other currencies	15	(0.3)			8	(0.5)	140	4.3
	2,299		25,495		2,882		23,804	

As of December 31, 2021, Eni retained undrawn uncommitted short-term borrowing facilities amounting to €6,207 million (€7,183 million at December 31, 2020) and undrawn committed borrowing facilities of €2,835 million, of which €2,820 million due beyond 12 months (€5,295 million at December 31, 2020, of which €4,750 million due beyond 12 months). Those facilities bore interest rates reflecting prevailing conditions in the marketplace. As of December 31, 2021, committed borrowing facilities, used and unused, include sustainability-

linked contracts for €4,850 million. Borrowing facilities were used to fulfill the obligations to maintain an adequate amount of financial deposits (margin calls) to guarantee the settlement of derivative transactions on commodities in relation to the material increases in the spot and forward prices of natural gas and electricity registered in December 2021.

As of December 31, 2021, Eni was in compliance with covenants and other contractual provisions in relation to borrowing facilities.

Fair value of long-term debt, including the current portion of long-term debt is described below:

(€ million)	December 31, 2021	December 31, 2020
Ordinary bonds and Sustainability-Linked Bond	23,070	22,429
Convertible bonds	513	497
Banks	5,029	4,008
Other financial institutions	138	36
	28,750	26,970

Fair value of finance debts was calculated by discounting the expected future cash flows at discount rates ranging from -0.3% to 1.7% (-0.5% and 1.4% at December 31, 2020).

Because of the short-term maturity and conditions of remuneration of short-term debts, the fair value approximated the carrying amount.

CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

(€ million)	Long-term debt and current portion of long-term debt	Short-term debt	Long-term and current portion of long-term lease liabilities	Total
Carrying amount at December 31, 2020	23,804	2,882	5,018	31,704
Cash flows	666	(910)	(939)	(1,183)
Currency translation differences	255	153	303	711
Changes in the scope of consolidation	545	160	103	808
Other non-monetary changes	225	14	852	1,091
Carrying amount at December 31, 2021	25,495	2,299	5,337	33,131
Carrying amount at December 31, 2019	22,066	2,452	5,648	30,166
Cash flows	2,178	937	(869)	2,246
Currency translation differences	(348)	(528)	(333)	(1,209)
Changes in the scope of consolidation	64	22	4	90
Other non-monetary changes	(156)	(1)	568	411
Carrying amount at December 31, 2020	23,804	2,882	5,018	31,704

Changes in the scope of consolidation referred to the Plenitude business line for €474 million and to the Refining & Marketing business line for €213 million.

Other non-monetary changes include €1,102 million of lease liabilities assumptions (€808 million at December 31, 2020).

Lease liabilities are described in note 13 - Right-of-use assets and lease liabilities.

Transactions with related parties are described in note 36 - Transactions with related parties.

20 INFORMATION ON NET BORROWINGS

The analysis of net borrowings, as defined in the “Financial Review”, was as follows:

(€ million)	December 31, 2021	December 31, 2020
A. Cash	2,758	2,500
B. Cash equivalents	5,496	6,913
C. Other current financial assets	10,553	5,705
D Liquidity (A+B+C)	18,807	15,118
E. Current financial debt	3,613	4,022
F. Current portion of non-current financial debt	1,415	1,618
G. Current financial indebtedness (E+F)	5,028	5,640
H. Net current financial indebtedness (G-D)	(13,779)	(9,478)
I. Non-current financial debt	9,058	7,388
J. Debt instruments	19,045	18,676
K. Non-current trade and other payables		
L. Non-current financial indebtedness (I+J+K)	28,103	26,064
M. Total financial indebtedness (H+L)	14,324	16,586

Cash and cash equivalent include approximately €115 million subject to foreclosure measures and payment guarantees.

The increase in other current financial assets was due to the fulfillment of the obligations towards financial institutions and commodity-based exchanges to increase financial deposits to guarantee the settlement of transactions in commodity derivatives as consequence of the material increase in the spot and forward prices of natural gas and electricity registered in Europe in December 2021 (margin call).

Other current financial assets include: (i) financial assets held for trading, disclosed in note 7 - Financial assets held for trading;

(ii) financing receivables, disclosed in note 17 - Other financial assets. Finance debts are disclosed in note 19 - Finance debts. Current portion of non-current financial debt and non-current financial debt include lease liabilities of €948 million and €4,389 million (€849 million and €4,169 million at December 31, 2020, respectively) of which €1,684 million (€1,652 million at December 31, 2020) related to the share of joint operators in upstream projects operated by Eni which will be recovered through a partner cash-call billing process. More information on lease liabilities is reported in note 13 - Right-of-use assets and lease liabilities.

21 PROVISIONS

(€ million)	Provisions for site restoration, abandonment and social projects	Environmental provisions	Provisions for litigations	Provisions for taxes other than income taxes	Loss adjustments and actuarial provisions for Eni's insurance companies	Provisions for losses on investments	Provisions for OIL insurance cover	Provisions for redundancy incentives	Other	Total
Carrying amount at December 31, 2020	9,362	2,263	385	170	258	198	95	53	654	13,438
New or increased provisions		289	234	34	102	15	2	1	219	896
Initial recognition and changes in estimates	195									195
Accretion discount	153	(9)								144
Reversal of utilized provisions	(469)	(313)	(90)	(9)	(63)			(3)	(308)	(1,255)
Reversal of unutilized provisions		(10)	(72)	(8)		(16)	(4)	(36)	(45)	(191)
Currency translation differences	445	2	21	8		3	1		8	488
Other changes	(65)	(16)	(26)	16	(2)	(5)	(1)		(23)	(122)
Carrying amount at December 31, 2021	9,621	2,206	452	211	295	195	93	15	505	13,593

Provisions for site restoration, abandonment and social projects include the present value of the estimated costs that the Company expects to incur for dismantling oil and natural gas production facilities at the end of the producing lives of

fields, well-plugging, site clean-up and restoration for €8,580 million. Initial recognitions and changes in estimates include an increase in the asset retirement cost of the tangible assets in the Exploration & Production sector, mainly due to a cost

revision. The provision also includes the estimate of the costs for social projects to be incurred following the commitments between Eni SpA and the Basilicata region in relation to the oil development program in the Val d'Agri concession area (€134 million). The unwinding of discount recognized through profit and loss for €153 million was determined based on discount rates ranging from -0.4% to 3.8% (from -0.2% to 3.7% at December 31, 2020). Main expenditures associated with decommissioning operations are expected to be incurred over a fifty-year period.

Provisions for environmental risks included the estimated costs for environmental clean-up and remediation of soil and groundwater in areas owned or under concession where the Group performed in the past industrial operations that were progressively divested, shut down, dismantled or restructured. The provision was accrued because at the balance sheet date there is a legal or constructive obligation for Eni to carry out environmental clean-up and remediation and the expected costs can be estimated reliably. The provision included the expected charges associated with strict liability related to obligations of cleaning up and remediating polluted areas that met the parameters set by the law at the time when the pollution occurred but presently are no more in compliance with current environmental laws and regulations, or because Eni assumed the liability borne by other operators when the Company acquired or otherwise took over site operations. Those environmental provisions are recognized when an environmental project is approved by or filed with the relevant administrative authorities or a constructive obligation has arisen whereby the Company commits itself to performing certain cleaning-up and restoration projects and a reliable cost estimation is available. At December 31, 2021, environmental provision primarily related to Eni Rewind SpA for €1,532 million

and to the Refining & Marketing business line for €376 million. Litigation provisions comprised expected liabilities associated with legal proceedings and other matters arising from contractual claims, including arbitrations, fines and penalties due to antitrust proceedings and administrative matters. These provisions represent the Company's best estimate of the expected and probable liabilities associated with ongoing litigation and related to the Exploration & Production segment for €258 million. Reversals of utilized provisions related for €61 million to the Exploration & Production segment in relation to the settlement of contractual disputes.

Provisions for uncertain taxes matters related to the estimated losses that the Company expects to incur to settle tax litigations and tax claims pending with tax authorities in relation to uncertainties in applying rules in force were in respect of the Exploration & Production segment for €186 million.

Loss adjustments and actuarial provisions of Eni's insurance company Eni Insurance DAC represented the estimated liabilities accrued on the basis for third party claims. Against such liability was recorded receivables of €94 million recognized towards insurance companies for reinsurance contracts.

Provisions for losses on investments included provisions relating to investments whose loss exceeds the equity and primarily related to Industria Siciliana Acido Fosforico - ISAF - SpA (in liquidation) for €144 million.

Provisions for the OIL mutual insurance scheme included insurance premiums which will be charged to Eni in the next five years by the mutual insurance company OIL Insurance Ltd in which Eni participates together with other oil companies.

Provisions for redundancy incentives were recognized mainly due to a restructuring program involving the Italian personnel related to past reporting periods.

22 PROVISIONS FOR EMPLOYEE BENEFITS

(€ million)	December 31, 2021	December 31, 2020
Italian defined benefit plans	227	258
Foreign defined benefit plans	129	493
FISDE, foreign medical plans and other	162	182
Defined benefit plans	518	933
Other benefit plans	301	268
Provision for employee benefits	819	1,201

The liability relating to Eni's commitment to cover the healthcare costs of personnel is determined based on the contributions paid by the Company.

Other employee benefit plans related to deferred monetary incentive plans for €124 million, contratti di espansione (agreed

redundancy plans for workers) for €69 million, isopensione plans (a post retirement benefit plan applicable to a specific category of employees) of Eni gas e luce SpA Società Benefit for €66 million, jubilee awards for €29 million and other long-term plans for €13 million.

Present value of employee benefits, estimated by applying actuarial techniques, consisted of the following:

	2021						2020					
	Italian defined benefit plans	Foreign defined benefit plans	FISDE, foreign medical plans and other	Defined benefit plans	Other benefit plans	Total	Italian defined benefit plans	Foreign defined benefit plans	FISDE, foreign medical plans and other	Defined benefit plans	Other benefit plans	Total
(€ million)												
Present value of benefit liabilities at beginning of year	258	1,140	182	1,580	268	1,848	269	1,044	177	1,490	278	1,768
Current service cost	1	16	3	20	49	69		23	3	26	50	76
Interest cost	1	24	1	26		26	2	27	2	31	1	32
Remeasurements:		(118)	(6)	(124)	(11)	(135)	5	48	13	66	4	70
- actuarial (gains) losses due to changes in demographic assumptions	(1)	(3)	(4)	(8)	(1)	(9)	(3)	(10)	2	(11)	2	(9)
- actuarial (gains) losses due to changes in financial assumptions	(1)	(111)	3	(109)	2	(107)	9	71	13	93	5	98
- experience (gains) losses	2	(4)	(5)	(7)	(12)	(19)	(1)	(13)	(2)	(16)	(3)	(19)
Past service cost and (gain) loss on settlements					107	107		(2)		(2)	20	18
Plan contributions:		1		1		1		1		1		1
- employee contributions		1		1		1		1		1		1
Benefits paid	(36)	(39)	(8)	(83)	(56)	(139)	(20)	(33)	(9)	(62)	(63)	(125)
Currency translation differences and other changes	3	(263)	(10)	(270)	(56)	(326)	2	32	(4)	30	(22)	8
Present value of benefit liabilities at end of year (a)	227	761	162	1,150	301	1,451	258	1,140	182	1,580	268	1,848
Plan assets at beginning of year		648		648		648		632		632		632
Interest income		12		12		12		15		15		15
Return on plan assets		(5)		(5)		(5)		51		51		51
Past service cost and (gains) losses settlements								(3)		(3)		(3)
Plan contributions:		15		15		15		15		15		15
- employee contributions		1		1		1		1		1		1
- employer contributions		14		14		14		14		14		14
Benefits paid		(28)		(28)		(28)		(21)		(21)		(21)
Currency translation differences and other changes		(9)		(9)		(9)		(41)		(41)		(41)
Plan assets at end of year (b)		633		633		633		648		648		648
Asset ceiling at beginning of year		1		1		1						
Change in asset ceiling								1		1		1
Asset ceiling at end of year (c)		1		1		1		1		1		1
Net liability recognized at end of year (a-b+c)	227	129	162	518	301	819	258	493	182	933	268	1,201

Employee benefit plans included the actuarial liability, net of plan assets, attributable to partners operating in exploration and production activities of €1 million (€268 million at December 31, 2020). Eni recorded a receivable for an amount equivalent to such liability.

The decrease in the net liability of €267 million is essentially due to the recalculation of the actuarial liability with new parameters.

Costs charged to the profit and loss account, valued using actuarial assumptions, consisted of the following:

(€ million)	Italian defined benefit plans	Foreign defined benefit plans	FISDE, foreign medical plans and other	Defined benefit plans	Other benefit plans	Total
2021						
Current service cost	1	16	3	20	49	69
Past service cost and (gains) losses on settlements					107	107
Interest cost (income), net:						
- interest cost on liabilities	1	24	1	26		26
- interest income on plan assets		(12)		(12)		(12)
Total interest cost (income), net	1	12	1	14		14
- of which recognized in "Payroll and related cost"						
- of which recognized in "Financial income (expense)"	1	12	1	14		14
Remeasurements for long-term plans					(11)	(11)
Total	2	28	4	34	145	179
- of which recognized in "Payroll and related cost"	1	16	3	20	145	165
- of which recognized in "Financial income (expense)"	1	12	1	14		14
2020						
Current service cost		23	3	26	50	76
Past service cost and (gains) losses on settlements		1		1	20	21
Interest cost (income), net:						
- interest cost on liabilities	2	27	2	31	1	32
- interest income on plan assets		(15)		(15)		(15)
Total interest cost (income), net	2	12	2	16	1	17
- of which recognized in "Payroll and related cost"					1	1
- of which recognized in "Financial income (expense)"	2	12	2	16		16
Remeasurements for long-term plans					4	4
Total	2	36	5	43	75	118
- of which recognized in "Payroll and related cost"		24	3	27	75	102
- of which recognized in "Financial income (expense)"	2	12	2	16		16

Costs of defined benefit plans recognized in other comprehensive income consisted of the following:

(€ million)	2021				2020			
	Italian defined benefit plans	Foreign defined benefit plans	FISDE, foreign medical plans and other	Total	Italian defined benefit plans	Foreign defined benefit plans	FISDE, foreign medical plans and other	Total
Remeasurements								
Actuarial (gains)/losses due to changes in demographic assumptions	(1)	(3)	(4)	(8)	(3)	(10)	2	(11)
Actuarial (gains)/losses due to changes in financial assumptions	(1)	(111)	3	(109)	9	71	13	93
Experience (gains) losses	2	(4)	(5)	(7)	(1)	(13)	(2)	(16)
Return on plan assets		5		5		(51)		(51)
Change in asset ceiling						1		1
		(113)	(6)	(119)	5	(2)	13	16

Plan assets consisted of the following:

(€ million)	Cash and cash equivalents	Equity securities	Debt securities	Real estate	Derivatives	Investment funds	Assets held by insurance company	Other	Total
December 31, 2021									
Plan assets with a quoted market price	95	43	299	8	3	1	23	157	629
Plan assets without a quoted market price							4		4
	95	43	299	8	3	1	27	157	633
December 31, 2020									
Plan assets with a quoted market price	117	38	297	8	2	76	20	87	645
Plan assets without a quoted market price							3		3
	117	38	297	8	2	76	23	87	648

The main actuarial assumptions used in the measurement of the liabilities at year-end and in the estimate of costs expected for 2022 consisted of the following:

		Italian defined benefit plans	Foreign defined benefit plans	FISDE, foreign medical plans and other	Other benefit plans
2021					
Discount rate	(%)	1.0	0.3-15.3	1.0	0.0-1.0
Rate of compensation increase	(%)	2.8	1.5-12.5		
Rate of price inflation	(%)	1.8	0.7-13.3	1.8	1.8
Life expectations on retirement at age 65	(years)		13-25	24	
2020					
Discount rate	(%)	0.3	0.1-14.7	0.3	0.0-0.3
Rate of compensation increase	(%)	1.8	1.3-12.5		
Rate of price inflation	(%)	0.8	0.8-12.2	0.8	0.8
Life expectations on retirement at age 65	(years)		13-26	24	

The following is an analysis by geographical area related to the main actuarial assumptions used in the valuation of the principal foreign defined benefit plans:

		Euro area	Rest of Europe	Africa	Other areas	Foreign defined benefit plans
2021						
Discount rate	(%)	0.9-1.2	0.3-1.9	3.0-15.3	6.7	0.3-15.3
Rate of compensation increase	(%)	1.5-3.0	2.5-4.0	1.9-12.5	5.0	1.5-12.5
Rate of price inflation	(%)	1.5-1.9	0.7-3.5	3.0-13.3	3.0	0.7-13.3
Life expectations on retirement at age 65	(years)	21-23	23-25	13-15		13-25
2020						
Discount rate	(%)	0.4-0.8	0.1-1.4	2.6-14.7	6.4-9.8	0.1-14.7
Rate of compensation increase	(%)	1.3-3.0	2.5-3.6	2.0-12.5	5.0-9.8	1.3-12.5
Rate of price inflation	(%)	1.3-1.9	0.8-3.1	2.6-12.2	3.0-5.0	0.8-12.2
Life expectations on retirement at age 65	(years)	21-22	23-26	13-17		13-26

The effects of a possible change in the main actuarial assumptions at the end of the year are listed below:

	Discount rate		Rate of price inflation	Rate of increases in pensionable salaries	Healthcare cost trend rate	Rate of increases to pensions in payment
	0.5% Increase	0.5% Decrease	0.5% Increase	0.5% Increase	0.5% Increase	0.5% Increase
(€ million)						
December 31, 2021						
Italian defined benefit plans	(9)	9	6			
Foreign defined benefit plans	(49)	55	34	11		28
FISDE, foreign medical plans and other	(10)	11			10	
Other benefit plans	(4)	1	1			
December 31, 2020						
Italian defined benefit plans	(10)	6	7			
Foreign defined benefit plans	(84)	92	47	25		67
FISDE, foreign medical plans and other	(10)	7			11	
Other benefit plans	(3)	1	1			

The sensitivity analysis was performed based on the results for each plan through assessments calculated considering modified parameters.

The amount of contributions expected to be paid for employee benefit plans in the next year amounted to €123 million, of which €40 million related to defined benefit plans.

The following is an analysis by maturity date of the liabilities for employee benefit plans and their relative weighted average duration:

	Italian defined benefit plans	Foreign defined benefit plans	FISDE, foreign medical plans and other	Other benefit plans		
(€ million)						
December 31, 2021						
2022	16	23	9	83		
2023	16	24	7	80		
2024	18	29	7	69		
2025	20	24	7	25		
2026	20	25	7	11		
2027 and thereafter	137	4	125	33		
Weighted average duration		(years)	9.8	17.6	13.6	3.1
December 31, 2020						
2021	12	44	8	71		
2022	13	42	7	66		
2023	17	50	7	63		
2024	20	63	7	16		
2025	21	67	7	12		
2026 and thereafter	175	227	146	40		
Weighted average duration		(years)	8.2	19.1	13.7	2.8

23 DEFERRED TAX ASSETS AND LIABILITIES

(€ million)	December 31, 2021	December 31, 2020
Deferred tax liabilities before offsetting	10,668	8,581
Deferred tax assets available for offset	(5,833)	(3,057)
Deferred tax liabilities	4,835	5,524
Deferred tax assets before offsetting (net of accumulated write-down provisions)	8,546	7,166
Deferred tax liabilities available for offset	(5,833)	(3,057)
Deferred tax assets	2,713	4,109

The most significant temporary differences giving rise to net deferred tax assets and liabilities are disclosed below:

(€ million)	Carrying amount at December 31, 2021	Carrying amount at December 31, 2020
Deferred tax liabilities		
- Accelerated tax depreciation	7,346	6,171
- Leasing	1,076	1,089
- Derivative financial instruments	916	27
- Difference between the fair value and the carrying amount of assets acquired	408	415
- Site restoration and abandonment (tangible assets)	166	199
- Application of the weighted average cost method in evaluation of inventories	87	56
- Other	669	624
	10,668	8,581
Deferred tax assets, gross		
- Carry-forward tax losses	(7,374)	(6,983)
- Site restoration and abandonment (provisions for contingencies)	(2,400)	(2,211)
- Timing differences on depreciation and amortization	(2,354)	(2,206)
- Impairment losses	(1,417)	(1,213)
- Accruals for impairment losses and provisions for contingencies	(1,095)	(1,371)
- Leasing	(1,091)	(1,113)
- Derivative financial instruments	(343)	(2)
- Over/Under lifting	(219)	(211)
- Employee benefits	(155)	(213)
- Unrealized intercompany profits	(71)	(117)
- Other	(631)	(591)
	(17,150)	(16,231)
Accumulated write-downs of deferred tax assets	8,604	9,065
Deferred tax assets, net	(8,546)	(7,166)

The following table summarizes the changes in deferred tax liabilities and assets:

(€ million)	Deferred tax liabilities, gross	Deferred tax assets, gross	Accumulated write-downs of deferred tax assets	Deferred tax assets, net of impairments
Carrying amount at December 31, 2020	8,581	(16,231)	9,065	(7,166)
Additions	1,977	(1,783)	270	(1,513)
Deductions	(765)	1,804	(863)	941
Currency translation differences	683	(682)	186	(496)
Other changes	192	(258)	(54)	(312)
Carrying amount at December 31, 2021	10,668	(17,150)	8,604	(8,546)
Carrying amount at December 31, 2019	9,583	(15,767)	6,744	(9,023)
Additions	960	(2,649)	2,638	(11)
Deductions	(1,326)	1,357	(130)	1,227
Currency translation differences	(725)	742	(192)	550
Other changes	89	86	5	91
Carrying amount at December 31, 2020	8,581	(16,231)	9,065	(7,166)

Carry-forward tax losses amounted to €27,948 million, of which €19,515 million can be carried forward indefinitely. Carry-forward tax losses were €16,260 million and €11,688 million at Italian subsidiaries and foreign subsidiaries, respectively. Deferred tax assets gross of accumulated write-downs recognized on these losses amounted to €3,914 million and €3,460 million, respectively.

Italian taxation law allows the carry-forward of tax losses indefinitely. Foreign taxation laws generally allow the carry-

forward of tax losses over a period longer than five years, and in many cases, indefinitely. A tax rate of 24% was applied to tax losses of Italian subsidiaries to determine the portion of the carry-forwards tax losses. The corresponding average rate for foreign subsidiaries was 29.6%.

Accumulated write-downs of deferred tax assets related to Italian companies for €6,609 million and non-Italian companies for €1,995 million.

Taxes are also described in note 33 - Income taxes.

24 DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGE ACCOUNTING

(€ million)	December 31, 2021			December 31, 2020		
	Fair value asset	Fair value liability	Level of Fair value	Fair value asset	Fair value liability	Level of Fair value
Non-hedging derivatives						
<i>Derivatives on exchange rate</i>						
- Currency swap	113	39	2	125	127	2
- Interest currency swap	30	7	2	128	2	2
- Outright	3	11	2	4	7	2
	146	57		257	136	
<i>Derivatives on interest rate</i>						
- Interest rate swap	13	43	2	23	74	2
	13	43		23	74	
<i>Derivatives on commodities</i>						
- Future	603	496	1	418	447	1
- Over the counter	102	121	2	89	77	2
- Other	1	55	2	5		2
	706	672		512	524	
	865	772		792	734	
Trading derivatives						
<i>Derivatives on commodities</i>						
- Over the counter	12,050	11,939	2	1,167	1,451	2
- Future	6,555	5,002	1	440	525	1
- Options				4	3	2
	18,605	16,941		1,611	1,979	
Cash flow hedge derivatives						
<i>Derivatives on commodities</i>						
- Over the counter	7	735	2	209	30	2
- Future	193	1,672	1	119	8	1
	200	2,407		328	38	
<i>Derivatives on interest rate</i>						
- Interest rate swap		3	2			
		3				
	200	2,410		328	38	
Options						
- Option embedded in convertible bonds				2	2	2
- other options		62	3		51	3
		62		2	53	
Gross amount	19,670	20,185		2,733	2,804	
Offsetting	(7,159)	(7,159)		(1,033)	(1,033)	
Net amount	12,511	13,026		1,700	1,771	
Of which:						
- current	12,460	12,911		1,548	1,609	
- non-current	51	115		152	162	

During 2021, Eni entered into sustainability-linked interest currency swaps with leading banking institutions which provide for a cost adjustment mechanism linked to the achievement of certain sustainability targets. At December 31, 2021, the fair value of these contracts amounted to €1 million.

Eni is exposed to the market risk, which is the risk that changes in prices of energy commodities, exchange rates and interest rates could reduce the expected cash flows or the fair value of the assets. Eni enters into financial and commodities derivatives traded on organized markets (like MTF and OTF) and into commodities derivatives traded over the counter (swaps, forward, contracts for differences and options on commodities) to reduce this risk in relation to the underlying commodities, currencies or interest rates and, to a limited extent, in compliance with internal authorization thresholds, with speculative purposes to profit from expected market trends. Derivatives fair values were estimated based on market quotations provided by primary info-provider or, alternatively, appropriate valuation techniques generally adopted in the marketplace.

Fair values of non-hedging derivatives related to derivatives that did not meet the formal criteria to be designated as hedges under IFRS.

Fair values of trading derivatives comprised forward sale contracts of natural gas for physical delivery which were not entitled to the own use exemption, as well as derivatives for proprietary trading activities.

Fair values of cash flow hedge derivatives essentially related to commodity hedges were entered into by the Global Gas & LNG Portfolio segment. These derivatives were entered into to hedge variability in future cash flows associated with highly probable future trade transactions of gas or electricity or on already contracted trades due to different indexation

mechanisms of supply costs versus selling prices. A similar scheme applies to exchange rate hedging derivatives. The existence of a relationship between the hedged item and the hedging derivative is checked at inception to verify eligibility for hedge accounting by observing the offset in changes of the fair values at both the underlying commodity and the derivative. The hedging relationship is also stress-tested against the level of credit risk of the counterparty in the derivative transaction. The hedge ratio is defined consistently with the Company's risk management objectives, under a defined risk management strategy. The hedging relationship is discontinued when it ceases to meet the qualifying criteria and the risk management objectives on the basis of which hedge accounting has initially been applied.

The effects of the measurement at fair value of cash flow hedge derivatives are given in note 26 - Equity. Information on hedged risks and hedging policies is disclosed in note 28 - Guarantees, commitments and risks - Risk factors.

In 2021, the exposure to the exchange rate risk deriving from securities denominated in U.S. dollars included in the strategic liquidity portfolio amounting to €2,109 million was hedged by using, in a fair value hedge relationship, negative exchange differences for €153 million resulting on a portion of bonds denominated in U.S. dollars amounting to €2,083 million.

Options embedded in convertible bonds at December 31, 2020, related to equity-linked cash settled. More information is disclosed in note 19 - Finance debts.

The offsetting of financial derivatives related to Eni Global Energy Markets.

During 2021, there were no transfers between the different hierarchy levels of fair value.

Hedging derivative instruments are disclosed below:

(€ million)	December 31, 2021			December 31, 2020		
	Nominal amount of the hedging instrument	Change in fair value (effective hedge)	Change in fair value (ineffective hedge)	Nominal amount of the hedging instrument	Change in fair value (effective hedge)	Change in fair value (ineffective hedge)
Cash flow hedge derivatives						
<i>Derivatives on commodity</i>						
- Over the counter	(461)	(2,016)	(46)	821	(438)	
- Future	(364)	534	(5)	541	158	(1)
	(825)	(1,482)	(51)	1,362	(280)	(1)
<i>Derivatives on interest rate</i>						
- Interest rate swap	84	3				
	84	3				
	(741)	(1,479)	(51)	1,362	(280)	(1)

The breakdown of the underlying asset or liability by type of risk hedged under cash flow hedge is provided below:

(€ million)	December 31, 2021			December 31, 2020		
	Change of the underlying asset used for the calculation of hedging ineffectiveness	CFH reserve	Reclassification adjustments	Change of the underlying asset used for the calculation of hedging ineffectiveness	CFH reserve	Reclassification adjustments
Cash flow hedge derivatives						
<i>Commodity price risk</i>						
- Planned sales	86	(1,272)	(215)	284	(7)	(941)
	86	(1,272)	(215)	284	(7)	(941)
<i>Derivatives on interest rate</i>						
- hedged flows	(3)	3				
	(3)	3				
	83	(1,269)	(215)	284	(7)	(941)

More information is reported in note 28 - Guarantees, Commitments and Risks - Financial risks.

EFFECTS RECOGNIZED IN OTHER OPERATING PROFIT (LOSS)

Other operating profit (loss) related to derivative financial instruments on commodity was as follows:

(€ million)	2021	2020	2019
Net income (loss) on cash flow hedging derivatives	(51)	(1)	(2)
Net income (loss) on other derivatives	954	(765)	289
	903	(766)	287

Net income (loss) on cash flow hedging derivatives related to the ineffective portion of the hedging relationship on commodity derivatives was recognized through profit and loss.

Net income (loss) on other derivatives included the fair value

measurement and settlement of commodity derivatives which could not be elected for hedge accounting under IFRS because they related to net exposure to commodity risk and derivatives for trading purposes and proprietary trading.

EFFECTS RECOGNIZED IN FINANCE INCOME (LOSS)

(€ million)	2021	2020	2019
Derivatives on exchange rate	(322)	391	9
Derivatives on interest rate	16	(40)	(23)
	(306)	351	(14)

Net financial income from derivative financial instruments was recognized in connection with the fair value valuation of certain derivatives which lacked the formal criteria to be treated in accordance with hedge accounting under IFRS, as they were entered into for amounts equal to the net exposure to exchange rate risk and interest rate risk, and as such, they

cannot be referred to specific trade or financing transactions. Exchange rate derivatives were entered into in order to manage exposures to foreign currency exchange rates arising from the pricing formulas of commodities.

More information is disclosed in note 36 - Transactions with related parties.

25 ASSETS HELD FOR SALE AND LIABILITIES DIRECTLY ASSOCIATED WITH ASSETS HELD FOR SALE

As of December 31, 2021, assets held for sale and directly associated liabilities of €263 million (€44 million at December 31, 2020) and €124 million, respectively, related to: (i) an agreement for the sale of the entire Pakistan assets to Prime International Oil & Gas Company involving the 100% stake of the consolidated companies Eni AEP Ltd, Eni Pakistan Ltd, Eni Pakistan (M) Ltd Sàrl and Eni New Energy Pakistan (Private) Ltd. The activities covered by the agreement include interests in eight development and production licenses in the Kithar Fold Belt, and the Middle

Indus Basins and four exploration licenses in the Middle Insud and the Indus Offshore Basins. The carrying amount of assets held for sale and liabilities directly associated amounted to €114 million (of which current assets for €81 million) and €124 million (of which current liabilities for €34 million), respectively; (ii) the sale of the investment Gas Distribution Company of Thessaloniki - Thessaly SA, operating in the gas distribution business in Greece for €135 million; (iii) the sale of tangible assets for a total carrying amount of €14 million.

26 EQUITY

EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF ENI

(€ million)	December 31, 2021	December 31, 2020
Share capital	4,005	4,005
Retained earnings	22,750	34,043
Cumulative currency translation differences	6,530	3,895
Other reserves and equity instruments:		
- Perpetual subordinated bonds	5,000	3,000
- Legal reserve	959	959
- Reserve for treasury shares	958	581
- Reserve for OCI on cash flow hedging derivatives net of the tax effect	(896)	(5)
- Reserve for OCI on defined benefit plans net of tax effect	(117)	(158)
- Reserve for OCI on equity-accounted investments	54	85
- Reserve for OCI on other investments valued at fair value	141	36
- Other reserves	190	190
Treasury shares	(958)	(581)
Net profit (loss) for the year	5,821	(8,635)
	44,437	37,415

SHARE CAPITAL

As of December 31, 2021, the parent company's issued share capital consisted of €4,005,358,876 (same amount as of December 31, 2020) represented by 3,605,594,848 ordinary shares without nominal value (same amount at December 31, 2020).

On May 12, 2021, Eni's Shareholders' Meeting declared: (i) to distribute a dividend of €0.24 per share, with the exclusion of treasury shares held at the ex-dividend date, in full settlement of the 2020 dividend of €0.36 per share, of which €0.12 per share paid as interim dividend. The balance was paid on May

26, 2021, to shareholders on the register on May 24, 2021, record date on May 25, 2021; (ii) to authorize the Board of Directors pursuant to and for art. 2357 of the Civil Code to proceed, within 18 months from the date of the resolution, with the purchase of a maximum number of shares equal to 7% of the ordinary shares (and 7% of the share capital) of the Company (without calculating treasury shares already owned), for a total amount up to €1,600 million. In execution of this resolution, at December 31, 2021, 34,106,871 shares were acquired, for a total value of €400 million.

RETAINED EARNINGS

Retained earnings include the interim dividend distribution effect for 2021 amounting to €1,533 million corresponding to

€0.43 per share, as resolved by the Board of Directors on July 29, 2021, in accordance with article 2433-bis, paragraph 5 of the Italian Civil Code; the dividend was paid on September 22, 2021.

CUMULATIVE FOREIGN CURRENCY TRANSLATION DIFFERENCES

The cumulative foreign currency translation differences arose from the translation of financial statements denominated in

currencies other than euro.

PERPETUAL SUBORDINATED HYBRID BONDS

In 2021, Eni issued two euro-denominated perpetual subordinated hybrid bonds for an aggregate nominal amount of €2 billion; issuing costs amounted to €15 million.

The hybrid bonds are governed by English law and are traded on the regulated market of the Luxembourg Stock Exchange. As of December 31, 2021, hybrid bonds amounted to €5 billion. The key characteristics of the two bonds are: (i) an issue of €1.5 billion perpetual 5.25-year subordinated non-call hybrid notes with a re-offer price of 99.403% and an annual fixed coupon of 2.625% until the first reset date of January 13, 2026. As from such date, unless it has been redeemed in whole on or before the first reset date, which is the last day for the first optional redemption, the bond will bear interest per annum determined according to the relevant 5-year Euro Mid Swap rate plus an initial spread of 316.7 basis points, increased by an additional 25 basis points as from January 13, 2031 and a subsequent increase of additional 75 basis points as from January 13, 2046; (ii) an issue of €1.5 billion perpetual 9-year subordinated non-call hybrid notes with a re-offer price of 100% and an annual fixed coupon of 3.375% until the first reset date of October 13, 2029. As from such date, unless it has been redeemed in whole on or before the first reset date, which is the last day for the first optional redemption, the bond will bear interest per annum determined according to the relevant 5-year

Euro Mid Swap rate plus an initial spread of 364.1 basis points, increased by additional 25 basis points as from October 13, 2034 and a subsequent increase of additional 75 basis points as from October 13, 2049; (iii) an issue of €1 billion perpetual 6-year subordinated non-call hybrid notes with a re-offer price of 100% and an annual fixed coupon of 2.000% until the first reset date of May 11, 2027. As from such date, unless it has been redeemed in whole on or before the first reset date, which is the last day for the first optional redemption, the bond will bear interest per annum determined according to the relevant 5-year Euro Mid Swap rate plus an initial spread of 220.4 basis points, increased by additional 25 basis points as from May 11, 2032 and a subsequent increase of additional 75 basis points as from May 11, 2047; (iv) an issue of €1 billion perpetual 9-year subordinated non-call hybrid notes with a re-offer price of 99.607% and an annual fixed coupon of 2.750% until the first reset date of May 11, 2030. As from such date, unless it has been redeemed in whole on or before the first reset date, which is the last day for the first optional redemption, the bond will bear interest per annum determined according to the relevant 5-year Euro Mid Swap rate plus an initial spread of 277.1 basis points, increased by additional 25 basis points as from May 11, 2035 and a subsequent increase of additional 75 basis points as from May 11, 2050.

LEGAL RESERVE

This reserve represents earnings restricted from the payment of dividends pursuant to Article 2430 of the Italian Civil Code.

The legal reserve has reached the maximum amount required by the Italian Law.

RESERVE FOR TREASURY SHARES

The reserve for treasury shares represents the reserve that was established in previous reporting periods to repurchase

the Company shares in accordance with resolutions at Eni's Shareholders' Meetings.

RESERVES FOR OTHER COMPREHENSIVE INCOME

(€ million)	Reserve for OCI on cash flow hedge derivatives			Reserve for OCI on defined benefit plans			Reserve for OCI on equity accounted investments ^(*)	Reserve for OCI on investments valued at fair value
	Gross reserve	Deferred tax	Net reserve	Gross reserve	Deferred tax liabilities	Net reserve		
Reserve as of December 31, 2020	(7)	2	(5)	(205)	47	(158)	85	36
Changes of the year	(1,479)	434	(1,045)	119	(77)	42	(32)	105
Currency translation differences				2	(3)	(1)	1	
Reversal to inventories adjustments	2	(1)	1					
Reclassification adjustments	215	(62)	153					
Reserve as of December 31, 2021	(1,269)	373	(896)	(84)	(33)	(117)	54	141
Reserve as of December 31, 2019	(656)	191	(465)	(183)	17	(166)	53	12
Changes of the year	(280)	81	(199)	(16)	25	9	32	24
Currency translation differences				(6)	5	(1)		
Reversal to inventories adjustments	(12)	3	(9)					
Reclassification adjustments	941	(273)	668					
Reserve as of December 31, 2020	(7)	2	(5)	(205)	47	(158)	85	36

* Reserve for OCI on equity-accounted investments at December 31, 2021 includes €-4 million relating to defined benefit plans (€-7 million at December 31, 2020).

OTHER RESERVES

Other reserves related to a reserve of €127 million representing the increase in equity attributable to Eni associated with a

business combination under common control, whereby the parent company Eni SpA divested its subsidiaries.

TREASURY SHARES

A total of 65,838,173 of Eni's ordinary shares (33,045,197 at December 31, 2020) were held in treasury for a total cost of €958 million (€581 million at December 31, 2020).

During 2021, 34,106,871 shares were acquired, for a total value of €400 million, and 1,313,895 treasury shares were assigned free of charge to Eni executives, following the conclusion of the Vesting Period as required by the "Long-Term Monetary

Incentive Plan 2017-2019" approved by Eni's Shareholders' Meeting of April 13, 2017.

On May 13, 2021, the Shareholders Meeting approved the Long-Term Monetary Incentive Plan 2020-2022 and empowered the Board of Directors to execute the Plan by authorizing it to dispose up to a maximum of 20 million of treasury shares in service of the Plan.

DISTRIBUTABLE RESERVES

As of December 31, 2021, equity attributable to Eni included distributable reserves of approximately €34 billion.

RECONCILIATION OF NET PROFIT AND EQUITY ATTRIBUTABLE TO ENI OF THE PARENT COMPANY ENI SPA TO CONSOLIDATED NET PROFIT AND EQUITY ATTRIBUTABLE TO ENI

(€ million)	Net profit (loss)		Shareholders' equity	
	2021	2020	December 31, 2021	December 31, 2020
As recorded in Eni SpA's Financial Statements	7,675	1,607	51,039	44,707
Excess of net equity stated in the separate accounts of consolidated subsidiaries over the corresponding carrying amounts of the parent company	(3,324)	(10,660)	(9,910)	(8,839)
Consolidation adjustments:				
- difference between purchase cost and underlying carrying amounts of net equity		(6)	153	193
- adjustments to comply with Group accounting policies	1,855	264	4,266	2,086
- elimination of unrealized intercompany profits	(176)	88	(654)	(478)
- deferred taxation	(190)	79	(375)	(176)
	5,840	(8,628)	44,519	37,493
Non-controlling interest	(19)	(7)	(82)	(78)
As recorded in Consolidated Financial Statements	5,821	(8,635)	44,437	37,415

27 OTHER INFORMATION

SUPPLEMENTAL CASH FLOW INFORMATION

(€ million)	2021	2020	2019
Investment in consolidated subsidiaries and businesses			
Current assets	262	15	1
Non-current assets	2,698	193	12
Net borrowings	(486)	(64)	
Current and non-current liabilities	(349)	(17)	(6)
Net effect of investments	2,125	127	7
Fair value of investments held before the acquisition of control	(99)		
Non-controlling interests	(4)	(15)	(2)
Purchase price	2,022	112	5
<i>Cash and cash equivalents acquired</i>	<i>(121)</i>	<i>(3)</i>	
Consolidated subsidiaries and businesses net of cash and cash equivalent acquired	1,901	109	5
Disposal of consolidated subsidiaries and businesses			
Current assets	2		77
Non-current assets			188
Net borrowings			11
Current and non-current liabilities			(57)
Net effect of disposals	2		219
Reclassification of foreign currency translation differences among other items of OCI			(24)
Gain (loss) on disposal			16
Selling price	2		211
<i>Cash and cash equivalents sold</i>			<i>(24)</i>
Consolidated subsidiaries and businesses net of cash and cash equivalent disposed of before business combination	2		187
Business combination Unión Fenosa Gas			
Investment in Unión Fenosa Gas sold	232		
Investments and businesses acquired			
Current assets	370		
Non-current assets	378		
Net borrowings	(128)		
Long-term and short-term liabilities	(420)		
Total investments and businesses acquired	200		
Total net disposals	32		
<i>Cash and cash equivalents acquired</i>	<i>42</i>		
Business combination Unión Fenosa Gas net of cash and cash equivalent acquired	74		
Consolidated subsidiaries and businesses net of cash and cash equivalent disposed of	76		187

Investments in 2021 are disclosed in note 5 - Business Combinations and other significant transactions.

Disposals in 2021 concerned the restructuring of Unión Fenosa Gas SA following the agreement signed with the authorities of the Arab Republic of Egypt (ARE) and the Spanish company Naturgy for the resolution of all pending issues with the Egyptian partners relating to the joint venture Unión Fenosa Gas which resulted in a cash adjustment to Eni, included in the divestments.

Investments in 2020 related to the acquisition by Eni gas e luce SpA Società Benefit of a 70% controlling stake in Evolvere, a group operating in the business of distributed generation from renewable sources for €97 million, net of acquired cash of €3 million, and to the acquisition by Eni New Energy SpA of the

whole capital of three companies holding authorization rights for the construction of three wind projects in Puglia for €12 million. The allocation of the purchase price of both business combinations is final.

Investments in 2019 concerned: (i) the acquisition of a 60% stake of SEA SpA, which supplies services and solutions for energy efficiency in the residential and industrial segments in Italy; (ii) the acquisition of the residual 32% interest in the joint operation Petroven Srl, which operates storage facilities of petroleum products.

Disposals in 2019 concerned the sale of 100% of the stake of Agip Oil Ecuador BV, which retains a service contract for the development of the Villano oil field.

28 GUARANTEES, COMMITMENTS AND RISKS

GUARANTEES

(€ million)	December 31, 2021	December 31, 2020
Consolidated subsidiaries	6,432	4,758
Unconsolidated subsidiaries	190	176
Joint ventures and associates	3,358	3,800
Others	180	150
	10,160	8,884

Guarantees issued on behalf of consolidated subsidiaries primarily consisted of: (i) guarantees given to third parties relating to bid bonds and performance bonds for €3,601 million (€3,209 million at December 31, 2020); (ii) independent guarantee contracts issued by the Exploration & Production segment primarily in relation to Oil & Gas activities for €943 million; (iii) independent guarantee contracts issued to third parties for the purchase of equity investments for €913 million. At December 31, 2021, the underlying commitment issued on behalf of consolidated subsidiaries covered by such guarantees was €6,267 million (€4,520 million at December 31, 2020).

Guarantees issued on behalf of joint ventures and associates primarily consisted of: (i) unsecured guarantees and other guarantees for €1,413 million (€1,533 million at December 31, 2020) issued towards banks and other lending institutions in relation to loans and lines of credit received related to guarantees issued as part of the Coral development project offshore Mozambique with respect to the financing agreements of the project with Export Credit Agencies and banks (€1,304 million at December 31, 2020); (ii) guarantees given to third parties relating to bid bonds and performance bonds for €1,764 million (€1,544 million at December 31, 2020), of which €1,260 million (€1,079 million at December 31, 2020) related to guarantees issued towards the contractors who are building a floating vessel for gas liquefaction and exportation (FLNG) as part of the Coral development project offshore Mozambique; (iii) during 2021 the unsecured guarantee of €499 million as of December 31, 2020, given by Eni SpA on behalf of the participated Saipem joint venture to Treno Alta Velocità - TAV SpA (now RFI - Rete Ferroviaria Italiana SpA) for the proper and timely completion of a project for the construction of the Milan-Bologna fast track railway by the CEPAV (Consorzio Eni per l'Alta Velocità) Uno was canceled; (iv) a guarantee issued in favor of Gulf LNG Energy and Gulf LNG Pipeline and on behalf of Angola LNG Supply Service Llc (Eni's interest 13.60%) to cover contractual commitments of paying re-gasification fees for

€179 million (€165 million at December 31, 2020). At December 31, 2021, the underlying commitment issued on behalf of joint ventures and associates covered by such guarantees was €1,816 million (€1,898 million at December 31, 2020).

Guarantees issued on behalf of third parties related for €157 million (€145 million at December 31, 2020) to the share of the guarantee attributable to the State oil Company of Mozambique ENH, which was assumed by Eni in favor of the consortium financing the construction of the Coral project FLNG vessel. At December 31, 2021, the underlying commitment issued on behalf of third parties covered by such guarantees was €124 million (€87 million at December 31, 2020).

As provided by the contract that regulates the petroleum activities in Area 4 offshore Mozambique, Eni SpA in its capacity as parent company of the operator has provided concurrently with the approval of the development plan of the reserves which are located exclusively within the concession area, an irrevocable and unconditional parent company guarantee in respect of any possible claims or any contractual breaches in connection with the petroleum activities to be carried out in the contractual area, including those activities in charge of the special purpose entities like Coral FLNG SA, to the benefit of the Government of Mozambique and third parties. The obligations of the guarantor towards the Government of Mozambique are unlimited (non-quantifiable commitments), whereas they provide a maximum liability of €1,324 million in respect of third-parties claims. This guarantee will be effective until the completion of any decommissioning activity related to both the development plan of Coral as well as any development plan to be executed within Area 4 (particularly the Mamba project). This parent company guarantee issued by Eni covering 100% of the aforementioned obligations was taken over by the other concessionaires (Kogas, Galp and ENH) and by ExxonMobil and CNPC shareholders of the joint venture Mozambique Rovuma Venture SpA, in proportion to their respective participating interest in Area 4.

COMMITMENTS AND RISKS

(€ million)	December 31, 2021	December 31, 2020
Commitments	75,201	69,998
Risks	934	600
	76,135	70,598

Commitments related to: (i) parent company guarantees that were issued in connection with certain contractual commitments for hydrocarbon exploration and production activities and quantified, based on the capital expenditures to be incurred, to be €70,039 million (€64,294 million at December 31, 2020). The increase of €5,745 million was essentially determined by exchange rate differences; (ii) a parent company guarantee of €3,532 million (€3,260 million at December 31, 2020) given on behalf of Eni Abu Dhabi Refining & Trading BV following the Share Purchase Agreement to acquire from Abu Dhabi National Oil Company (ADNOC) a 20% equity interest in ADNOC Refining and the set-up of ADNOC Global Trading Ltd dedicated to marketing petroleum products. The parent company guarantee still outstanding has been issued to guarantee the obligations set out in the Shareholders Agreements and will remain in force as long as the investment is maintained; (iii) during 2021, the commitment of €1,672 million as of December 31, 2020, assumed by Eni USA Gas Marketing Llc towards Angola LNG Supply Service Llc for the purchase of volumes of re-gasified gas at the Pascagoula plant (United States) over a twenty-year period (until 2031) was ended definitively; (iv) a commitment of €385 million for the sale to Sharn Rete Gas SpA of 49.9% of the investments held in Trans Tunisian Pipeline Company SpA and Transmediterranean Pipeline Co Ltd, companies that manage the international gas pipelines that connect Algeria to Italy; (v) a commitment of €262 million for the purchase of 20% of the project relating to Dogger Bank (C) wind farm in the North Sea; (vi) commitments of the Plenitude business line for the purchase of renewable energy projects in Spain and Greece for €250 million; (vii) the memorandum of intent signed with the Basilicata Region, whereby Eni has agreed to invest €106 million (€108 million at December 31, 2020) in the future, also on account of Shell Italia E&P SpA, in connection with Eni's development plan of oilfields in Val d'Agri. The commitment has been included in the off-balance sheet contractual commitments in the following paragraph "Liquidity risk"; (viii) a commitment for €99 million of EniPower SpA for the purchase of two new gas turbines.

Risks relate to potential risks associated with: (i) contractual assurances given to acquirers of certain investments and businesses of Eni for €246 million (€230 million at December 31, 2020); (ii) assets of third parties under the custody of Eni for €688 million (€370 million at December 31, 2020).

OTHER COMMITMENTS AND RISKS

A parent company guarantee was issued on behalf of Cardón IV SA (Eni's interest 50%), a joint venture operating the Perla gas field located in Venezuela, for the supply to PDVSA GAS of the volumes of gas produced by the field until the end of the concession agreement (2036). In case of failure on part of the operator to deliver the contractual gas volumes out of production, the claim under the guarantee will be determined by applying the local legislation. Eni's share (50%) of the contractual volumes of gas to be delivered to PDVSA GAS

amounted to a total of around €11 billion. Notwithstanding this amount does not properly represent the guarantee exposure, nonetheless such amount represents the maximum financial exposure at risk for Eni. A similar guarantee was issued by PDVSA on behalf of Eni for the fulfillment of the purchase commitments of the gas volumes by PDVSA GAS.

Other commitments include the agreements entered into for forestry initiatives, implemented within the low carbon strategy defined by the Company, concerning the commitments for the purchase, until 2038, of carbon credits produced and certified according to international standards by subjects specialized in forest conservation programs.

In the final months of 2021, the Saipem investment, jointly controlled by Eni (31.2%) and the Italian agency CDP, experienced a significant deterioration in the industrial performance as a consequence of incurred large contract works losses and assets impairment charges, which materially eroded net equity and negatively affected solvency and indebtedness ratios. The worsening of the results compared to expectations was communicated to the market at the beginning of 2022. A new management team was appointed in March 2022 to prepare an industrial plan to restore profitability, boost the cash generation and reduce net borrowings. On those basis, the new management team is expected to design a financial and equity restructuring of the venture, which will entail a capital increase of €2 billion by the end of the year to which Eni will contribute in proportion to its interest (approximately €0.61 billion).

On February 5, 2021, Eni Servizi SpA (Eni Servizi) signed on behalf of Eni SpA (Eni) an addendum to the lease contract of a property to be built signed between Eni and the management company of the real estate investment fund owner of the new complex under construction in San Donato Milanese (the Property), including the postponement of the delivery date of the property from July 28, 2020 to December 31, 2021. Since this new delivery date has not been met either, starting from January 1, 2022 Eni would have the right to apply penalties to the Property. In this context, the Property complained that the delays would not be entirely attributable to itself, at least for the construction of the building complex (not also for the public works), as the works were slowed down by several factors: (i) effects of the pandemic crisis; (ii) alleged defects found in relation to the preparatory works for the sale of the area; (iii) alleged design defects. Also on the basis of these complaints, with communications dated November and December 2021, the Property expressed its intention to charge Eni Servizi and/or Eni at least part of the requests that its contractor formulated towards the Property, equal to approximately €117 million at the balance sheet date.

In this regard, confirming the complete impartiality and neutrality of Eni and Eni Servizi with respect to the contractual relationships between the Property and its contractor (confirmed in several communications), the Company reaffirms the following:

- ▶ the delays relating to points i) and ii) have already been object of a settlement in the aforementioned agreement of

February 5, 2021 and therefore reabsorbed in the delivery date of December 31, 2021;

- ▶ with regard to point iii), the Property in the purchase contract of the area declared to accept the project without any reservation or exception assuming all the consequent risks and responsibilities, as well as to not to be entitled to any higher payment, compensation or extension of terms for errors, omissions or other defects in the project.

The above concerns out-of-court communications between the parties, as no litigation has been initiated to date. At the moment, therefore, it is not known what could be the object, the reasons or the probative allegations of a possible legal action brought by the counterparty.

Eni is liable for certain non-quantifiable risks related to contractual guarantees given to acquirers of certain Eni assets, including businesses and investments, against certain contingent liabilities deriving from tax, social security contributions, environmental issues and other matters applicable to periods during which such assets were operated by Eni. Eni believes such matters will not have a material adverse effect on Eni's results of operations and cash flow.

RISK FACTORS

The following is the description of financial risks and their management and control. With reference to the issues related to credit risk, the parameters adopted for the determination of expected losses and, in particular, the estimates of the probability of default and the loss given default have been updated to take into account the impacts of COVID-19 and its related effects on the economic context.

As of December 31, 2021, the Company retains liquidity reserves that management deems enough to meet the financial obligations due in the next eighteen months. No significant effects were reported on hedging transactions connected to the impacts of COVID-19 on the economic context.

FINANCIAL RISKS

Financial risks are managed in respect of the guidelines issued by the Board of Directors of Eni SpA in its role of directing and setting the risk limits, targeting to align and centrally coordinate Group companies' policies on financial risks ("Guidelines on financial risks management and control"). The "Guidelines" define for each financial risk the key components of the management and control process, such as the target of the risk management, the valuation methodology, the structure of limits, the relationship model and the hedging and mitigation instruments.

MARKET RISK

Market risk is the possibility that changes in currency exchange rates, interest rates or commodity prices will adversely affect the value of the Group's financial assets, liabilities or expected future cash flows. The Company actively manages market risk

in accordance with a set of policies and guidelines that provide a centralized model of handling finance, treasury and risk management transactions based on the Company's departments of operational finance: the parent company's (Eni SpA) finance department, Eni Finance International SA and Banque Eni SA, which is subject to certain bank regulatory restrictions preventing the Group's exposure to concentrations of credit risk, and Eni Trade & Biofuels SpA and Eni Global Energy Markets SpA that are in charge to execute certain activities relating to commodity derivatives. In particular, Eni Corporate finance department and Eni Finance International SA manage subsidiaries' financing requirements in and outside Italy, respectively, covering funding requirements and using available surpluses. All transactions concerning currencies and derivative contracts on interest rates and currencies different from commodities of Eni are managed by Eni Corporate finance department, while Eni Trade & Biofuels SpA and Eni Global Energy Markets SpA execute the negotiation of commodity derivatives over the market. Eni SpA, Eni Trade & Biofuels SpA and Eni Global Energy Markets SpA (also through the subsidiary Eni Trading & Shipping Inc) perform trading activities in financial derivatives on external trading venues, such as European and non-European regulated markets, Multilateral Trading Facility (MTF), Organized Trading Facility (OTF), or similar and brokerage platforms (i.e. SEF), and over the counter on a bilateral basis with external counterparties. Other legal entities belonging to Eni that require financial derivatives enter into these transactions through Eni Trade & Biofuels SpA, Eni Global Energy Markets SpA and Eni SpA based on the relevant asset class expertise. Eni uses derivative financial instruments (derivatives) in order to minimize exposure to market risks related to fluctuations in exchange rates relating to those transactions denominated in a currency other than the functional currency (the euro) and interest rates, as well as to optimize exposure to commodity prices fluctuations taking into account the currency in which commodities are quoted. Eni monitors every activity in derivatives classified as risk-reducing directly or indirectly related to covered industrial assets, so as to effectively optimize the risk profile to which Eni is exposed or could be exposed. If the result of the monitoring shows those derivatives should not be considered as risk reducing, these derivatives are reclassified in proprietary trading. As proprietary trading is considered separately from the other activities in specific portfolios of Eni Trade & Biofuels SpA and Eni Global Energy Markets SpA, their exposure is subject to specific controls, both in terms of Value at Risk (VaR) and stop loss and in terms of nominal gross value. For Eni, the gross nominal value of proprietary trading activities is compared with the limits set by the relevant international standards. The framework defined by Eni's policies and guidelines provides that the valuation and control of market risk is performed on the basis of maximum tolerable levels of risk exposure defined in terms of limits of stop loss, which expresses the maximum tolerable amount of losses associated with a certain portfolio of assets over a pre-defined time horizon; limits of revision strategy, which

consist in the triggering of a revision process of the strategy in the event of exceeding the level of profit and loss given and VaR, which measures the maximum potential loss of the portfolio, given a certain confidence level and holding period, assuming adverse changes in market variables and taking into account the correlation among the different positions held in the portfolio. Eni's finance department defines the maximum tolerable levels of risk exposure to changes in interest rates and foreign currency exchange rates in terms of VaR, pooling Group companies' risk positions maximizing, when possible, the benefits of the netting activity. Eni's calculation and valuation techniques for interest rate and foreign currency exchange rate risks are in accordance with banking standards, as established by the Basel Committee for bank activities surveillance. Tolerable levels of risk are based on a conservative approach, considering the industrial nature of the Company. Eni's guidelines prescribe that Eni Group companies minimize such kinds of market risks by transferring risk exposure to the parent company finance department. Eni's guidelines define rules to manage the commodity risk aiming at optimizing core activities and pursuing preset targets of stabilizing industrial and commercial margins. The maximum tolerable level of risk exposure is defined in terms of VaR, limits of revision strategy, stop loss and volumes in connection with exposure deriving from commercial activities, as well as exposure deriving from proprietary trading, exclusively managed by Eni Trade & Biofuels SpA and Eni Global Energy Markets SpA. Internal mandates to manage the commodity risk provide for a mechanism of allocation of the Group maximum tolerable risk level to each business unit. In this framework, Eni Trade & Biofuels SpA and Eni Global Energy Markets SpA, in addition to managing risk exposure associated with their own commercial activity and proprietary trading, pool the requests for negotiating commodity derivatives and execute them in the marketplace.

According to the targets of financial structure included in the financial plan approved by the Board of Directors, Eni decided to retain a cash reserve to face any extraordinary requirement. Eni's finance department, with the aim of optimizing the efficiency and ensuring maximum protection of capital, manages such reserve and its immediate liquidity within the limits assigned. The management of strategic cash is part of the asset management pursued through transactions on own risk in view of optimizing financial returns, while respecting authorized risk levels, safeguarding the Company's assets and retaining quick access to liquidity. The four different market risks, whose management and control have been summarized above, are described below.

MARKET RISK - EXCHANGE RATE

Exchange rate risk derives from the fact that Eni's operations are conducted in currencies other than euro (mainly U.S. dollar). Revenues and expenses denominated in foreign currencies may be significantly affected by exchange rate fluctuations due to conversion differences on single transactions arising from the time lag existing between execution and definition of

relevant contractual terms (economic risk) and conversion of foreign currency-denominated trade and financing payables and receivables (transactional risk). Exchange rate fluctuations affect the Group's reported results and net equity as financial statements of subsidiaries denominated in currencies other than euro are translated from their functional currency into euro. Generally, an appreciation of U.S. dollar versus euro has a positive impact on Eni's results of operations, and vice versa. Eni's foreign exchange risk management policy is to minimize transactional exposures arising from foreign currency movements and to optimize exposures arising from commodity risk. Eni does not undertake any hedging activity for risks deriving from the translation of foreign currency denominated profits or assets and liabilities of subsidiaries, which prepare financial statements in a currency other than euro, except for single transactions to be evaluated on a case-by-case basis.

Effective management of exchange rate risk is performed within Eni's finance departments, which pool Group companies' positions, hedging the Group net exposure by using certain derivatives, such as currency swaps, forwards and options. Such derivatives are evaluated at fair value based on market prices provided by specialized info-providers. The VaR techniques are based on variance/covariance simulation models and are used to monitor the risk exposure arising from possible future changes in market values over a 24-hour period within a 99% confidence level and a 20-day holding period.

MARKET RISK - INTEREST RATE

Changes in interest rates affect the market value of financial assets and liabilities of the Company and the level of finance charges.

Eni's interest rate risk management policy is to minimize risk with the aim to achieve financial structure objectives defined and approved in management's "Finance plan". The Group's central departments pool borrowing requirements of the Group companies in order to manage net positions and fund portfolio developments consistent with management plan, thereby maintaining a level of risk exposure within prescribed limits. Eni enters into interest rate derivative transactions, in particular interest rate swaps, to effectively manage the balance between fixed and floating rate debt. Such derivatives are evaluated at fair value based on market prices provided from specialized sources. VaR deriving from interest rate exposure is measured daily based on a variance/covariance model, with a 99% confidence level and a 20-day holding period.

MARKET RISK - COMMODITY

Price risk of commodities is identified as the possibility that fluctuations in the price of materials and basic products produce significant changes in Eni's operating margins, determining an impact on the economic result such as to compromise the targets defined in the four-year plan and in the budget. The commodity price risk arises in connection with the following

exposures: (i) strategic exposure: exposures directly identified by the Board of Directors as a result of strategic investment decisions or outside the planning horizon of risk management. These exposures include, for example, exposures associated with the program for the production of Oil & Gas reserves, long-term gas supply contracts for the portion not balanced by sales contracts (already stipulated or expected), the margin deriving from the chemical transformation process, the refining margin and long-term storage functional to the logistic-industrial activities; (ii) commercial exposure: concerns the exposures related to components underlying the contractual arrangements of industrial and commercial (contracted exposure) activities normally related to the time horizon of the four-year plan and budget, components not yet under contract but which will be with reasonable certainty (commitment exposure) and the relevant activities of risk management. Commercial exposures are characterized by a systematic risk management activity conducted based on risk/return assumptions by implementing one or more strategies and subjected to specific risk limits (VaR, revision strategy limits and stop loss). In particular, the commercial exposures include exposures subjected to asset-backed hedging activities, arising from the flexibility/optionality of assets; (iii) proprietary trading exposure: transactions carried out autonomously for speculative purposes in the short term and normally not aimed at delivery with the intention of exploiting favorable price movements, spreads and/or volatility implemented autonomously and carried out regardless of the exposures of the commercial portfolio or physical and contractual assets. They are usually carried out in the short term, not necessarily aimed at the delivery and carried out by using financial or similar instruments in accordance with specific limits of authorized risk (VaR, stop loss). Strategic risk is not subject to systematic activity of management/coverage that is eventually carried out only in case of specific market or business conditions. Because of the extraordinary nature, hedging activities related to strategic risks are delegated to the top management, previously authorized by the Board of Directors. With prior authorization from the Board of Directors, the exposures related to strategic risk can be used in combination with other commercial exposures in order to exploit opportunities for natural compensation between the risks (natural hedge) and consequently reduce the use of financial derivatives (by activating logics of internal market). With regard to exposures of a commercial nature, Eni's risk management target is to optimize the "core" activities and preserve the economic/financial results. Eni manages the commodity risk through the trading units (Eni Trade & Biofuels SpA and Eni Global Energy Markets SpA) and the exposure to commodity prices through

the Group's finance departments by using financial derivatives traded on the regulated markets MTF, OTF and financial derivatives traded over the counter (swaps, forward, contracts for differences and options on commodities) with the underlying commodities being crude oil, gas, refined products, power or emission certificates. Such financial derivatives are valued at fair value based on market prices provided from specialized sources or, absent market prices, based on estimates provided by brokers or suitable valuation techniques. VaR deriving from commodity exposure is measured daily based on a historical simulation technique, with a 95% confidence level and a one-day holding period.

MARKET RISK - STRATEGIC LIQUIDITY

Market risk deriving from liquidity management is identified as the possibility that changes in prices of financial instruments (bonds, money market instruments and mutual funds) affect the value of these instruments in case of sale or when they are valued at fair value in the financial statements. The setting up and maintenance of the liquidity reserve are mainly aimed to guarantee a proper financial flexibility. Liquidity should allow Eni to fund any extraordinary need (such as difficulty in access to credit, exogenous shock, macroeconomic environment, as well as merger and acquisitions) and must be dimensioned to provide a coverage of short-term debts and of medium and long-term finance debts due within a time horizon of 24 months. In order to manage the investment activity of the strategic liquidity, Eni defined a specific investment policy with aims and constraints in terms of financial activities and operational boundaries, as well as governance guidelines regulating management and control systems. In particular, strategic liquidity management is regulated in terms of VaR (measured based on a parametrical methodology with a one-day holding period and a 99% confidence level), stop loss and other operating limits in terms of concentration, issuing entity, business segment, country of emission, duration, ratings and type of investing instruments in portfolio, aimed to minimize market and liquidity risks. Financial leverage or short selling is not allowed. Activities in terms of strategic liquidity management started in the second half of the year 2013 (Euro portfolio) and throughout the course of the year 2017 (U.S. dollar portfolio). In 2021, the Strategic liquidity investment portfolio has maintained an average credit rating of A-/BBB+, in line with the year 2020. The following tables show amounts in terms of VaR, recorded in 2021 (compared with 2020), relating to interest rate and exchange rate risks in the first section and commodity risk (aggregated by type of exposure). Regarding the management of strategic liquidity, the table reports the sensitivity to changes in interest rate.

(Value at risk - Parametric method variance/covariance; holding period: 20 days; confidence level: 99%)

(€ million)	2021				2020			
	High	Low	Average	At year end	High	Low	Average	At year end
Interest rate ^(a)	11.04	1.29	3.32	3.66	7.39	1.18	2.93	1.34
Exchange rate ^(a)	0.28	0.11	0.18	0.12	0.48	0.10	0.28	0.18

(a) Value at risk deriving from interest and exchange rates exposures include the following finance departments: Eni Corporate Finance Department, Eni Finance International SA, Banque Eni SA and Eni Finance USA Inc.

(Value at risk - Historic simulation method; holding period: 1 day; confidence level: 95%)

(€ million)	2021				2020			
	High	Low	Average	At year end	High	Low	Average	At year end
Commercial exposures - Management Portfolio ^(a)	42.76	2.91	23.80	2.91	16.10	3.02	8.50	3.02
Trading ^(b)	1.03	0.12	0.37	0.20	1.57	0.10	0.52	0.25

(a) Refers to Global Gas & LNG Portfolio business area, Power Generation & Marketing, Green\Traditional Refining & Marketing, Eni gas e luce, Eni Trading & Biofuels, Eni Global Energy Markets (commercial portfolio). VaR is calculated on the so-called Statutory view, with a time horizon that coincides with the year considering all the volumes delivered in the year and the relevant financial hedging derivatives. Consequently, during the year the VaR pertaining to GGP, Power G&M, GTR&M and EGL during the year presents a decreasing trend following the progressive reaching of the maturity of the positions within the annual horizon.

(b) Cross-commodity proprietary trading, through financial instruments, refers to Eni Trading & Biofuels and Eni Global Energy Markets (London-Bruxelles-Singapore) and Eni Trading & Shipping Inc (Houston).

(Sensitivity - Dollar value of 1 basis point - DVBP)

(€ million)	2021				2020			
	High	Low	Average	At year end	High	Low	Average	At year end
Strategic liquidity ^(a)	0.40	0.29	0.33	0.30	0.37	0.29	0.32	0.30

(a) Management of strategic liquidity portfolio starting from July 2013.

(Sensitivity - Dollar value of 1 basis point - DVBP)

(€ million)	2021				2020			
	High	Low	Average	At year end	High	Low	Average	At year end
Strategic liquidity ^(a)	0.14	0.05	0.11	0.13	0.07	0.03	0.05	0.05

(a) Management of strategic liquidity portfolio in \$ currency starting from August 2017.

CREDIT RISK

Credit risk is the potential exposure of the Group to losses in case counterparties fail to perform or pay amounts due. Eni defined credit risk management policies consistent with the nature and characteristics of the counterparties of commercial and financial transactions regarding the centralized finance model.

The Company adopted a model to quantify and control the credit risk based on the evaluation of the expected loss which represents the probability of default and the capacity to recover credits in default that is estimated through the so-called Loss Given Default. In the credit risk management and control model, credit exposures are distinguished by commercial nature, in relation to sales contracts on commodities related to Eni's businesses, and by financial nature, in relation to the financial instruments used by Eni, such as deposits, derivatives and securities.

CREDIT RISK FOR COMMERCIAL EXPOSURES

Credit risk arising from commercial counterparties is managed by the business units and by the specialized corporate finance and dedicated administration departments and is operated based on formal procedures for the assessment of commercial counterparties, the monitoring of credit exposures, credit recovery activities and disputes. At a corporate level, the general guidelines and methodologies for quantifying and controlling customer risk are defined, in particular the riskiness of commercial counterparties is assessed through an internal rating model that combines different default factors deriving from economic variables, financial indicators, payment experiences and information from specialized primary info providers. The probability of default related to State Entities or their closely related counterparties (e.g. National Oil Company),

essentially represented by the probability of late payments, is determined by using the country risk premiums adopted for the purposes of the determination of the WACCs for the impairment of non-financial assets. Finally, for retail positions without specific ratings, risk is determined by distinguishing customers in homogeneous risk clusters based on historical series of data relating to payments, periodically updated.

CREDIT RISK FOR FINANCIAL EXPOSURES

With regard to credit risk arising from financial counterparties deriving from current and strategic use of liquidity, derivative contracts and transactions with underlying financial assets valued at fair value, Eni has established internal policies providing exposure control and concentration through maximum credit risk limits corresponding to different classes of financial counterparties defined by the Company's Board of Directors and based on ratings provided for by primary credit rating agencies. Credit risk arising from financial counterparties is managed by the Eni's operating finance departments, Eni Global Energy Markets SpA (EGEM), Eni Trade & Biofuels SpA (ETB) and Eni Trading & Shipping Inc (ETS Inc) specifically for commodity derivatives transactions, as well as by companies and business areas limitedly to physical transactions with financial counterparties, consistently with the Group centralized finance model. Eligible financial counterparties are closely monitored by each counterpart and by group of belonging to check exposures against the limits assigned daily and the expected loss analysis and the concentration periodically.

LIQUIDITY RISK

Liquidity risk is the risk that suitable sources of funding for the Group may not be available, or the Group is unable to sell its assets in the marketplace in order to meet short-term finance requirements and to settle obligations. Such a situation would negatively affect Group results, as it would result in the Company incurring higher borrowing expenses to meet its obligations or under the worst of conditions the inability of the Company to continue as a going concern.

Eni's risk management targets include the maintaining of an adequate level of liquidity readily available to deal with external shocks (drastic changes in the scenario, restrictions on access to capital markets, etc.) or to ensure an adequate level of operational flexibility for the development programs of the Company. The strategic liquidity reserve is employed in short-term marketable financial assets, favoring investments

with very low risk profile. At present, the Group believes to have access to sufficient funding to meet the current foreseeable borrowing requirements due to available cash on hand financial assets and lines of credit and the access to a wide range of funding opportunities which can be activated at competitive costs through the credit system and capital markets.

Due to the increased volatility of commodity markets and the related higher financial commitment linked to the margin of commodity derivatives, Eni has further strengthened its financial flexibility through the activation of new financing lines. Eni has in place a program for the issuance of Euro Medium Term Notes up to €20 billion, of which about €16.4 billion were drawn as of December 31, 2021 (€14.1 billion drawn by Eni SpA). The Group has credit ratings of A- outlook Stable and A-2, respectively, for long and short-term debt, assigned by Standard & Poor's; Baa1 outlook stable and P-2, respectively, for long and short-term debt, assigned by Moody's; A- outlook stable and F1, respectively for long and short-term debt, assigned by Fitch. Eni's credit rating is linked, in addition to the Company's industrial fundamentals and trends in the trading environment, to the sovereign credit rating of Italy. Based on the methodologies used by the credit rating agencies, a downgrade of Italy's credit rating may trigger a potential knock-on effect on the credit rating of Italian issuers such as Eni. During 2021, S&P revised Eni's outlook from negative to stable.

In May 2021, Eni placed two euro-denominated perpetual subordinated hybrid bond issues for an aggregate nominal amount of €2 billion, in addition to those already issued in October 2020 for an aggregate nominal amount of €3 billion. These are perpetual instruments with an early repayment option in favor of the issuer and classified under IFRS as equity instruments. The rating agencies assigned to the bonds the following ratings Baa3 / BBB / BBB (Moody's / S&P / Fitch) and an "equity credit" of 50%.

As part of the Euro Medium Term Notes program, in 2021, Eni issued a sustainability-linked bond for a nominal amount of €1 billion linked to the achievement of sustainability targets concerning Net Carbon Footprint Upstream (Scope 1 and 2) and renewable energy installed capacity.

As of December 31, 2021, Eni maintained short-term uncommitted unused borrowing facilities of €6,207 million. Total committed credit lines amounted to €5,114 million (of which €5,000 million pertaining to Eni SpA) of which €2,835 million unused. These facilities bore interest rates and fees for unused facilities that reflected prevailing market conditions.

EXPECTED PAYMENTS FOR TRADE AND FINANCIAL DEBTS AND LEASE LIABILITIES

The table below summarizes the Group main contractual obligations for finance debt and lease liability repayments, including expected payments for interest charges and liabilities for derivative financial instruments.

(€ million)	Maturity year						Total
	2022	2023	2024	2025	2026	2027 and thereafter	
December 31, 2021							
Non-current financial liabilities (including the current portion)	1,903	4,339	2,272	2,616	3,910	10,668	25,708
Current financial liabilities	2,299						2,299
Lease liabilities	920	688	565	508	481	2,147	5,309
Fair value of derivative instruments	12,911	3	61		23	28	13,026
	18,033	5,030	2,898	3,124	4,414	12,843	46,342
Interest on finance debt	475	462	386	359	286	905	2,873
Interest on lease liabilities	282	247	214	184	155	681	1,763
	757	709	600	543	441	1,586	4,636
Financial guarantees	1,599						1,599
(€ million)	Maturity year						Total
	2021	2022	2023	2024	2025	2026 and thereafter	
December 31, 2020							
Non-current financial liabilities (including the current portion)	1,697	1,518	3,469	2,049	2,730	12,232	23,695
Current financial liabilities	2,882						2,882
Lease liabilities	815	593	503	442	413	2,218	4,984
Fair value of derivative instruments	1,609	26	13	50		73	1,771
	7,003	2,137	3,985	2,541	3,143	14,523	33,332
Interest on finance debt	502	473	461	387	360	1,164	3,347
Interest on lease liabilities	295	252	219	192	165	748	1,871
	797	725	680	579	525	1,912	5,218
Financial guarantees	1,072						1,072

Liabilities for leased assets including interest charges for €2,370 million (€2,429 million at December 31, 2020) pertained to the share of joint operators participating in unincor-

porated joint operation operated by Eni which will be recovered through a partner-billing process.

The table below presents the timing of the expenditures for trade and other payables.

(€ million)	Maturity year			Total
	2022	2023 - 2026	2027 and thereafter	
December 31, 2021				
Trade payables	16,795			16,795
Other payables and advances	4,925	112	109	5,146
	21,720	112	109	21,941
(€ million)	Maturity year			Total
	2021	2022 - 2025	2026 and thereafter	
December 31, 2020				
Trade payables	8,679			8,679
Other payables and advances	4,257	111	94	4,462
	12,936	111	94	13,141

EXPECTED PAYMENTS UNDER CONTRACTUAL OBLIGATIONS²⁷

In addition to lease, financial, trade and other liabilities represented in the balance sheet, the Company is subject to non-cancellable contractual obligations or obligations, the cancellation of which requires the payment of a penalty. These obligations will require cash settlements in future reporting periods. These liabilities are valued based on the net cost for the company to fulfill the contract, which consists of the lowest amount between the costs for the fulfillment of the contractual obligation and the contractual compensation/penalty in the event of non-performance.

The Company's main contractual obligations at the balance sheet date comprise take-or-pay clauses contained in the Company's gas supply contracts or shipping arrangements, whereby the Company obligations consist of off-taking minimum quantities of product or service or, in case of

failure, paying the corresponding cash amount that entitles the Company the right to collect the product or the service in future years. The amounts due were calculated on the basis of the assumptions for the gas prices and services included in the four-year industrial plan approved by the Company's management and for subsequent years on the basis of management's long-term assumptions.

The table below summarizes the Group principal contractual obligations for the main existing contractual obligations as of the balance sheet date, shown on an undiscounted basis. Amounts expected to be paid in 2022 for decommissioning Oil & Gas assets and for environmental clean-up and remediation are based on management's estimates and do not represent financial obligations at the closing date.

(€ million)	Maturity year						Total
	2022	2023	2024	2025	2026	2027 and thereafter	
Decommissioning liabilities^(a)	370	298	448	377	436	10,594	12,523
Environmental liabilities	376	346	297	245	178	706	2,148
Purchase obligations^(b)	28,862	20,394	17,062	13,873	11,157	67,751	159,099
- Gas							
Take-or-pay contracts	25,874	19,547	16,344	13,483	10,934	67,377	153,559
Ship-or-pay contracts	866	487	443	379	217	351	2,743
- Other purchase obligations	2,122	360	275	11	6	23	2,797
Other obligations	2					104	106
- Memorandum of intent - Val d'Agri	2					104	106
Total^(c)	29,610	21,038	17,807	14,495	11,771	79,155	173,876

(a) Represents the estimated future costs for the decommissioning of oil and natural gas production facilities at the end of the producing lives of fields, well-plugging, abandonment and site restoration.

(b) Represents any agreement to purchase goods or services that is enforceable and legally binding and that specifies all significant terms.

(c) Total future payments for contractual commitments includes obligations of companies held for sale for €67 million.

CAPITAL INVESTMENT AND CAPITAL EXPENDITURE COMMITMENTS

In the next four years, Eni expects capital investments and capital expenditures of €28.1 billion. The table below summarizes Eni's full-life capital expenditure commitments for property, plant and equipment and capital projects at the closing date. A project is considered to be committed when

it has received the appropriate level of internal management approval and for which procurement contracts have usually already been awarded or are being awarded.

The amounts shown in the table below include committed expenditures to execute certain environmental projects.

(€ million)	Maturity year					Total
	2022	2023	2024	2025	2026 and thereafter	
Committed projects	5,107	3,712	2,273	1,420	2,336	14,848

(27) Contractual obligations related to employee benefits are indicated in note 22 - Provisions for employee benefits.

OTHER INFORMATION ABOUT FINANCIAL INSTRUMENTS

	2021			2020		
	Carrying amount	Income (expense) recognized in		Carrying amount	Income (expense) recognized in	
Profit and loss account		OCI	Profit and loss account		OCI	
(€ million)						
Financial instruments at fair value with effects recognized in profit and loss account						
- Financial assets held for trading ^(a)	6,301	11		5,502	31	
- Non-hedging and trading derivatives ^(b)	(611)	597		(19)	(415)	
Other investments valued at fair value^(c)	1,294	230	105	957	150	24
Receivables and payables and other assets/liabilities valued at amortized cost						
- Trade receivables and other ^(d)	19,124	(226)		10,955	(213)	
- Financing receivables ^(e)	6,140	39		1,207	99	
- Securities ^(a)	53			55		
- Trade payables and other ^(a)	21,941	(80)		13,141	(31)	
- Financing payables ^(f)	27,794	(250)		26,686	(632)	
Net assets (liabilities) for hedging derivatives^(g)	96	(215)	(1,264)	(52)	(941)	661

(a) Income or expense were recognized in the profit and loss account within "Finance income (expense)".

(b) In the profit and loss account, economic effects were recognized as income within "Other operating income (loss)" for €903 million (expense for €766 million in 2020) and as expense within "Finance income (expense)" for €306 million (income for €351 million in 2020).

(c) Income or expense were recognized in the profit and loss account within "Income (expense) from investments - Dividends".

(d) Income or expense were recognized in the profit and loss account as net impairment losses within "Net (impairment losses) reversal of trade and other receivables" for €279 million (net impairment losses for €226 million in 2020) and as income within "Finance income (expense)" for €53 million (income for €13 million in 2020), including interest income calculated on the basis of the effective interest rate of €18 million (interest income for €22 million in 2020).

(e) In the profit and loss account, income or expense were recognized as income within "Finance income (expense)", including interest income calculated on the basis of the effective interest rate of €53 million (income for €92 million in 2020) and net impairment losses for €25 million (net impairment losses for €1 million in 2020).

(f) In the profit and loss account, income or expense were recognized as expense within "Finance income (expense)", including interest expense calculated on the basis of the effective interest rate of €487 million (€531 million in 2020).

(g) In the profit and loss account, income or expense were recognized within "Sales from operations" and "Purchase, services and other".

DISCLOSURES ABOUT THE OFFSETTING OF FINANCIAL INSTRUMENTS

(€ million)	Gross amount of financial assets and liabilities	Gross amount of financial assets and liabilities subject to offsetting	Net amount of financial assets and liabilities
December 31, 2021			
Financial assets			
Trade and other receivables	20,461	1,611	18,850
Other current assets	20,791	7,157	13,634
Other non-current assets	1,031	2	1,029
Financial liabilities			
Trade and other liabilities	23,331	1,611	21,720
Other current liabilities	22,913	7,157	15,756
Other non-current liabilities	2,248	2	2,246
December 31, 2020			
Financial assets			
Trade and other receivables	11,681	755	10,926
Other current assets	3,719	1,033	2,686
Other non-current assets	1,253		1,253
Financial liabilities			
Trade and other liabilities	13,691	755	12,936
Other current liabilities	5,905	1,033	4,872
Other non-current liabilities	1,877		1,877

The offsetting of financial assets and liabilities related to: (i) receivables and payables pertaining to the Exploration & Production segment towards state entities for €1,540 million (€753 million at December 31, 2020) and trade receivables and trade payables

pertaining to Eni Trading & Shipping Inc for €71 million (€2 million at December 31, 2020); (ii) other current and non-current assets and liabilities for derivative financial instruments of €7,159 million (€1,033 million at December 31, 2020).

Legal Proceedings

Eni is a party in a number of civil actions and administrative, arbitral and other judicial proceedings arising in the ordinary course of business. Based on information available to date, taking into account the existing risk provisions disclosed in note 21 - Provisions and that in some instances it is not possible to make a reliable estimate of contingency losses, Eni believes that the foregoing will likely not have a material adverse effect on the Group Consolidated Financial Statements.

In addition to proceedings arising in the ordinary course of business referred to above, Eni is party to other proceedings, and a description of the most significant proceedings currently pending is provided in the following paragraphs. Generally, and unless otherwise indicated, these legal proceedings have not been provisioned because Eni believes a negative outcome to be unlikely or because the amount of the provision cannot be estimated reliably.

1. Environment, health and safety

1.1 Criminal proceedings in the matters of environment, health and safety

- i) **Eni Rewind SpA (company incorporating EniChem Agricoltura SpA – Agricoltura SpA in liquidation – EniChem Augusta Industriale Srl – Fosfotec Srl) – Proceeding about the industrial site of Crotona.** In 2010 a criminal proceeding started before the Public Prosecutor of Crotona relating to allegations of environmental disaster, poisoning of substances used in the food chain and omitted clean-up due to the activity at a landfill site which was taken over by Eni in 1991. Subsequently to Eni's takeover, any activity for waste conferral was stopped. The defendants are certain managers of Eni Group companies, that have managed the landfill since 1991. The Municipality of Crotona is acting as plaintiff. In March 2019, the public prosecutor requested the acquittal of all defendants. The proceeding is ongoing. Although the public prosecutor requested the acquittal of all the defendants, on January 17, 2020, the Court asked the Public Prosecutor to amend the charges in order to clarify the modalities and timing of each alleged conduct. At the preliminary hearing of July 1, 2020, the Court acquitted all the defendants, some for not having committed the alleged crime and others for expiration of the statute of limitations. The Company therefore decided to appeal the decision to obtain an acquittal on the merits also in relation to the positions of the former managers of the Eni Group acquitted due to expiration of the statute of limitations. The decision on the appeal is pending.
- ii) **Eni Rewind SpA – Crotona omitted clean-up.** In April 2017, a new criminal case was opened by the

Public Prosecutor of Crotona relating to reclamation activities at the Crotona site. Meanwhile, in the first half of 2018, the new clean-up project presented by the Company was deemed feasible by the Italian Ministry for the Environment. Pending the decision of the Public Prosecutor, a defense brief was filed to summarize the activity carried out by the subsidiary Eni Rewind SpA (former Syndial SpA) in terms of reclamation, pointing to willingness of executing a decisive plan of action, and to obtain the dismissal of the criminal proceedings. On March 3rd, 2020, the Ministerial Decree approving the POB Phase 2 was issued. The Public Prosecutor has submitted a filing request and the judge for the preliminary investigations has set a chamber hearing. By a court order of January 10, 2022, new investigations have been requested, assigning a four-month term to the Public Prosecutor for their conduct.

iii) **Eni Rewind SpA and Versalis SpA – Porto Torres dock.**

In 2012, following a request of the Public Prosecutor of Sassari, an Italian court ordered presentation of evidence relating to the functioning of the hydraulic barrier of Porto Torres site (ran by Eni Rewind SpA) and its capacity to avoid the dispersion of contamination released by the site into the nearby sea. Eni Rewind and Versalis were notified that its chief executive officers and certain other managers were being investigated. The Public Prosecutor of the Municipality of Sassari requested that these individuals stand trial. The plaintiffs, the Ministry for Environment and the Sardinia Region claimed environmental damage in an amount of €1.5 billion. Other parties referred to the judge's equitable assessment. At a hearing in July 2016, the court acquitted all defendants of Eni Rewind and Versalis with respect to the crimes of environmental disaster. Three Eni Rewind managers were found guilty of environmental disaster relating to the period limited to August 2010-January 2011 and sentenced to one-year prison, with a suspended sentence. Eni Rewind filed an appeal against this decision.

The trial before the Second Instance Court of Cagliari ended on December 14, 2021 with the confirmation of first-degree sentence, also in relation to the civil rulings. The merits of the sentence are yet to be made public for the purposes of the related appeal.

iv) **Eni Rewind SpA – The illegal landfill in Minciaredda area, Porto Torres site.**

The Court of Sassari, on request of the Public Prosecutor, seized the Minciaredda landfill area, near the western border of the Porto Torres site (Minciaredda area). All the indicted have been served a notice of investigation for alleged crimes of carrying out illegal waste disposal and environmental disaster. The seizure order also involved Eni Rewind pursuant to

Legislative Decree no. 231/01, whereby companies are liable for the crimes committed by their employees when performing their duties. The court determined that Eni Rewind can be sued for civil liability and resolved that all defendants and the Eni subsidiary be put on trial before the Court of Sassari.

Upon start of the trial, the Italian Ministry for Energy Transition (MITE) was allowed to enter the judgment as plaintiff and the Court declared invalid the indictment decree against Eni Rewind as entity liable pursuant to Legislative Decree no. 231/01, returning the case to the judge of the preliminary hearing, who subsequently issued the decree setting a new preliminary hearing scheduled for March 31, 2022. The hearing against the defendants is in progress.

v) **Eni Rewind SpA – The Phosphate deposit at Porto Torres site.**

In 2015, the Court of Sassari, accepting a request of the Public Prosecutor of Sassari, seized – as a preventive measure – the area of “Palte Fosfatiche” (phosphates deposit) located on the territory of Porto Torres site, in relation to alleged crimes of environmental disaster, carrying out of unauthorized disposal of hazardous wastes and other environmental crimes. Eni Rewind SpA is being investigated pursuant to Legislative Decree no. 231/01. In November 2019, a request for referral to trial was served on the Eni subsidiary. The preliminary hearing was held on September 9, 2020. At the outcome of the preliminary hearing, during which the municipality of Porto Torres filed a civil action, the Judge pronounced against all the defendants a sentence of no place to proceed due to the statute of limitation in relation to the crimes of unauthorized management of landfills and disposal of hazardous wastes as well as against Eni Rewind SpA in relation to the liability pursuant to Legislative Decree no. 231/01. The Judge also ordered the indictment of the defendants before the Court of Sassari, at the hearing on May 28, 2021, limited to the alleged crime of environmental disaster.

Upon start of the trial, the MITE was allowed to enter the judgment as plaintiff. The Court, accepting the defense's objections, declared the indictment invalid and returned the case to the judge of the preliminary hearing. A hearing before the judge is pending.

vi) **Eni Rewind SpA – Proceeding relating to the asbestos at the Ravenna site.**

A criminal proceeding is pending before the Tribunal of Ravenna relating to the crimes of culpable manslaughter, injuries and environmental disaster, which have been allegedly committed by former Eni Rewind employees at the site of Ravenna. The site was acquired by Eni Rewind following a number of corporate mergers and acquisitions. The alleged crimes date back to 1991. In the proceeding there are

75 alleged victims. The plaintiffs include relatives of the alleged victims, various local administrations, and other institutional bodies, including local trade unions. Eni Rewind asserted the statute of limitations as a defense to the instance of environmental disaster for certain instances of diseases and deaths. The court at Ravenna decided that all defendants would stand trial and held that the statute of limitations only applied with reference to certain instances of crime of culpable injury. Eni Rewind reached some settlements. In November 2016, the Judge acquitted the defendants in all the contested cases except for one, an asbestos case, for which a conviction was handed down. The defendants, the Prosecutor and the plaintiffs appealed the decision; the second instance judge ordered a complex inquiry. Eni's defenders recused a member of the expert panel who conducted the inquiry, and the Second Instance Court rejected the request for recusal with an order subsequently canceled by the Third Instance Court. On the referral, at the request of Eni's lawyers, the Court of Appeals of Bologna, given the different composition of the judging panel, ordered the renewal of the appeal trial and, consequently, the subsequent revocation of the order with which it had initially ordered the inquiry. On May 25, 2020 the Court acquitted the defendants and the persons sued for damages in relation to 74 cases of mesothelioma, lung cancer, pleural plaques and asbestosis, took note of the res judicata with regards to the acquittal for the disaster complaint while confirming the conviction for one case of asbestosis. The Court also declared inadmissible the appeal of several claimants. The Company filed an appeal with the Third Instance Court against the conviction for asbestosis; some claimants challenged the acquittal for the other pathologies.

On November 24, 2021, the Third Instance Court: (i) annulled, without postponement, the contested sentence against a defendant for extinction of the crime; (ii) annulled without referral to the criminal effects the sentence contested for the crime of negligent injury in relation to the case of asbestosis because it fell under statute of limitations, rejecting the appeals of Eni's lawyers for civil purposes; (iii) rejected the appeals of the civil parties. Therefore, the criminal proceeding is closed but any subsequent litigation for civil liability may be initiated.

vii) **Raffineria di Gela SpA and Eni Mediterranea Idrocarburi SpA – Alleged environmental disaster.**

A criminal proceeding is pending in relation to crimes allegedly committed by the managers of the Raffineria di Gela SpA and EniMed SpA relating to environmental disaster, unauthorized waste disposal and unauthorized spill of industrial wastewater. The Gela Refinery has been prosecuted for administrative offence pursuant to

Legislative Decree no. 231/01. This criminal proceeding initially regarded soil pollution allegedly caused by spills from 14 tanks of the refinery storage, which had not been provided with double bottoms, and pollution of the sea water near the coastal area adjacent to the site due to the failure of the barrier system implemented as part of the clean-up activities conducted at the site. At the closing of the preliminary investigation, the Public Prosecutor of Gela merged into this proceeding the other investigations related to the pollution that occurred at the other sites of the Gela refinery as well as hydrocarbon spills at facilities of EniMed. The proceeding is ongoing.

viii) **Val d'Agri.** In March 2016, the Public Prosecutors of Potenza started a criminal investigation into alleged illegal handling of waste material produced at the Viggiano oil center (COVA), part of the Eni operated Val d'Agri oil complex. After a two-year investigation, the Prosecutors ordered the house arrest of 5 Eni employees and the seizure of certain plants functional to the production activity of the Val d'Agri complex which, consequently, was shut down. From the commencement of the investigation, Eni has carried out several technical and environmental surveys, with the support of independent experts of international standing, who found a full compliance of the plant and the industrial process with the requirements of the applicable laws, as well as with best available technologies and international best practices. The Company implemented certain corrective measures to upgrade plants which were intended to address the claims made by the Public Prosecutor about an alleged operation of blending which would have occurred during normal plant functioning. Those corrective measures were favorably reviewed by the Public Prosecutor. The Company restarted the plant in August 2016. In relation to the criminal proceeding, the Public Prosecutor's Office requested the indictment of all the defendants for alleged illegal trafficking of waste, violation of the prohibition of mixing waste, unauthorized management of waste and other violations, and the Company for administrative offenses pursuant to Legislative Decree no. 231/01. The trial started in November 2017. At the conclusion of the preliminary hearings, the Court of Potenza, on March 10, 2021, acquitted all the defendants in relation to the allegation of false statements in an administrative deed, while in relation to the alleged administrative offenses, the Court found that there was no need to proceed due to the statute of limitations. Finally, in relation to the alleged crime of illegal trafficking of waste, the Court acquitted two former employees of the Southern District for not having committed the crime, convicted six former officials of the same District with suspension of

the sentence and sentenced Eni pursuant to Legislative Decree no. 231/01 to pay a fine of €700,000, with the contextual confiscation of a sum of € 44,248,071 deemed to constitute the unfair profit obtained from the crime, from which Eni will deduct the amount incurred for the plant upgrade carried out in 2016.

Following the filing of the merits of the sentence by the Court, an appeal was promptly filed against all the condemnations and the setting of the appeal judgment is pending.

ix) **Eni SpA – Health investigation related to the COVA center.** Beside the criminal proceeding for illegal trafficking of waste, the Public Prosecutor of Potenza started another investigation in relation to alleged health violations. The Public Prosecutor requested the formal opening of an investigation with respect to nine people in relation to alleged violations of the rules providing for the preparation of a Risk Assessment Document of the working conditions at the Val d'Agri Oil Center (COVA). In March 2017, following the request of the consultant of the Prosecutor, the Labor Inspectorate of Potenza issued a fine against the employers of the COVA for omitted and incomplete assessment of the chemical risks for the COVA center. In October 2017, the Prosecutor's Office changed the criminal allegations to disaster, murder and negligent personal injury, also alleging breaches of health and safety regulations. The proceeding is ongoing.

x) **Proceeding Val d'Agri – Tank spill.** In February 2017, the Italian police department of Potenza found a stream of water contaminated by hydrocarbon traces of unknown origin, flowing inside a small shaft located outside the COVA. Eni carried out activities at the COVA aimed at determining the origin of the contamination and identified the cause in a failure of a tank (the "D" tank) outside of the COVA, that presented a risk of extension of the contamination in the downstream area of the plant. In executing these activities, Eni performed all the communications provided for by Legislative Decree no. 152/06 and started certain emergency safe-keeping operations at the areas subject to potential contamination outside the COVA. Furthermore, the characterization plan of the areas inside and outside the COVA was approved by the relevant authorities, to which the Risk Analysis document was subsequently submitted. Following this event, a criminal investigation was initiated in order to ascertain whether there had been illegal environmental disaster by the former COVA officers, the Operation Managers in charge since 2011 and the HSE Manager in charge at the time of the accident, and also against Eni in relation to the same offense pursuant to Legislative Decree no. 231/01 and of some public officials belonging

to local administrations for official misconduct, false and fraudulent public statements committed in 2014 and of the crime for environmental disaster and of culpable conduct committed in February 2017. The Company has paid damages of an immaterial amount almost to all the landlords of areas close to the COVA, which were affected by a spillover. Discussions are ongoing with other claimants. The likely disbursements relating to these transactions have been provisioned. In February 2018, Eni contested the reports presented in October and in December 2017 by the Italian Fire Department stating that it does not consider itself obliged to carry out the integration required, considering that the data acquired in the area affected by the event indicate, according to Eni's assessments, that the loss was promptly and efficiently controlled and there were no situations of serious danger to human health and the environment. In April 2019, precautionary measures were ordered against three Eni employees at the COVA which, following an appeal, were canceled by the Third Instance Court. In September 2019, the Public Prosecutor requested one of those employees to be put on trial with expedited proceeding, accepted by the Judge for preliminary investigations. The judgment was suspended in order to allow the continuation of the environmental clean-up and reclamation of the site. As part of the concomitant procedure against the remaining employees and Eni as the legal entity being held liable pursuant to Legislative Decree no. 231/01, the Public Prosecutor, after issuing a notice of conclusion of the preliminary investigations, made a request for indictment. At the outcome of the preliminary hearing, with reference to the imputation to Eni pursuant to Legislative Decree no. 231/01, the judge of the preliminary issued a sentence not to prosecute the Company for the events up to 2015 because the fact was not envisaged by the law as a crime to claim a legal entity liable for. With reference to the events subsequent to 2015, the judge acknowledged the nullity of the request for indictment, thus returning the documents to the Public Prosecutor. Finally, the judge of the preliminary hearing approved to put on trial two Eni employees before the Court of Potenza, establishing the hearing on June 27, 2022, with the allegation of unnamed disaster, rejecting the request of the Public Prosecutor for qualifying the alleged crime as a new type of legal offence (environmental disaster).

- xi) **Raffineria di Gela SpA and Eni Mediterranea Idrocarburi SpA – Waste management of the landfill Camastra.** In June 2018, the Public Prosecutor of Palermo (Sicily) notified Eni's subsidiaries Raffineria di Gela SpA and Eni Mediterranea Idrocarburi SpA of a criminal proceeding relating to allegations of unlawful disposal of industrial waste resulting from the reclaiming activities of soil,

which were discharged at a landfill owned by a third party. The Prosecutor charged the then chief executive officers of the two subsidiaries, and the legal entities have been charged with the liability pursuant to Legislative Decree no. 231/01. The alleged wrongdoing related to the willful falsification of the waste certification for purpose of discharging at the landfill. The charges against the CEO of the Refinery of Gela SpA and the company itself were dismissed, while a request to put on trial the CEO of EniMed SpA and the company was approved. The proceeding is in progress before the Court of Agrigento, to which the proceeding has been transferred due to territorial jurisdiction.

- xii) **Versalis SpA – Preventive seizure at the Priolo Gargallo plant.** In February 2019, the Court of Syracuse at the request of the Public Prosecutor of Siracusa ordered the seizure of the Priolo/Gargallo plant as part of an ongoing investigation concerning the offenses of dangerous disposal of materials and environmental pollution, by the former plant manager of Versalis, pursuant to Legislative Decree no. 231/01. The Public Prosecutor's thesis, according to the consultants, is that the seized plants have points of emissions that do not comply with the Best Available Techniques (BAT), therefore resulting in violation of the applicable legislation. Versalis has already implemented certain plant upgrades designed to comply with measures requested by the Public Prosecutor and its consultants. Based on this, an appeal was filed against the measure of precautionary seizure of the plant, which determined the revocation of the seizure of the plants on March 26, 2019. In March 2021, a notice of conclusion of the preliminary investigations was notified, with the formulation by the Public Prosecutor of the allegations already previously stated.

- xiii) **Eni SpA – Fatal accident Ancona offshore platform.** On March 5, 2019, a fatal accident occurred at the Barbara F platform in the offshore of Ancona. During the unloading phase of a tank from the platform to a supply vessel, there was a sudden failure of a part of the structure on which a crane was installed, causing the death of an Eni employee who was inside the control cabin of the crane and injuries to two other workers. The Public Prosecutor of Ancona initially opened an investigation against unknown persons and ordered further technical appraisals relating to the crane. As part of the technical assessment of the incident, the Public Prosecutor resolved to put under investigation two Eni employees who were in charge of safety standards at the involved facility. Also the Company has been put under investigation as entity liable pursuant to Legislative Decree no. 231/01, and two employees of the contractor company that owned the boat. In May 2021

the Public Prosecutor Office of Ancona issued a notice of conclusion of the preliminary investigations and, following the subsequent formulation of the request for indictment, a preliminary hearing was set for June 27, 2022.

xiv) **Raffineria di Gela SpA and Eni Rewind SpA – Groundwater pollution survey and reclamation process of the Gela site.**

Following complaints made by former contractors, the Public Prosecutor of Gela ordered an inspection and seizure of the area called Isola 32 within the refinery of Gela, where old and new monitored landfills are located. The proceeding concerns criminal allegations of environmental pollution, omitted clean-up, negligent personal injury and illegal waste management, as part of the execution of clean-up of soil and groundwater as well as decommissioning activities in the area currently managed by Eni Rewind SpA, also on behalf of the companies Raffineria di Gela SpA, ISAF SpA (in liquidation) and Versalis SpA with respect to the efficiency and efficacy of the barrier system. The Public Prosecutor acquired documents and evidence at the Syndial office in Gela and at the refinery of Gela, which, during the period January 1, 2017-March 20, 2019, managed the facilities involved in cleaning up the groundwater area (TAF Syndial, site TAF-TAS and pumping wells and hydraulic barrier). Subsequently a decree was issued for the seizure of 11 piezometers of the hydraulic barrier system with contextual guarantee notice, issued by the Public Prosecutor of Gela against nine employees of the Gela Refinery and four employees of Syndial SpA.

Upon conclusion of unrepeatable technical investigations and analyses both on the piezometers placed under seizure, and on the TAF and TAS plants, on October 11, 2021, a preventive seizure order was notified by the judge of the preliminary investigations of Gela, at the request of the Public Prosecutor's Office, with reference to the plants used for the remediation of the site's underground water (groundwater extraction wells and TAF treatment) managed today by Eni Rewind as well as the plant areas intended for the implementation of the groundwater remediation project. A judicial administrator was appointed to manage those facilities. Eni companies are collaborating with the Judge to continue the remediation activities and to provide a clear picture of the correctness of their actions.

xv) **Eni Rewind SpA and Versalis SpA – Mantua. Environmental crime investigation.**

In August and September 2020, the Public Prosecutor of Mantua notified the conclusion of the preliminary investigations relating to several criminal proceedings. Several employees of the Eni's subsidiaries Versalis SpA and

Eni Rewind SpA as well as of the third-party company Edison SpA were notified of being under investigation. Furthermore, the above-mentioned entities were being investigated for administrative offences pursuant to Legislative Decree no. 231/01. The Public Prosecutor is alleging, with respect to some specific areas related to the Mantua industrial hub, the crimes of unauthorized waste management, environmental damage and pollution, omitted communication of environmental contamination and omitted clean-up. Following the filing of defense briefs, the case has been dismissed against some individuals and archived. The Public Prosecutor's Office then requested the indictment of the remaining defendants. During the Preliminary Hearing, the MITE, the Province of Mantua, the Municipality of Mantua and Mincio Regional Park were allowed in the trial as plaintiffs, while the companies Eni Rewind, Versalis and Edison were sued as civil parties. The preliminary hearing is in progress.

xvi) **Versalis SpA – Brindisi plant factory flares and odor.**

On May 18, 2018 the manager of the Versalis plant in Brindisi and two other employees were summoned in order to provide information regarding two episodes that occurred in April 2018 which led to the activation of the plant torches. The company cooperated with the judicial authorities to provide information and exclude that such events had a negative impact on air quality. Moreover, the Company is reviewing available data and carrying out upgrading to minimize any detrimental effect, even if only visual, of the flaring phenomenon through the construction of a new ground torch facility. At the end of May 2020, in conjunction with a scheduled shutdown of the plant, anomalous concentrations of benzene and toluene were detected; on that basis, the mayor of Brindisi ordered the plant shutdown. The order was issued without any technical check on the real correlation between the peaks detected in the air and the activities in progress at the plant. After a close discussion with the authorities in charge, the order was revoked. The Public Prosecutor of Brindisi acquired information and documents, also produced by the Company, related to the aforementioned order to verify, also from a criminal point of view, any connection or responsibilities. The proceeding subsequently started a proceeding against unknown persons.

The Company has provided all the competent local Authorities, including the Public Prosecutor's Office, with all the information and data useful for the correct reconstruction of the facts. Subsequently, in the context of the criminal proceedings, the two pro-tempore directors of the plant and the Operations manager for the crimes referred to the disposal of hazardous

wastes. The proceeding is pending in the preliminary investigation phase.

- xvii) **Eni SpA R&M Depot of Civitavecchia – Criminal proceedings for groundwater pollution.** In the period in which Eni was in charge of the Civitavecchia storage hub (2008-2018), pending the approval of a characterization plan of the environmental status of the site, the Company, in coordination with public authorities, adopted measures to preserve the safety of the groundwaters and to pursue the clean-up process of the site until its disposal.

The Public Prosecutor of Civitavecchia issued a notice of conclusion of the preliminary investigations, contesting, among others, the former manager of the Eni fuel storage hub of Civitavecchia, the alleged crime of environmental pollution in relation to the mismanagement of the hydraulic barrier placed over the site aimed at putting under emergency safety the contaminated groundwater, as part of the clean-up process in progress. This circumstance would have been reported by officials of a local authority (ARPA), to whom technical feedback has been provided several times over the years. Eni is under investigation pursuant to Legislative Decree no. 231/01. The prosecutor made a request for indictment. At the preliminary hearing a procedural defect was detected, and the documents were again sent to the Public Prosecutor's Office.

Following the renewed preliminary hearing of February 10, 2022, the judge ordered the indictment of the people involved, setting the hearing for June 26, 2023 and declared the nullity of the request for indictment for legal persons, due to lack of notification committal for trial, thus returning the documents to the Public Prosecutor for its renewal.

- xviii) **Eni SpA R&M Refinery of Livorno – Criminal proceedings for accidents at work.** On October 20, 2020, a notice was served at the Livorno refinery for Eni as entity subjected to preliminary investigations in the context of a criminal proceeding pending before the Public Prosecutor's Office of Livorno, in relation to an accident at work occurred in summer of 2019 at an electrical substation of the Refinery and as consequence two employees were injured. The allegation is of aggravated personal injury while the Company is accused of being the entity liable pursuant to Legislative Decree no. 231/01.

The Judicial Police, delegated by the Public Prosecutor's Office, has made requests for documentary presentation in order to acquire useful elements for assessing whether the company has adopted a suitable 231 model with the related procedures and management and organization systems to prevent the alleged crime.

The Company collected and promptly provided the required documentation. In September 2021, the Public Prosecutor's Office issued a notice of conclusion of the

preliminary investigations. Subsequently, the summons to trial was notified with the first hearing set for September 8, 2022.

1.2 Civil and administrative proceedings in the matters of environment, health and safety

- i) **Eni Rewind SpA – Versalis SpA – Eni SpA (R&M) – Augusta Harbor.** The Italian Ministry for the Environment with various administrative acts required companies that were operating plants in the petrochemical site of Priolo to perform safety and environmental remediation works in the Augusta harbor. Companies involved include Eni subsidiaries Versalis, Eni Rewind and Eni's Refining & Marketing Division. Pollution has been detected in this area primarily due to a high mercury concentration that is allegedly attributed to the industrial activity of the Priolo petrochemical site. The above-mentioned companies contested these administrative actions, objecting in particular to the nature of the remediation works decided and the methods whereby information on the pollutants concentration has been gathered. A number of administrative proceedings started on this matter were subsequently merged before the Regional Administrative Court. In October 2012, the Court ruled in favor of Eni's subsidiaries against the Ministry's requirements for the removal of the pollutants and the construction of a physical barrier. In September 2017, the Ministry served all the companies involved with a formal notice for the start of remediation and environmental restoration of the Augusta harbor within 90 days, basing its request on an alleged ascertainment of liability on the basis of the 2012 provision of Regional Administrative Court. In June 2019, the Italian Ministry for the Environment set up a permanent technical committee to review the matter of the clean-up and reclamation of the Augusta harbor. The report, recalling the warning of 2017, confirmed the thesis of the parties on the responsibility of the companies co-located for the contamination of the Rada and affirmed a breach of the aforementioned warning by the companies, also communicated to the Public Prosecutor's Office. In agreement with all the other companies involved, this report and other parallel internal technical investigations were challenged for defensive purposes. Eni's subsidiaries proposed to the Italian Environmental Ministry to start a collaboration with other interested parties to find remediation measures based on new available environmental data collected by independent agencies, without prejudice to the need for the parties to correctly identify the legal entity responsible for the contamination detected. In the meantime, the Company requested, in full compliance with applicable environmental laws, to establish a roadmap for identifying the companies

accountable for the environmental pollution and their respective shares of responsibility in order to implement a clean-up and remediation project.

In September 2020, the Company took part in the Investigation Services Conference convened by the Ministry of the Environment on the results of the technical investigations and exhibited, together with its consultants, the in-depth analyzes on the environmental state of the Rada and its observations to the report which would lead to the exclusion of any involvement of the Group companies in the contamination detected.

On September 23, 2020 the company took part to a preliminary investigation with the Italian MITE and the competent bodies, and presented, together with the technical consultants in charge, important insights on the issue of the environmental state of the Augusta harbor. In January 2021, the Company, having received communication of the calling of a second environmental review of the same subject to the first scheduled for February 10, 2021, requested also to take part to this second review and to be able to view the technical documents subject to discussion. However, in February 2021, the General Directorate for Environmental Remediation of the Ministry deemed the request unacceptable.

Following a decision-making conference, in April 2021, the Ministry decided that it could intervene in the procedure aimed at identifying any reclamation and clean-up activities to be carried out in the harbor which costs are to be charged to the companies operating in the area, on the basis of questionable assumptions, such as the alleged non-compliance of those companies with the formal notice of September 7, 2017 which had ordered those companies to commence reclamation and clean-up activities. The company filed an appeal and urged the Free Consortium of Syracuse (LCCS) to start the process of identifying the responsible for the pollution. Interlocutions are underway with the Ministry and the LCCS to solicit a response to this request.

- ii) **Eni SpA – Eni Rewind SpA (former Syndial SpA) – Raffineria di Gela SpA – Claim for preventive technical inquiry.** In February 2012, Eni's subsidiaries Raffineria di Gela SpA and Eni Rewind SpA and the parent company Eni SpA (involved in this matter through the operations of the Refining & Marketing Division) were notified of a claim issued by the parents of children with birth defects in the Municipality of Gela between 1992 and 2007. The claim called for an inquiry aimed at determining any causality between the birth defects suffered by these children and any environmental pollution caused by the Gela site, quantifying the alleged damages suffered and eventually identifying the terms and conditions to settle the claim. The same issue was the subject of previous criminal

proceedings, of which one closed without determining any illegal behavior on the part of Eni or its subsidiaries, while a further criminal proceeding is still pending. In December 2015, the three companies involved were sued in relation to a total of 30 cases of compensation for damages in civil proceedings. In May 2018, the Court issued a first instance judgment concerning one case. The Judge rejected the claim for damages, acknowledging the arguments of the defendant companies in relation to the absence of evidence concerning the existence of a causal link between the birth defects and the alleged industrial pollution. The judgment has been appealed by the claimants. In June 2021 the Civil Court of Gela issued a second judgment rejecting the claim for compensation, recognizing the validity of the arguments of the defendant companies regarding the lack of evidence on the existence of a cause between the pathology and the alleged industrial pollution. The counterparties filed an appeal and a hearing was set for March 17, 2022, then postponed to April 20, 2022.

- iii) **Environmental claim relating to the Municipality of Cengio.** Since 2008 a brought by the Italian Ministry for the Environment and the Delegated Commissioner for Environmental Emergency in the territory of the Municipality of Cengio is pending at first instance before the Court of Genoa. Those parties summoned Eni Rewind before a Civil Court and demanded that Eni's subsidiary compensate for the environmental damage relating to the site of Cengio. The request for environmental damage amounted to €250 million plus an additional amount for health damage to be quantified during the proceeding. The plaintiffs accused Eni Rewind of negligence in performing the clean-up and remediation of the site.

Between 2014 and 2021, Eni and the Ministry of the Environment tried to settle the proceeding, without however reaching a definitive agreement. The Judge restarted the proceeding with the filing, on December 30, 2021 of the definitive technical review from an appointed consultant. This review is particularly positive for Eni Rewind as it highlights the story of the contamination, setting the baseline at 1989/1990 (date of Enimont transfer) and considering there was no subsequent deterioration. The appraisal, among other things, highlights the Ministry's negligence towards the settlement proposals advanced by Eni and which would have brought benefits to the territory. At the hearing of February 24, 2022, following a request for filing of documentation received by the plaintiff, the judge ordered the admission of part of the documentation and withheld the case for decision, allowing the parties 60 days for the filing of final briefs and 20 days for the reply notes. Meanwhile, on July 3rd, 2020, the EU infringement procedure on area A1 (initiated voluntarily by the Company and at the request of the Ministry of the Environment) was concluded

and the Company was able to remedy the initial failure to make the clean-up plan of the industrial site of Cengio undergo a full environmental appraisal. The Company's position on the adequacy of the environmental intervention measures adopted was therefore further strengthened.

In March 2021, the Inspection Commission also issued a test certificate for the works carried out on the soils, thereby further strengthening the restorative suitability of the measures carried out by the Company.

On August 10, 2021, the Company filed an extraordinary appeal to the President of the Republic to eliminate the part in which the Company was requested to start a new remediation procedure in order to rebuild, in the light of an alleged contamination, the model and the consequent interventions aimed at its containment/ elimination, as well as against the opinion of ISPRA-ARPA Liguria on the health risk analysis for a portion of the site of Cengio.

- iv) **Val d'Agri – Eni/Vibac.** In September 2019 a claim was brought in the Court of Potenza against Eni. The plaintiffs are 80 people, living in different municipalities of the Val d'Agri area, who are complaining of economic, non-economic, biological and moral damages, all deriving from the presence of Eni's oil facilities in the territory. In particular, the claim refers to certain events which allegedly caused damage to the local community and the territory (such as a 2017 spill, flaring events since 2014, smelly and noisy emissions). The Judge has been asked to ascertain Eni's responsibility for causing emissions of polluting substances into the atmosphere. The plaintiffs have also requested that Eni be ordered to interrupt any polluting activity and be allowed to resume industrial activities on condition that all the necessary remediation measures be implemented to eliminate all of the alleged dangerous situations. Finally, they are asking that Eni compensate all direct and indirect property damages, current and future, to an extent that will be quantified in the course of the case. At the end of the trial phase, the Judge submitted to the parties the proposal for an extra-judicial settlement, fixing a deadline to present further proposals on the matter. The parties did not adhere to the conciliatory proposal. During the last hearing on February 19, 2021, the Judge set the hearing for the clarification of the conclusions on June 30, 2023.

- v) **Eni SpA – Climate change.** In 2017 and 2018, local government authorities and a fishing association brought in the courts of the State of California seven proceedings against Eni subsidiary Eni Oil & Gas Inc. and other companies. These proceedings claim compensation for the damages attributable to the increase in sea level and temperature, as well as to hydrogeological instability. The cases have been transferred, by request of the defendants,

from the State Courts to the Federal Courts. A specific request has been filed, highlighting the lack of jurisdiction of the State Courts.

In 2019, the Federal Court referred the cases to the State Courts. The defendants then appealed to the Ninth Circuit Court of Appeals, challenging the order for postponement. All proceedings were suspended pending the appeal before the Ninth Circuit Court. On May 26, 2020 the proceedings resumed in the State Courts. On July 9, 2020, Eni Oil & Gas Inc., together with other defendants, signed a petition for rehearing "en blanc" to request a review of the postponement decision by the competent 9th Circuit Court. The dispute was suspended until a decision is made on the petition for rehearing. The Court rejected the petition for rehearing en banc but, at the request of the defendants, granted a suspension of the proceedings for 120 days (until January 2021) to allow the defendants to present a petition for certiorari to the Supreme Court of the United States in order to obtain the revision of the rejection. The petition was then presented in January 2021. The Supreme Court, accepting the petition, ordered Ninth Circuit Court to reconsider the question of jurisdiction by evaluating all the legal arguments in favor of federal jurisdiction.

In June 2021, defendants filed a motion ("Consent Motion") in the Ninth Circuit Court setting out arguments in favor of federal jurisdiction in addition to the initial defenses.

In early July 2021, Consent Motion was rejected. Pending the decision of the Ninth Circuit Court – which is expected within one year and which, as indicated by the Supreme Court, will in any case have to take into consideration all the potential legal bases of federal jurisdiction – the proceedings remain suspended.

- vi) **Eni Rewind/Province of Vicenza – Clean-up process for Trissino site.** On May 7, 2019 the Province of Vicenza issued a warning, imposing on certain individuals and companies as MITENI SpA in bankruptcy, Mitsubishi and ICI the obligation to clean-up the Trissino site where MITENI carried out its industrial activity. Based on the analysis carried out by administrative parties, significant concentrations of substances considered highly toxic and carcinogenic were allegedly discovered in groundwater and in surface water at this site. The analysis carried out by the Province of Vicenza with the direct involvement of the Istituto Superiore di Sanità reported the presence of these substances in the blood of about 53,000 people in the area. The action of health analysis and monitoring by the institutions is expected to increase. The Province warned some individuals, including a former employee who served between 1988 and 1996 as CEO of a company that was subsequently acquired by Eni Rewind. In an initial phase of the administrative procedure, there were no references to former company Enichem

Synthesis, which Eni Rewind acquired, therefore the legal assistance and the defense strategy were concentrated supporting only the persons involved. However, Eni Rewind was called into question as the “successor” of Enichem in several appeals before the Regional Administrative Court as the majority shareholder of MITENI. In February 2020, the Province extended the proceeding also to Eni Rewind, which filed a counterclaim for having its position taken out of the procedure.

However, on October 5, 2020 the Province summoned Eni Rewind to take part in the remediation interventions on the site, including participation in technical meetings and at the conferences that would be convened by the public entities in relation to the site remediation activities.

Eni Rewind appealed to a Regional Administrative Court against the Province claims and orders. Eni Rewind is participating in these meetings, carrying out the environmental interventions and has made itself available to carry out – as part of the project approved by the territorial administrations in charge – further anti-pollution interventions on a voluntary basis and without giving any acquiescence with respect to the liability charges for the pollution by chemical agents. A provision for risks has been accrued for the execution of these interventions.

2. Proceedings concerning criminal/administrative corporate responsibility

- i) **Block OPL 245 – Nigeria.** A first-degree judgment of acquittal was issued by a tribunal in Milan in March 2021 in a criminal case pending against certain of Eni’s employees and the Company itself as entity liable as per Italian Legislative Decree no. 231/01 for alleged international corruption in connection with the acquisition in 2011 of the OPL 245 exploration block in Nigeria. The case dates back to July 2014, when the Public Prosecutor of Milan served Eni with a notice of investigation pursuant to Italian Legislative Decree no. 231/01. The proceeding was commenced following a claim filed by NGO ReCommon relating to alleged corruptive practices which, according to the Public Prosecutor, allegedly involved the Resolution Agreement made on April 29, 2011 relating to the so-called Oil Prospecting License of the offshore oilfield that was discovered in OPL 245. Eni fully cooperated with the Public Prosecutor and promptly filed the requested documentation. Furthermore, Eni voluntarily reported the matter to the US Department of Justice (“DoJ”) and the US SEC. In July 2014, Eni’s Board of Statutory Auditors jointly with the Eni Watch Structure resolved to engage an independent, US-based law firm, expert in anticorruption, to conduct a forensic, independent review of the matter, upon informing the Judicial Authorities. After reviewing the matter, the US lawyers concluded that they detected no evidence of

wrongdoing by Eni in relation to the 2011 transaction with the Nigerian government for the acquisition of the OPL 245 license. In September 2014, the Public Prosecutor notified Eni of a restraining order issued by a British judge who ordered the seizure of a bank account not pertaining to Eni domiciled at a British bank following a request from the Public Prosecutor. Since the act had also been notified to some individuals, including the CEO of Eni and the former Chief Development, Operation & Technology Officer of Eni and the former CEO of Eni, it was assumed that the same had been registered in the register of suspects at the Milan Prosecutor’s office. During a hearing before a court in London in September 2014, Eni and its current executive officers stated their non-involvement in the matter regarding the seized bank account. Following the hearing, the Court reaffirmed the seizure. In December 2016, the Public Prosecutor of Milan notified Eni of the conclusion of the preliminary investigation and requested Eni’s CEO, the Chief Development, Operations and Technological Officer and the Executive Vice President for international negotiations to stand trial, as well as Eni’s former CEO and Eni SpA, pursuant to Italian Legislative Decree no. 231/01. Upon the notification to Eni of the conclusion of the preliminary investigation by the Public Prosecutor, the independent US-based law firm was requested to assess whether the new documentation made available from Italian prosecutors could modify the conclusions of the prior review. The US law firm was also provided with the documentation filed in the Nigerian proceeding mentioned below. The independent US law firm concluded that the reappraisal of the matter in light of the new documentation available did not alter the outcome of the prior review. In September 2019, the DoJ notified Eni that based on the information it currently possessed, the DoJ was closing its investigation of Eni in connection with OPL 245 without the filing of any charges. In December 2017, the Judge for preliminary investigation ordered the indictment of all the parties mentioned above, and other parties under investigation by the Public Prosecutor, before the Court of Milan. The request of the Federal Government of Nigeria (FGN) for admission as a civil claimant in the proceedings was granted in July 2018. The first instance trial of the Milan Prosecutor’s OPL 245 charges began before the Court of Milan on June 20, 2018. Following the discussion of the parties, in response to the Milan Prosecutor’s request of conviction of all the individuals and companies involved, at the hearing of March 17, 2021 the judge fully acquitted all the defendants, on the ground that there was no case.

In June 2021, the Second Instance Court of Milan also acquitted on the same grounds certain third party defendant unrelated to Eni who had opted for a shortened procedure and had been convicted in the first acquittal. This latter decision has become final.

On July 29, 2021 the Public Prosecutor of Milan and the plaintiff, Government of Nigeria, filed an appeal against the first-degree sentence of March 17, 2021. The hearing is scheduled July 19, 2022.

In January 2017, Eni's subsidiary Nigerian Agip Exploration Ltd ("NAE") became aware of an Interim Order of Attachment ("Order") issued by the Nigerian Federal High Court upon request from the Nigerian Economic and Financial Crimes Commission (EFCC), attaching OPL 245 temporarily pending a proceeding in Nigeria relating to alleged corruption and money laundering. In March 2017, the Nigerian Court revoked the Order accepting the recourse filed by NAE and its partner. Subsequently Eni became aware of the filing of the objections formulated by the EFCC and made a copy available to the US lawyers in charge of the aforementioned independent verification. The latter have concluded that these further analyses confirm the conclusions of the previous ones, on the basis of which no evidence of unlawful conduct by Eni emerged in relation to the acquisition of the OPL 245 license from the Nigerian government.

In November 2018, Eni SpA and its subsidiaries NAE, NAOC and AENR (as well as some companies of the Shell Group) were notified of the intention of the Federal Government of Nigeria "FGN" to bring a civil claim before an English court to obtain compensation for damages allegedly deriving from the transaction that resulted in assignment of the OPL 245 to NAE and Shell subsidiary SNEPCO. On April 15, 2019 the Nigerian subsidiaries NAE, NAOC and AENR received formal notification of the commencement of the proceeding, while similar notification was received by Eni SpA on May 16, 2019. In the introductory deeds of the proceeding, the claim is set at \$1,092 million or at any other amount that will be established during the proceedings. The FGN has based its assessment on an estimated fair value of the asset of \$3.5 billion. Eni's interest in the asset is 50%. As the FGN is also acting as claimant in the Italian proceeding before the Court of Milan, this claim appears to duplicate the claims made before the Milan Court against Eni employees. On May 22, 2020, the Judge accepted the argument presented by Eni and declined to exercise jurisdiction over the case, because the same case was pending before an Italian tribunal. The Judge also denied the FGN permission to appeal against the decision. Similarly, the Appeal Court rejected the FGN's claim to appeal the latter decision of the Judge, thus making it definitive.

On January 20, 2020, NAE was notified of the beginning of a new criminal case before the Federal High Court in Abuja. The proceeding, mainly focused on the accusations against Nigerian persons (including the Minister of Justice in office in 2011, at the time of the disputed facts), involves NAE and SNEPCO as co-holders of the OPL 245 license. These Nigerian persons were accused in 2011 of illicit corruption, which NAE and SNEPCO allegedly unlawfully facilitated.

The beginning of the trial, originally scheduled for the end of March 2020, was postponed as a result of the closure of judicial offices in Nigeria due to the COVID-19 emergency and resumed at the beginning of 2021.

- ii) **Congo.** In March 2017, the Italian Finance Police served Eni with an information request in accordance with the Italian Code of Criminal Procedure in connection with an investigative file opened by the Public Prosecutor of Milan against unknown persons. The request related in particular to the agreements signed by Eni Congo SA with the Ministry for Hydrocarbons of the Republic of Congo in 2013, 2014 and 2015 in relation to exploration, development and production activities concerning certain permits held by Eni Congo SA for Congolese projects and Eni's relationships with Congolese companies that hold stakes in those projects. In July 2017, the Italian Financial Police, on behalf of the Public Prosecutor of Milan, served Eni with another information request and a notice of investigation pursuant to Legislative Decree no. 231/01 for alleged international corruption. The request expressly stated that it was based in part on the March 2017 information request and concerned the relationship of Eni and its subsidiaries with certain third-party companies from 2012 to the present. Eni produced all of the documentation requested in March and July 2017 and voluntarily disclosed this matter to the relevant US authorities (SEC and DoJ). In January 2018, the Public Prosecutor's Office requested a six-month extension of the deadline for conducting its preliminary investigation into this matter, from January 31, 2018 until July 30, 2018. Subsequently in July 2018, the Public Prosecutor requested a second extension until February 28, 2019. In April 2018, the Public Prosecutor of Milan served Eni SpA with a further request for documentation and notified a former Eni employee, who was the then Chief Development, Operation & Technology Officer, of a search order stating that he and another Eni employee had been placed under investigation. In October 2018, the Public Prosecutor ordered the seizure of an e-mail account of another Eni manager who was formerly the general director of Eni in Congo during the period 2010-2013. In December 2018 and subsequently in May, September and December 2019, Eni was notified by the Public Prosecutor of Milan of a request for documents in accordance with the Italian Code of Criminal Procedure, concerning certain economic transactions between Eni Group companies and certain third-party companies. All the required documentation has been produced to the Judge. In September 2019, the Company was informed that the Company's CEO was served with a search decree and an investigation decree in connection with an alleged violation of article 2629 bis of the Italian Civil Code which penalizes directors of listed companies, who fail to communicate conflicts of interest. The alleged omission relates to the

supply of logistics and transportation services to certain Eni's subsidiaries operating in Africa, including Eni Congo SA, by third-party companies owned by Petroserve Holding BV, in the period 2007-2018. The claims are based on the allegations that the wife of the Company's CEO retained a shareholding of the above-mentioned holding company during part of the period of time under investigation. The Board of Directors of Eni SpA has never been involved in any resolution concerning the suppliers under investigation. Subsequently, on June 15, 2020, the company was informed that an extension of the investigations relating to these allegations was requested until December 21, 2020.

In April 2018, the Board of Statutory Auditors, the Watch Structure and the Control and Risk Committee of Eni jointly appointed an independent law firm and a professional consulting company, knowledgeable in the matter of anti-corruption, to carry out a forensic review of facts relating to Eni's work in Congo. Such review did not find any factual evidence as to the involvement of Eni, nor of any Eni employees and key managers, in the alleged crimes.

In November 2019, following the notification of further investigative documents, the Board of Statutory Auditors, the Watch Structure of Eni and the Control and Risk Committee asked the professional consultants, which had been engaged in 2018, also to review the conclusions reached, in the light of the documentation made available following the decree notified to the CEO in September 2019. The second report of the consultants, which was delivered in July 2020, integrates the findings achieved in the first report, particularly indicating that: (i) it is probable that the CEO's wife retained a shareholding in the Petroserve Group for a few years, at least, starting from 2009 until 2012; (ii) there is an absence of evidence to contradict the statements made by the CEO as to his lack of knowledge of his wife's interests in the ownership of Petroserve Group, and; (iii) there is an absence of evidence that the activity of the abovementioned people was carried out in the interest of Eni.

On September 9, 2020, Eni was notified of a decree, setting a hearing due to the filing by the Public Prosecutor of Milan requesting a restrictive measure pursuant to Legislative Decree no. 231/01, relating to some oilfields in Congo. In particular, the Judge requested Eni to be banned from exploiting Djambala II, Foukanda II, Mwafi II, Kitina II, Marine VI Bis, Loango, Zatchi oilfields for 2 years and subordinately the appointment of a judicial commissioner to manage those oilfields.

In the decree setting the hearing for September 21, 2020, the judge for preliminary investigations stated that the public prosecutor's injunction request was time-barred by a five-year statute of limitations. The claim had expired on July 14, 2020, since the Public Prosecutor alleged that the conduct in question was committed only until July 14, 2015.

However, this five-year limitation period had been suspended until September 16, 2020 due to recent legislation regarding the COVID-19 pandemic. The Judge also stated that a claim was pending before the Constitutional Court about the constitutional legitimacy of the aforementioned COVID-19 legislation, with particular reference to the principle of non-retroactivity of an unfavorable rule. Therefore, the hearing first set for September 21, 2020 was postponed initially to December 10, 2020 pending the resolution of the Constitutional Court case and then, once the Constitutional Court declared the COVID-19 rule valid, to February 17, 2021, in order to await the entry of the opinion explaining the Constitutional Court's reasoning.

On March 15, 2021, the Board of Directors of Eni SpA approved a settlement with the Public Prosecutor amounting to a €11.8 million fine. At the hearing on March 25, 2021 the Judge for Preliminary Investigations approved the settlement and the Prosecutor also revoked the request for restrictive measures for Eni SpA.

3. Other proceedings concerning criminal matters

- i) **Eni SpA (R&M) – Criminal proceedings on fuel excise tax.** A criminal proceeding is currently pending, relating to alleged evasion of excise taxes in the context of retail sales in the fuel market. In particular, the claim states that the quantity of oil products marketed by Eni was larger than the quantity subjected to the excise tax. This proceeding (no. 7320/2014 RGNR) concerns the combination of distinct investigations: (i) a first proceeding, opened by the Public Prosecutor's Office of Frosinone involved a company (Turrizziani Petroli) purchaser of Eni's fuel. This investigation was subsequently extended to Eni. The Company fully cooperated and provided all data and information concerning the excise tax obligations for the quantities of fuel coming from the storage sites of Gaeta, Naples and Livorno. Such proceeding referred to quantities of oil products sold by Eni, allegedly larger than the quantity subjected to the excise tax; (ii) a second proceeding concerning an investigation by the Public Prosecutor's Office of Prato, commenced in regard to the deposit of Calenzano and relates to abduction of fuel through manipulation of the fuel dispensers, subsequently extended also to the Refinery of Stagno (Livorno); (iii) a third proceeding, opened by the Public Prosecutor's Office of Rome, concerns alleged missing payment of excise tax on the surplus of the unloading products, as the quantity of such products was larger than the quantity reported in the supporting fiscal documents. This proceeding represents a development of the first proceeding mentioned above and substantially concerns similar facts presenting, however, some differences with regard to the nature of the alleged crimes and the responsibility. The Public Prosecutor's Office of Rome has alleged the existence of a criminal

conspiracy aimed at habitual abduction of oil products at all of the 22 storage sites which are operated by Eni in Italy. Eni is cooperating with the Prosecutor in order to defend the correctness of its operation. In September 2014, a search was conducted at the office of the former chief of the R&M Division in Rome. The reasons for the search are the same as the above-mentioned proceeding as the ongoing investigations also relate to a period of time when the officer was in charge at Eni's R&M Division. In March 2015, the Prosecutor of Rome ordered a search at all the storage sites of Eni's network in Italy as part of the same proceeding. The search was intended to verify the existence of fraudulent practices aimed at tampering with measuring systems functional to the tax compliance of excise duties in relation to fuel handling at the storage sites. In September 2015, the Public Prosecutor of Rome requested a one-off technical appraisal aimed to verify the compliance of the software installed at certain metric heads previously seized with those lodged by the manufacturer at the Ministry for Economic Development. The technical appraisal verified the compliance of the software tested. The proceeding was then extended to a large number of employees and former employees of the Company. Eni has continued to provide full cooperation to the authorities.

During 2018, as part of the proceeding no. 7320/2014, the Public Prosecutor of Rome notified the conclusion of the preliminary investigations in relation to the criminal proceeding concerning the Calenzano, Pomezia, Naples, Gaeta and Ortona storage sites and the Livorno and Sannazzaro refineries. Based on the outcome of the investigations, as far as Eni is concerned, the proceeding involves former managers and directors of the logistic sites and refineries indicated above concerning alleged aggravated and continuous non-payment of excise duties, alteration and removal of seals, use and possession of false measures and weights instruments. In addition, for the Calenzano site, three employees and their manager of the storage site were accused of alleged procedural fraud.

In September 2018, Eni received, as injured party, the notification of the schedule of hearing issued by the Court of Rome, in relation to criminal association and other minor claims, against numerous persons under investigation – including over forty Eni employees – subject of a separated proceeding (no. 22066/17 RGNR), for which, in May 2017, the Public Prosecutor's Office had requested the dismissal. At the end of the hearing in December 2018, the Judge accepted the request for dismissal for several persons under investigation, including 13 Eni employees. The Judge also initially rejected the request of indictment for criminal association relating to 28 Eni employees (including the former managers of the R&M Division). Following the preliminary hearing, a sentence not to prosecute was achieved in December 2019 for all the defendants.

During 2019, also in relation to tax pending, a definition was reached, and Eni made the payments for the higher excise duties and other taxes for which it was not possible to reconstruct the related justification.

For the main proceedings (no. 7320/2014 RGNR), in 2019 a detailed preliminary hearing was held before the Judge of the preliminary hearing of Rome who, following the outcome of the discussions, ordered the indictment for all the defendants.

Since 2020, the first instance judgment is pending before the Monocratic Court of Rome for offenses relating to excise duties, forgery, and procedural fraud. The trial is underway with witnesses and technical consultants.

- ii) **Eni SpA – Public Prosecutor of Milan – Criminal proceeding no. 12333/2017.** In February 2018, Eni was notified of a search and seizure decree in relation to allegations of associative crime aimed at slander and at reporting false information to a Public Prosecutor. In the decree, the Prosecutor of Milan included, among the other persons under investigation, a former external lawyer and a former Eni manager, at the time of the facts holding a strategic position with the Company. According to the decree, the association was allegedly aimed at interfering with the judicial activity in certain criminal proceedings involving, among others, Eni and some of its directors and managers. Eni's Control and Risks Committee, having consulted the Board of Statutory Auditors, and together with the Watch Structure, agreed to engage an auditing firm to perform an internal audit of relevant facts and circumstances and records and documentation relating to the matter with respect to the events of the aforementioned proceeding, including a forensic review. The final report, submitted to the Control and Risk Committee, the Watch Structure and the Board of Statutory Auditors on September 12, 2018, concluded that following the review carried out with respect to the allegations made by the Public Prosecutor of Milan, there was not sufficient factual evidence to prove the involvement of the aforementioned former manager of Eni in the alleged crimes. On April 19, 2018, the Board of Directors appointed two external consultants, a criminal lawyer and a civil lawyer to provide independent legal advice in relation to the facts under investigation. Their report, dated November 22, 2018, did not find facts that could suggest any involvement of any Eni employees in the crimes alleged by the Public Prosecutor. On June 4, 2018, Consob, the Italian markets regulator, requested to be informed about the above-mentioned proceeding. The request was addressed to the Company and to its Board of Statutory Auditors.

Specifically, Consob asked about the outcome of the forensic review and to be updated about any other audit action taken in relation to the matter by the Company and

by its Board of Statutory Auditors. The Board of Statutory Auditors was also requested to report about the findings of the additional audit program agreed with an external auditor regarding the matter and to keep Consob updated about any further initiatives adopted. The Company answered the request on June 11, 2018. Subsequently, the Company finalized its response by sending further documentation including the final report of the independent third party and the reports of the consultants of the Board of Directors. The Board of Statutory Auditors has periodically updated Consob on the initiatives taken as part of the Board's monitoring responsibilities with several communications, the last of which was on July 25, 2020. On June 13, 2018, Eni was notified of a request from the Prosecutor's Office to transmit certain documentation in accordance with the Italian Code of Criminal Procedure. The request targeted evidence and documents relating to the internal audit performed by the Company and any possible external review concerning certain tasks that had been assigned to the former external lawyer with respect to Eni. This lawyer appears to be under investigation as part of this proceeding. The reports of the independent third party and of the consultant of the Board of Directors were also sent to the Public Prosecutor.

In May and June 2019, in the context of the same proceeding, the Court of Milan notified Eni and three of its subsidiaries (ETS SpA, Versalis SpA, Ecofuel SpA) of various requests for documentation in accordance with the Italian Code of Criminal Procedure. At the same time, on May 23, 2019, Eni was served a notice that the Company was being investigated for administrative offences pursuant to Legislative Decree no. 231/01, with reference to the crime sanctioned by the Italian Penal Code concerning "inducement not to make statements or to make false statements to the judicial authority".

The object of the aforementioned requests particularly concerned the relations with two business partners, access to Eni offices of certain third parties, also on behalf of one of the above-mentioned business partners, the mailbox of some employees and former employees, the documentation concerning the relations (and the interruption of those relations) with the former external lawyer investigated in the proceeding, the internal audit reports and the reports of the Company's bodies that dealt with assessing these relationships. Following internal audits, on June 21, 2019, the Company sued for fraud a former employee at its subsidiary ETS, who was fired on May 28, 2019, and also filed a complaint before the Judicial Authority to ascertain possible complicity in fraud of other third parties. On August 14, 2019, the Italian tax police sent a new request for information to Eni, concerning the economic relations between Eni Group companies and an external professional.

In November 2019, Eni received a notice of extension of the preliminary investigations. The notice also covered the investigations of the alleged breach by Eni of certain provisions of Legislative Decree no. 231/01 until May 2020. Furthermore, certain former Eni employees have been charged with various criminal allegations. Those employees were a former manager of Eni's legal department, the former Chief Upstream Officer of Eni and an employee that was fired in 2013. A number of third parties have also been indicted, among them, two former legal consultants of Eni. On January 23, 2020, a search decree and an indictment were notified to the Company's Chief Services & Stakeholder Relations Officer, the Senior Vice President for Security and a manager of the legal department. Following the requests for review of the aforementioned decree, the material deposited by the Public Prosecutor's Office was made available to the Company, which requested its examination by the same consultants appointed in 2018 to examine the documentation. Subsequently, in June, July and September 2020, Eni was notified by the Public Prosecutor of Milan of several requests for documentation concerning, in particular: the results of the inquiries carried out by the internal audit department following an anonymous report relating to a hospitality event in 2017; some clarifications regarding an invoice issued by an external law firm; the internal audit report on relations with a commercial third party; work commitments of the Chief Services & Stakeholder Relations Officer relating to certain dates of 2014 and 2016; and the documentation concerning the dismissal of a former Eni employee. All the required documentation has been produced over time to the Judicial Authority.

On November 9, 2020, the Company was informed that Eni's CEO was notified about his right to participate, through its technical consultant, in the scheduled technical review of the content of a telephone device seized from a former Eni employee.

In relation to what was previously requested by the Judicial Authorities in July 2020 and to supplement the already produced information, in the period January-March 2021 all the additional documentation concerning an ongoing dispute with a commercial counterpart was delivered over time.

On December 10, 2021, a notice of conclusion of the preliminary investigations was sent against twelve individuals and five companies. A former Eni executive fired in 2013 and a former external Eni lawyer are accused of having slandered the Chief Executive Officer and the Human Capital Director & Procurement Coordination of Eni. The Chief Executive Officer, the Human Capital Director & Procurement Coordination, the Senior Vice President for Security and Eni SpA itself, however, do not appear in the request for indictment.

The Eni subsidiary, ETS, has been charged as entity liable

in connection with the crime of inducement at omitting to provide information and/or rendering misleading information to the judicial authority, for which also the former top manager is being investigated. ETS has already been placed in voluntary liquidation with a resolution of Eni's Board of Directors of July 2020 which became effective on January 1st, 2021.

4. Tax proceedings

- i) **Dispute for omitted payment of a property tax for some oil offshore platforms located in territorial waters.** Tax disputes are pending with some Italian local authorities regarding whether Oil & Gas offshore platforms located within territorial boundaries should be subject to a property tax in the period 2016-2019. In 2016 the tax regulatory framework changed due to enactment of Law no. 208/2015, which excluded from the scope of the property tax the value of plants instrumental to specific production processes. In addition, the Finance Department recognized that offshore platforms met the requirements for classification as instrumental plants and consequently are excluded from the scope of the property tax (resolution no. 3 of June 1st, 2016). Based on this interpretation, Eni did not pay any property tax for the years 2016-2019. However, the ruling of the Department of Finance is not binding for local authorities with taxing powers as recognized by the Third Instance Court and some of these have issued assessment notices for 2016-2019. The Company filed an appeal against these notices. Although Eni believes that oil platforms located in the territorial sea should be excluded from the tax base of the property tax on the base of the interpretation of the law in the light of the resolution of the Department of Finance, having assessed the risks of losing in pending disputes, the Company accrued a risk provision, the amount of which excludes fines since Eni's conduct was based on the administrative resolution, as well as taking into account the reduction of the tax base excluding the "plant component" as provided by the law. The proceeding is still ongoing. Law Decree 124/19 (enacted with Law 157/19) has established, starting from 2020, that marine platforms are subject to a new property tax that will replace and supersede any other ordinary local property tax eventually levied on these plants up to 2019. This rule has therefore sanctioned, starting from 2020, the existence of the tax requirement for these plants.

5. Settled proceedings

- i) **Eni Rewind SpA and Versalis SpA – Porto Torres – Prosecuting body: Public Prosecutor of Sassari.** Proceedings initiated in 2011 by the Public Prosecutor of Sassari for alleged environmental disaster and poisoning of

water and substances destined for food against the former plant manager of Eni Rewind SpA in Porto Torres, and subsequently against Eni Rewind itself and Versalis SpA as alleged civil parties. The proceeding ended with a sentence of no place to proceed due to a statute of limitations, which has become final.

- ii) **Eni Rewind SpA – Summon for alleged environmental damage caused by DDT pollution in Lake Maggiore.**

In May 2003, the Italian Ministry for the Environment claimed compensation from Eni Rewind for alleged environmental damage caused by the activity at the Pieve Vergonte plant in the years 1990 through 1996. In July 2008, the District Court of Turin ordered Eni Rewind to pay environmental damages amounting to €1,833.5 million, plus interests accrued from the filing of the decision. Eni and its subsidiary deemed the amount of the environmental damage to be absolutely groundless as the sentence lacked sufficient elements to support such a material amount of the liability from the volume of pollutants ascertained by the Italian Environmental Ministry. During the proceedings the technical appraisal requested by the Court validated the activities of the technical discussions carried out by the Company and concluded that: (i) no further measure for environmental restoration is required; (ii) there was no significant and measurable impact on the environment of the ecosystem, therefore no restoration or damage compensation should be claimed; the only impact seen concerned fishing activity, with an estimated damage of €7 million which could be already restored through the measures proposed by Eni Rewind, and; (iii) the necessity and convenience of dredging should be excluded, both from the legal and scientific point of view, while confirming technical and scientific correctness of the Eni Rewind's approach based on the monitoring of the process of natural recovery, which is estimated to require 20 years.

In March 2017, the Second Instance Court: (i) excluded the application of compensation for monetary equivalent, and (ii) annulled the monetary compensation of €1.8 billion requesting Eni Rewind to perform the already approved clean-up project of the polluted areas, which comprise groundwater, as well as compensatory remediation works. The value of these compensatory works required by the Court, in case of Eni Rewind's failure or misperformance, is estimated at €9.5 million. The clean-up project filed by Eni Rewind was ratified by the authorities and is currently being executed. Expenditures expected to be incurred have been provisioned in the environmental provision; (iii) rejected all other claims filed by the Ministry (including compensation for non-material damage).

In April 2018, the Ministry for the Environment filed an appeal to the Third Instance Court. Following this appeal, the Company appeared in Court.

With sentence no. 18811 filed on July 2nd, 2021, the Third Instance Court definitively ruled on the dispute regarding environmental damage and the site of Pieve Vergonte, rejecting the appeal presented by the Ministry of the Environment, confirming the reasons of the Second Instance Court. In particular, the Court confirmed the validity of the defensive positions presented by the Company in terms of restoration, also by implementing natural solutions, and in-kind compensation for environmental damage.

Assets under concession arrangements

Eni operates under concession arrangements mainly in the Exploration & Production segment and the Refining & Marketing business line. In the Exploration & Production segment, contractual clauses governing mineral concessions, licenses and exploration permits regulate the access of Eni to hydrocarbon reserves. Such clauses can differ in each country. In particular, mineral concessions, licenses and permits are granted by the legal owners and, generally, entered into with government entities, State oil companies and, in some legal contexts, private owners. Pursuant to the assignment of mineral concessions, Eni sustains all the operational risks and costs related to the exploration and development activities and it is entitled to the productions realized. In respect of the mining concessions received, Eni pays royalties in accordance with the tax legislation in force in the country and is required to pay the income taxes deriving from the exploitation of the concession. In production sharing agreement and service contracts, realized productions are defined based on contractual agreements with State oil companies, which hold the concessions. Such contractual agreements regulate the recovery of costs incurred for the exploration, development and operating activities (Cost Oil) and give entitlement to the own portion of the realized productions (Profit Oil). In the Refining & Marketing business line, several service stations and other auxiliary assets of the distribution service are located in the motorway areas and they are granted by the motorway concession operators following a public tender for the sub-concession of the supplying of oil products distribution service and other auxiliary services. In exchange for the granting of the services described above, Eni provides to the motorway companies fixed and variable royalties based on quantities sold. At the end of the concession period, all non-removable assets are transferred to the grantor of the concession for no consideration.

Environmental regulations

In the future, Eni will sustain significant expenses in relation to compliance with environmental, health and safety laws and regulations and for reclaiming, safety and remediation works of areas previously used for industrial production and dismantled sites. In particular, regarding the environmental risk, management does not currently expect any material adverse effect upon Eni's Consolidated Financial Statements, taking account of ongoing remediation actions, existing insurance policies and the environmental risk provision accrued in the Consolidated Financial Statements. However, management believes that it is possible that Eni may incur material losses and liabilities in future years in connection with environmental matters due to: (i) the possibility of as yet unknown contamination; (ii) the results of ongoing surveys and other possible effects of statements required by Legislative Decree no. 152/2006; (iii) new developments in environmental regulation (i.e. Law no. 68/2015 on crimes against the environment and European Directive 2015/2193 on medium combustion plants); (iv) the effect of possible technological changes relating to future remediation; and (v) the possibility of litigation and the difficulty of determining Eni's liability, if any, as against other potentially responsible parties with respect to such litigation and the possible insurance recoveries.

Emission trading

From 2021, the fourth phase of the European Union Emissions Trading Scheme (EU-ETS) came in force. The award of free emission allowances is performed based on emission benchmarks defined at European level specific to each industrial segment, except for the electric power generation sector that is not eligible for allocations for no consideration. This regulatory scheme implies for Eni's plants subject to emission trading a lower assignment of emission permits compared to the emissions recorded in the relevant year and, consequently, the necessity of covering the amounts in excess by purchasing the relevant emission allowances on the open market. In 2021, the emissions of carbon dioxide from Eni's plants were higher than the free allowances assigned to Eni. Against emissions of carbon dioxide amounting to approximately 17.74 million tonnes, Eni was awarded free emission allowances of 5.34 million tonnes, determining a deficit of 12.40 million tonnes. This deficit was entirely covered through the purchase of emission allowances in the open market.

29 REVENUES AND OTHER INCOME

SALES FROM OPERATIONS

(€ million)	Exploration & Production	Global Gas & LNG Portfolio	Refining & Marketing and Chemical	Plentitude & Power	Corporate and Other activities	Total
2021						
Sales from operations	8,846	16,973	40,051	10,517	188	76,575
Products sales and service revenues:						
Sales of crude oil	3,573		14,710			18,283
Sales of oil products	885		18,739			19,624
Sales of natural gas and LNG	4,122	16,608	34	3,245		24,009
Sales of petrochemical products			5,652		7	5,659
Sales of other products	40	6	132	5,316	1	5,495
Services	226	359	784	1,956	180	3,505
	8,846	16,973	40,051	10,517	188	76,575
Transfer of goods/services						
Goods/Services transferred in a specific moment	8,506	16,823	39,836	10,517	72	75,754
Goods/Services transferred over a period of time	340	150	215		116	821
2020						
Sales from operations	6,359	5,362	24,937	7,135	194	43,987
Products sales and service revenues:						
Sales of crude oil	1,969		9,024			10,993
Sales of oil products	517		11,852			12,369
Sales of natural gas and LNG	3,505	5,000	20	2,741		11,266
Sales of petrochemical products			3,277		19	3,296
Sales of other products	113	(2)	36	2,366	2	2,515
Services	255	364	728	2,028	173	3,548
	6,359	5,362	24,937	7,135	194	43,987
Transfer of goods/services						
Goods/Services transferred in a specific moment	5,896	5,239	24,639	7,135	78	42,987
Goods/Services transferred over a period of time	463	123	298		116	1,000
2019						
Sales from operations	10,499	9,230	41,976	7,972	204	69,881
Products sales and service revenues:						
Sales of crude oil	3,505		17,361			20,866
Sales of oil products	1,189		19,615			20,804
Sales of natural gas and LNG	5,454	8,881	214	3,373		17,922
Sales of petrochemical products			4,088		22	4,110
Sales of other products	68		16	2,503	6	2,593
Services	283	349	682	2,096	176	3,586
	10,499	9,230	41,976	7,972	204	69,881
Transfer of goods/services						
Goods/Services transferred in a specific moment	9,946	9,117	41,727	7,972	86	68,848
Goods/Services transferred over a period of time	553	113	249		118	1,033

(€ million)	2021	2020	2019
Revenues associated with contract liabilities at the beginning of the period	658	818	747
Revenues associated with performance obligations totally or partially satisfied in previous years	30		10

Sales from operations by industry segment and geographical area of destination are disclosed in note 35 - Segment information and information by geographical area.

Sales from operations with related parties are disclosed in note 36 - Transactions with related parties.

OTHER INCOME AND REVENUES

(€ million)	2021	2020	2019
Gains from sale of assets and businesses	107	10	152
Other proceeds	1,089	950	1,008
	1,196	960	1,160

Other proceeds include €281 million (€357 million in 2020 and €368 million in 2019) related to the recovery of the cost share of right-of-use assets pertaining to partners of unincorporated joint operations operated by Eni.

Other income and revenues with related parties are disclosed in note 36 - Transactions with related parties.

30 COSTS

PURCHASE, SERVICES AND OTHER CHARGES

(€ million)	2021	2020	2019
Production costs - raw, ancillary and consumable materials and goods	41,174	21,432	36,272
Production costs - services	10,646	9,710	11,589
Lease expense and other	1,233	876	1,478
Net provisions for contingencies	707	349	858
Other expenses	1,983	1,317	879
	55,743	33,684	51,076
less:			
- capitalized direct costs associated with self-constructed assets - tangible assets	(185)	(128)	(197)
- capitalized direct costs associated with self-constructed assets - intangible assets	(9)	(5)	(5)
	55,549	33,551	50,874

Purchase, services and other charges included geological and geophysical costs of exploration activities for €194 million (€196 million and €275 million in 2020 and 2019, respectively).

Costs incurred in connection with research and development activities expensed through profit and loss, as they did not meet the requirements to be recognized as long-lived assets, amounted to €177 million (€157 million and €194 million in 2020 and 2019, respectively).

Royalties on the extraction rights of hydrocarbons amounted to €946 million (€673 million and €1,183 million in 2020 and 2019, respectively).

Additions to provisions net of reversal of unused provisions mainly related to net additions for environmental liabilities amounting to €279 million (net reversals of €15 million and net additions of €329 million in 2020 and 2019, respectively) and net additions for litigations amounting to €162 million (net additions of €76 million and €60 million in 2020 and 2019, respectively). More information is provided in note 21 - Provisions. Net additions to provisions by segment are disclosed in note 35 - Segment information and information by geographical area.

Information about leases is disclosed in note 13 - Right-of-use assets and lease liabilities.

PAYROLL AND RELATED COSTS

(€ million)	2021	2020	2019
Wages and salaries	2,182	2,193	2,417
Social security contributions	455	458	449
Cost related to employee benefit plans	165	102	85
Other costs	204	239	213
	3,006	2,992	3,164
less:			
- capitalized direct costs associated with self-constructed assets - tangible assets	(111)	(118)	(152)
- capitalized direct costs associated with self-constructed assets - intangible assets	(7)	(11)	(16)
	2,888	2,863	2,996

Other costs comprised provisions for redundancy incentives of €94 million (€105 million and €45 million in 2020 and 2019, respectively) and costs for defined contribution plans of €97 million (€96 million and €99 million in 2020 and 2019, respectively).

Cost related to employee benefit plans are described in note 22 - Provisions for employee benefits.

Costs with related parties are disclosed in note 36 - Transactions with related parties.

AVERAGE NUMBER OF EMPLOYEES

The Group average number and breakdown of employees by category is reported below:

(number)	2021		2020		2019	
	Subsidiaries	Joint operations	Subsidiaries	Joint operations	Subsidiaries	Joint operations
Senior managers	966	18	993	17	1,014	16
Junior managers	9,143	78	9,280	73	9,267	77
Employees	15,747	380	15,995	349	15,945	361
Workers	5,476	284	4,780	287	4,910	287
	31,332	760	31,048	726	31,136	741

The average number of employees was calculated as the average between the number of employees at the beginning and the end of the period. The average number of senior

managers included managers employed in foreign countries, whose position is comparable to a senior manager's status.

LONG-TERM MONETARY INCENTIVE PLAN FOR THE MANAGERS OF ENI

On April 13, 2017 and on May 13, 2020, the Shareholders Meeting approved the Long-Term Monetary Incentive Plan 2017-2019 and 2020-2022 and empowered the Board of Directors to execute the Plan by authorizing it to dispose up to a maximum of 11 million of treasury shares in service of the plan 2017-2019 and 20 million in service of the plan 2020-2022.

The Long-Term Monetary Incentive plans provide for three annual awards (2017, 2018 and 2019 and 2020, 2021 and 2022, respectively) and are intended for the Chief Executive Officer of Eni and for the managers of Eni and its subsidiaries who qualify as "senior managers deemed critical for the business", selected among those who are in charge of tasks directly linked to the Group results or of strategic clout to the business. The Plans provide the granting of Eni shares for no

consideration to eligible managers after a three-year vesting period under the condition that they would remain in office until vesting. Considering that these incentives fall within the category of employee compensation, in accordance with IFRS, the cost of the plans is determined based on the fair value of the financial instruments awarded to the beneficiaries and the number of shares that are granted at the end of the vesting period; the cost is accruing along the vesting period.

With reference to the 2017-2019 Plan, the number of shares that will be granted at the end of the vesting period will depend: (i) for 50%, on the market condition in terms of Total Shareholder Return (TSR) of the Eni share compared to the TSR of the FTSE Mib index of the Italian Stock Exchange

Market, and to a group of Eni's competitors ("Peer Group")²⁸ and the TSR of their corresponding stock exchange market²⁹; (ii) for 50%, on the growth in the Net Present Value (NPV) of proved reserves benchmarked against the Peer Group. With reference to the 2020-2022 Plan, the number of shares that will be granted at the end of the vesting period will depend: (i) for 25% on a market objective measured as the difference between the Total Shareholder Return (TSR) of Eni Shares and the TSR of the FTSE Mib Index of Italian Stock Exchange on a three-year period, adjusted with Eni's correlation index, compared with similar differences for each company of the Eni's group of competitors (Peer Group); (ii) for 20% on a relative parameter represented by an industrial objective measured in terms of annual unit value (\$/boe) of the Net Present Value of Proven Reserves (NPV) compared with the analogous value of each company in the Peer Group, with a final outcome equal to the average annual results over the three-year period; (iii) for 20% on an absolute parameter represented by an economic-financial objective measured as the Organic Free Cash Flow accumulated in the three-year reference period, compared to the equivalent accumulated value provided for in the first three 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 CFC targets is conducted net of external variables, using a gap-analysis approach approved by the Remuneration Committee, in order to assess the effective corporate performance deriving from the management action; (iv) for the remaining 35% on an environmental sustainability and energy transition objective in a three-year period consisting of three absolute objectives as follows: (a) for 15% to a decarbonisation objective measured in terms of Upstream Scope 1 and Scope 2 CO₂eq. equity emissions (tCO₂eq./kboe) at the end of the three-year period compared with the same value expected in the third year of the Strategic Plan approved by the Board of Directors in the year of award and kept unchanged during the performance period; (b) for 10% on an energy transition objective measured in megawatts (MW) of installed capacity of power generation from renewable sources, at the end of the three-year performance period, compared with the same value expected in the third year of the Strategic Plan approved by the Board of Directors

in the year of award and kept unchanged in the performance period; (c) for 10% on a 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 third year of the Strategic Plan approved by the Board of Directors in the year of award and kept unchanged during the performance period.

Depending on the performance of the parameters mentioned above, the number of shares that will vest after three years may range between 0% and 180% of the initial award. Furthermore, 50% of the shares that will eventually vest is subject to a lock-up clause of one year after the vesting date. The number of shares awarded at the grant date was: (i) 2,365,581 shares in 2021, with a weighted average fair value of €8.15 per share; (ii) 2,922,749 shares in 2020, with a weighted average fair value of €4.67 per share; (iii) 1,759,273 shares in 2019, with a weighted average fair value of €9.88 per share.

The estimation of the fair value was calculated by adopting specific valuation techniques regarding the different performance parameters provided by the plan (the stochastic method for the component related to the TSR and the Black-Scholes model for the component related to the NPV of the reserves, for the 2017-2019 Plan; the stochastic method for the 2020-2022 Plan), taking into account the fair value of the Eni share at the grant date (between €11.642 and €12.164 depending on the grant date in relation to the 2021 award; between €5.885 and €8.303 depending on the grant date in relation to the 2020 award; €13.714 per share in 2019), reduced by dividends expected along the vesting period (between 7.1% and 7.4% of the share price at vesting date in 2021; 7.1% and 10.0% of the share price at vesting date in 2020; 6.1% of the share price at vesting date in 2019), considering the volatility of the stock (between 44% and 45% in relation to the 2021 award; 41% and 44% in relation to the 2020 award; 19% for attribution 2019), the forecasts for the performance parameters, as well as the lower value attributable to the shares considering the lock-up period at the end of the vesting period.

In 2021, the costs related to the Long-Term Monetary Incentive Plan, recognized as a component of the payroll cost, amounted to €16 million (€7 million in 2020; €9 million in 2019) with a contra-entry to equity reserves.

COMPENSATION OF KEY MANAGEMENT PERSONNEL

Compensation, including contributions and collateral expenses, of personnel holding key positions in planning, directing and controlling the Eni Group subsidiaries, including

executive and non-executive officers, general managers and managers with strategic responsibilities in office during the year consisted of the following:

(28) The Peer group consists of the following oil companies: Apache, BP, Chevron, ConocoPhillips, Equinor, ExxonMobil, Marathon Oil, Occidental, Royal Dutch Shell and Total.
 (29) The performance condition connected with the TSR in accordance with the international accounting standards represents a so-called market condition.

(€ million)	2021	2020	2019
Wages and salaries	29	30	28
Post-employment benefits	3	2	2
Other long-term benefits	15	12	12
Indemnities upon termination of employment		21	12
	47	65	54

COMPENSATION OF DIRECTORS AND STATUTORY AUDITORS OF ENI SPA

Compensation of Directors amounted to €10.13 million, €7.54 million and €9.2 million in 2021, 2020 and 2019, respectively. Compensation of Statutory Auditors amounted to €0.550 million, €0.571 million and €0.613 million in 2021, 2020 and 2019, respectively.

Compensation included emoluments and social security benefits due for the office as Director or Statutory Auditor held at the parent company Eni SpA or other Group subsidiaries, which was recognized as a cost to the Group, even if not subject to personal income tax.

31 FINANCE INCOME (EXPENSE)

(€ million)	2021	2020	2019
Finance income (expense)			
Finance income	3,723	3,531	3,087
Finance expense	(4,216)	(4,958)	(4,079)
Net finance income (expense) from financial assets held for trading	11	31	127
Income (expense) from derivative financial instruments	(306)	351	(14)
	(788)	(1,045)	(879)

The analysis of finance income (expense) was as follows:

(€ million)	2021	2020	2019
Finance income (expense) related to net borrowings			
- Interest and other finance expense on ordinary bonds	(475)	(517)	(618)
- Net finance income (expense) on financial assets held for trading	11	31	127
- Interest and other expense due to banks and other financial institutions	(94)	(102)	(122)
- Interest on lease liabilities	(304)	(347)	(378)
- Interest from banks	4	10	21
- Interest and other income on financial receivables and securities held for non-operating purposes	9	12	8
	(849)	(913)	(962)
Exchange differences	476	(460)	250
Income (expense) from derivative financial instruments	(306)	351	(14)
Other finance income (expense)			
- Interest and other income on financing receivables and securities held for operating purposes	67	97	112
- Capitalized finance expense	68	73	93
- Finance expense due to the passage of time (accretion discount) ^(a)	(144)	(190)	(255)
- Other finance income (expense)	(100)	(3)	(103)
	(109)	(23)	(153)
	(788)	(1,045)	(879)

(a) The item related to the increase in provisions for contingencies that are shown at present value in non-current liabilities.

Information about leases is disclosed in note 13 - Right-of-use assets and lease liabilities.

The analysis of derivative financial income (expense) is disclosed in note 24 - Derivative financial instruments and hedge accounting.

Finance income (expense) with related parties are disclosed in note 36 - Transactions with related parties.

32 INCOME (EXPENSE) FROM INVESTMENTS

SHARE OF PROFIT (LOSS) OF EQUITY-ACCOUNTED INVESTMENTS

More information is provided in note 16 - Investments.
Share of profit or loss of equity accounted investments by

industry segment is disclosed in note 35 - Segment information and information by geographical area.

OTHER GAIN (LOSS) FROM INVESTMENTS

(€ million)	2021	2020	2019
Dividends	230	150	247
Net gain (loss) on disposals	1		19
Other net income (expense)	(8)	(75)	15
	223	75	281

Dividend income primarily related to Nigeria LNG Ltd for €144 million (€113 million in 2020 and €186 million in 2019) and to

Saudi European Petrochemical Co 'IBN ZAHRA' for €54 million (€28 million in 2020 and €46 million in 2019).

33 INCOME TAXES

(€ million)	2021	2020	2019
Current taxes:			
- Italian subsidiaries	439	199	347
- subsidiaries of the Exploration & Production segment - outside Italy	3,609	1,517	4,729
- other subsidiaries - outside Italy	157	84	152
	4,205	1,800	5,228
Net deferred taxes:			
- Italian subsidiaries	(45)	672	599
- subsidiaries of the Exploration & Production segment - outside Italy	552	73	(172)
- other subsidiaries - outside Italy	133	105	(64)
	640	850	363
	4,845	2,650	5,591

Current income taxes payable by Italian subsidiaries include foreign taxes for €214 million and the effect of the additional Corporate tax as per Law 7/2009 for €97 million.

The reconciliation between the statutory tax charge calculated by applying the Italian statutory tax rate of 24% (same amount in 2020 and 2019) and the effective tax charge is the following:

(€ million)	2021	2020	2019
Profit (loss) before taxation	10,685	(5,978)	5,746
Tax rate (IRES) (%)	24.0	24.0	24.0
Statutory corporation tax charge (credit) on profit or loss	2,564	(1,435)	1,379
Increase (decrease) resulting from:			
- higher tax charges related to subsidiaries outside Italy	2,301	1,980	2,934
- effect of the valuation of the investments under the equity method	180	97	9
- Italian regional income tax (IRAP)	140	107	25
- effect additional tax Law no 7/2009	97		
- impact pursuant to foreign tax effects of Italian entities	108	108	105
- tax effects related to previous years	52	(30)	147
- effect due to the tax regime provided for intercompany dividends	54	96	65
- impact pursuant to the write-down of deferred tax assets	(666)	1,785	938
- other adjustments	15	(58)	(11)
	2,281	4,085	4,212
Effective tax charge	4,845	2,650	5,591

The higher tax charges at non-Italian subsidiaries related to the Exploration & Production segment for €2,040 million (€1,777 million and €2,934 million in 2020 and in 2019, respectively). In 2020, the Group incurred income taxes, despite a pre-tax loss of €5,978 million, due to the economic crisis caused by the COVID-19 having an enduring impact on the

hydrocarbons demand and by the revision of the long-term prices and of future cash flows in Eni's activities. The lower projections of future taxable income had two impacts: the recognition of tax charges due to a write-down of deferred tax assets and a reduced capacity to recognize deferred taxes on the losses of the period.

34 EARNINGS (LOSS) PER SHARE

Basic earnings (loss) per ordinary share are calculated by dividing net profit (loss) for the period attributable to Eni's shareholders by the weighted average number of ordinary shares issued and outstanding during the period, excluding treasury shares.

Diluted earnings (loss) per share are calculated by dividing the net profit (loss) of the period attributable to Eni's shareholders by the weighted average number of shares fully-diluted, excluding treasury shares, and including the number of potential shares to be issued.

As of December 31, 2021, the shares that could be potentially

issued related the estimation of new shares that will vest in connection with the 2017-2019 and 2020-2022 Long-Term Monetary Incentive Plans.

In determining basic and diluted earnings (loss) per share, the net profit (loss) for the period attributable to Eni is adjusted to take into account the remuneration of perpetual subordinated bonds, net of tax effect, calculated by using the amortized cost method.

Reconciliation of the weighted average number of shares used for the calculation for both basic and diluted earnings (loss) per share was as follows:

		2021	2020	2019
Weighted average number of shares used for basic earnings (loss) per share		3,565,973,883	3,572,549,651	3,592,249,603
Potential shares to be issued for ILT incentive plan		7,598,593		2,251,406
Weighted average number of shares used for diluted earnings per share		3,573,572,476	3,572,549,651	3,594,501,009
Eni's net profit (loss)	(€ million)	5,821	(8,635)	148
Remuneration of subordinated perpetual bonds net of tax effect	(€ million)	(95)		
Eni's net profit (loss) for basic and diluted earnings (loss) per share	(€ million)	5,726	(8,635)	148
Basic earnings (loss) per share	(€ per share)	1.61	(2.42)	0.04
Diluted earnings (loss) per share	(€ per share)	1.60	(2.42)	0.04

35 SEGMENT INFORMATION AND INFORMATION BY GEOGRAPHIC AREA

SEGMENT INFORMATION

Eni's segmental reporting reflects the Group's operating segments, whose results are regularly reviewed by the Chief Operating Decision Maker (the CEO) to assess segment performance and to make decisions about resources to be allocated to each segment.

The organization is based on two General Departments:

- ▶ **Natural Resources**, to build up the value of Eni's Oil & Gas upstream portfolio, with the objective of reducing its carbon footprint by scaling up energy efficiency and expanding production in the natural gas business, and its position in the wholesale market. Furthermore, it will focus its actions on the development of carbon capture and compensation projects. The General Department incorporates the Company's Oil & Gas exploration, development and production activities, natural gas wholesale via pipeline and LNG, forests conservation (REDD+) and CO₂ storage projects;
- ▶ **Energy Evolution**, focused on the evolution of the businesses of power generation, transformation and marketing of products from fossil to bio and blue. The responsibility of this Department include the growth of power generation from renewable energy and biomethane, the coordination of the bio and circular evolution of the Company's refining system and chemical business, and the development of Eni's retail portfolio, providing increasingly more decarbonized products for mobility, household consumption and small enterprises. The General Department incorporates the activities of power generation from natural gas and renewables, the refining and chemicals businesses, Retail Gas & Power and mobility Marketing. The companies Versalis (chemical products), Eni Rewind (environmental activities) and Eni gas e luce, in their current structure, are consolidated in this General Department.

In relation to financial reporting purposes, management evaluated that the components of the Company whose operating results are regularly reviewed by the Chief Operating Decision Maker (CEO) to make decisions about the allocation of resources and to assess performances would continue

being the single business units which are comprised in the two newly-established General Departments, rather than the two groups themselves. Therefore, in order to comply with the provisions of the international reporting standard that regulates the segment reporting (IFRS 8), the new reportable segments of Eni, substantially confirming the pre-existing setup, are identified as follows:

Exploration & Production: research, development and production of oil, condensates and natural gas, forestry conservation (REDD+) and CO₂ capture and storage projects.

Global Gas & LNG Portfolio (GGP): supply and sale of wholesale natural gas via pipeline, international transport and purchase and marketing of LNG. It includes gas trading activities finalized to hedging and stabilizing the trade margins, as well as optimising the gas asset portfolio.

Refining & Marketing and Chemicals: supply, processing, distribution and marketing of fuels and chemicals. The results of the Chemicals segment were aggregated with the Refining & Marketing performance in a single reportable segment, because these two operating segments have similar economic returns. It comprises the activities of trading oil and products with the aim to execute the transactions on the market in order to balance the supply and stabilize and cover the commercial margins.

Plenitude & Power: retail sales of gas, electricity and related services, production and wholesale sales of electricity from thermoelectric and renewable plants, services for E-mobility. It includes trading activities of CO₂ emission certificates and forward sale of electricity with a view to hedging/optimising the margins of the electricity.

Corporate and Other activities: includes the main business support functions, in particular holding, central treasury, IT, human resources, real estate services, captive insurance activities, research and development, new technologies, business digitalization and the environmental activity developed by the subsidiary Eni Rewind.

Segment information presented to the CEO (i.e. the Chief Operating Decision Maker, ex IFRS 8) includes: revenues, operating profit and directly attributable assets and liabilities.

Segment Information:

(€ million)	Exploration & Production	Global Gas & LNG Portfolio	Refining & Marketing and Chemicals	Plentitude & Power	Corporate and Other activities	Adjustments of intragroup profits	Total
2021							
Sales from operations including intersegment sales	21,742	20,843	40,374	11,187	1,698		
Less: intersegment sales	(12,896)	(3,870)	(323)	(670)	(1,510)		
Sales from operations	8,846	16,973	40,051	10,517	188		76,575
Operating profit	10,066	899	45	2,355	(816)	(208)	12,341
Net provisions for contingencies	(221)	(139)	(137)	(1)	(186)	(23)	(707)
Depreciation and amortization	(5,976)	(174)	(512)	(286)	(148)	33	(7,063)
Impairments of tangible and intangible assets and right-of-use assets	(194)	(28)	(1,342)	(132)	(27)		(1,723)
Reversals of tangible and intangible assets	1,438	2		112	4		1,556
Write-off of tangible and intangible assets	(384)		(2)	(1)			(387)
Share of profit (loss) of equity-accounted investments	8		(333)		(766)		(1,091)
Identifiable assets ^(a)	61,753	10,022	13,326	8,343	1,439	(591)	94,292
Unallocated assets ^(b)							43,473
Equity-accounted investments	2,639	17	2,366	667	198		5,887
Identifiable liabilities ^(a)	17,046	10,072	6,796	3,786	3,338	(49)	40,989
Unallocated liabilities ^(b)							52,257
Capital expenditure in tangible and intangible assets	3,861	19	728	443	187	(4)	5,234
2020							
Sales from operations including intersegment sales	13,590	7,051	25,340	7,536	1,559		
Less: intersegment sales	(7,231)	(1,689)	(403)	(401)	(1,365)		
Sales from operations	6,359	5,362	24,937	7,135	194		43,987
Operating profit	(610)	(332)	(2,463)	660	(563)	33	(3,275)
Net provisions for contingencies	(98)	(64)	(118)	2	(26)	(45)	(349)
Depreciation and amortization	(6,273)	(125)	(575)	(217)	(146)	32	(7,304)
Impairments of tangible and intangible assets and right-of-use assets	(2,170)	(2)	(1,605)	(56)	(22)		(3,855)
Reversals of tangible and intangible assets	282		334	55	1		672
Write-off of tangible and intangible assets	(322)			(7)			(329)
Share of profit (loss) of equity-accounted investments	(980)	(15)	(363)	6	(381)		(1,733)
Identifiable assets ^(a)	59,439	4,020	10,716	4,387	1,444	(402)	79,604
Unallocated assets ^(b)							30,044
Equity-accounted investments	2,680	259	2,605	217	988		6,749
Identifiable liabilities ^(a)	17,501	3,785	5,460	2,426	3,316	(83)	32,405
Unallocated liabilities ^(b)							39,750
Capital expenditure in tangible and intangible assets	3,472	11	771	293	107	(10)	4,644
2019							
Sales from operations including intersegment sales	23,572	11,779	42,360	8,448	1,676		
Less: intersegment sales	(13,073)	(2,549)	(384)	(476)	(1,472)		
Sales from operations	10,499	9,230	41,976	7,972	204		69,881
Operating profit	7,417	431	(682)	74	(688)	(120)	6,432
Net provisions for contingencies	(97)	(234)	(276)	5	(307)	51	(858)
Depreciation and amortization	(7,060)	(124)	(620)	(190)	(144)	32	(8,106)
Impairments of tangible and intangible assets and right-of-use assets	(1,347)		(1,127)	(83)	(13)		(2,570)
Reversals of tangible and intangible assets	130	5	205	41	1		382
Write-off of tangible and intangible assets	(292)		(6)	(1)	(1)		(300)
Share of profit (loss) of equity-accounted investments	7	(21)	(63)	10	(21)		(88)
Identifiable assets ^(a)	68,915	4,092	13,569	4,068	1,643	(492)	91,795
Unallocated assets ^(b)							31,645
Equity-accounted investments	4,108	346	3,107	141	1,333		9,035
Identifiable liabilities ^(a)	20,164	3,836	6,272	2,380	3,890	(141)	36,401
Unallocated liabilities ^(b)							39,139
Capital expenditure in tangible and intangible assets	6,980	15	933	357	89	(14)	8,360

(a) Include assets/liabilities directly associated with the generation of operating profit.

(b) Include assets/liabilities not directly associated with the generation of operating profit.

INFORMATION BY GEOGRAPHICAL AREA

Identifiable assets and investments by geographical area of origin

(€ million)	Italy	Other European Union	Rest of Europe	Americas	Asia	Africa	Other areas	Total
2021								
Identifiable assets ^(a)	23,718	6,902	6,114	5,718	17,483	33,499	858	94,292
Capital expenditure in tangible and intangible assets	1,333	199	202	659	1,203	1,604	34	5,234
2020								
Identifiable assets ^(a)	17,228	4,159	3,174	4,485	16,360	33,341	857	79,604
Capital expenditure in tangible and intangible assets	1,198	152	119	441	1,267	1,443	24	4,644
2019								
Identifiable assets ^(a)	19,346	7,237	1,151	5,230	17,898	40,021	912	91,795
Capital expenditure in tangible and intangible assets	1,402	306	9	1,017	1,685	3,886	55	8,360

(a) Include assets directly associated with the generation of operating profit.

Sales from operations by geographical area of destination:

(€ million)	2021	2020	2019
Italy	29,968	14,717	23,312
Other European Union	14,671	9,508	18,567
Rest of Europe	12,470	8,191	6,931
Americas	4,420	2,426	3,842
Asia	7,891	4,182	8,102
Africa	7,040	4,842	8,998
Other areas	115	121	129
	76,575	43,987	69,881

36 TRANSACTIONS WITH RELATED PARTIES

In the ordinary course of its business, Eni enters into transactions mainly regarding:

- Purchase/supply of goods and services and the provision of financing to joint ventures, associates and non-consolidated subsidiaries;
- Purchase/supply of goods and services to entities controlled by the Italian Government;
- Purchase/supply of goods and services to companies related to Eni SpA through members of the Board of Directors. Most of these transactions are exempt from the application of the Eni internal procedure "Transactions involving interests of Directors and Statutory Auditors and transactions with related parties" pursuant to the Consob Regulation, since they relate to ordinary transactions conducted at market or standard conditions, or because they fall below the materiality threshold provided for by the procedure;
- contributions to non-profit entities correlated to Eni with the aim to develop solidarity, culture and research

initiatives. In particular these related to: (i) Eni Foundation, established by Eni as a non-profit entity with the aim of pursuing exclusively solidarity initiatives in the fields of social assistance, health, education, culture and environment, as well as scientific and technological research; and (ii) Eni Enrico Mattei Foundation, established by Eni with the aim of enhancing, through studies, research and training initiatives, knowledge enrichment in the fields of economics, energy and environment, both at the national and international level.

Transactions with related parties were conducted in the interest of Eni companies and, with exception of those with entities whose aim is to develop charitable, cultural and research initiatives, are related to the ordinary course of Eni's business.

Investments in subsidiaries, joint arrangements and associates as of December 31, 2021 are presented separately in the annex "List of companies owned by Eni SpA as of December 31, 2021".

TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Name	(€ million)	December 31, 2021			2021		
		Receivables and other assets	Payables and other liabilities	Guarantees	Revenues	Costs	Other operating (expense) income
Joint ventures and associates							
Agiba Petroleum Co		13	57			189	
Angola LNG Ltd						73	
Angola LNG Supply Services Llc				179			
Coral FLNG SA		17		1,260	43		
Saipem Group		4	134	9	28	174	
Karachaganak Petroleum Operating BV		24	213			989	
Mellitah Oil & Gas BV		65	290		3	263	
Petrobel Belayim Petroleum Co		24	391		2	651	
Société Centrale Electrique du Congo SA		50			66		
Società Oleodotti Meridionali SpA		6	396		18	12	
Vår Energi AS		62	526	495	104	2,224	(409)
Other ^(*)		137	53	2	95	234	
		402	2,060	1,945	359	4,809	(409)
Unconsolidated entities controlled by Eni							
Eni BTC Ltd				179			
Industria Siciliana Acido Fosforico - ISAF SpA (in liquidation)		124	1	1	13		
Other		10	5	10	8	10	
		134	6	190	21	10	
		536	2,066	2,135	380	4,819	(409)
Entities controlled by the Government							
Enel Group		583	461		41	417	373
Italgas Group		1	49		3	560	
Snam Group		160	152		159	1,013	1
Terna Group		51	85		203	309	4
GSE - Gestore Servizi Energetici		311	125		2,216	1,238	766
Other ^(*)		10	33		20	60	
		1,116	905		2,642	3,597	1,144
Other related parties							
Groupement Sonatrach - Agip «GSA» and Organe Conjoint des Opérations «OC SH/FCP»		170	79		30	222	
Total		1,822	3,052	2,135	3,052	8,671	735

(*) Each individual amount included herein was lower than €50 million.

Name	(€ million)	December 31, 2020			2020		
		Receivables and other assets	Payables and other liabilities	Guarantees	Revenues	Costs	Other operating (expense) income
Joint ventures and associates							
Agiba Petroleum Co		6	52			201	
Angola LNG Supply Services Llc				165			
Coral FLNG SA		6		1,079	49		
Gas Distribution Company of Thessaloniki - Thessaly SA			13			52	
Saipem Group		87	254	509	18	350	
Karachaganak Petroleum Operating BV		25	141			816	
Mellitah Oil & Gas BV		54	250		2	156	
Petrobel Belayim Petroleum Co		65	467			556	
Società Oleodotti Meridionali SpA		3	399		20	15	
Société Centrale Electrique du Congo SA		48			57		
Unión Fenosa Gas SA		11	4	57	9		(3)
Vår Energi AS		39	190	456	85	1,126	(118)
Other ^(*)		72	24	1	66	167	
		416	1,794	2,267	306	3,439	(121)
Unconsolidated entities controlled by Eni							
Eni BTC Ltd				165			
Industria Siciliana Acido Fosforico - ISAF SpA (in liquidation)		112	1	1	11		
Other		5	23	10	4	9	
		117	24	176	15	9	
		533	1,818	2,443	321	3,448	(121)
Entities controlled by the Government							
Enel Group		104	165		51	551	86
Italgas Group		1	177		3	714	
Snam Group		189	211		45	1,012	
Terna Group		46	62		152	225	8
GSE - Gestore Servizi Energetici		52	37		586	309	40
Other ^(*)		8	49		20	63	
		400	701		857	2,874	134
Other related parties							
		1	4		2	53	
Groupement Sonatrach - Agip «GSA» and Organe Conjoint des Opérations «OC SH/FCP»							
		87	52		19	262	
Total		1,021	2,575	2,443	1,199	6,637	13

(*) Each individual amount included herein was lower than €50 million.

Name	(€ million)	December 31, 2019			2019		
		Receivables and other assets	Payables and other liabilities	Guarantees	Revenues	Costs	Other operating (expense) income
Joint ventures and associates							
Agiba Petroleum Co		3	71			229	
Angola LNG Supply Services Llc				181			
Coral FLNG SA		15		1,168	71		
Gas Distribution Company of Thessaloniki - Thessaly SA			13			53	
Saipem Group		75	227	510	27	503	
Karachaganak Petroleum Operating BV		33	198		1	1,134	
Mellitah Oil & Gas BV		57	171		3	365	
Petrobel Belayim Petroleum Co		50	1,130		7	1,590	
Unión Fenosa Gas SA		8	1	57	1	6	63
Vår Energi AS		32	143	482	63	1,481	(64)
Other(*)		106	29	1	112	87	
		379	1,983	2,399	285	5,448	(1)
Unconsolidated entities controlled by Eni							
Eni BTC Ltd				180			
Industria Siciliana Acido Fosforico - ISAF SpA (in liquidation)		101	1	3	14		
Other		5	25	14	6	18	
		106	26	197	20	18	
		485	2,009	2,596	305	5,466	(1)
Entities controlled by the Government							
Enel Group		185	284		105	602	(8)
Italgas Group		3	154		1	677	
Snam Group		278	229		71	1,208	
Terna Group		40	45		171	223	17
GSE - Gestore Servizi Energetici		26	24		549	468	11
Other		10	19		12	35	
		542	755		909	3,213	20
Other related parties							
Groupement Sonatrach - Agip «GSA» and Organe Conjoint des Opérations «OC SH/FCP»		75	74		33	457	
Total		1,104	2,841	2,596	1,252	9,173	19

(*) Each individual amount included herein was lower than €50 million.

The most significant transactions with joint ventures, associates and unconsolidated subsidiaries concerned:

- ▶ Eni's share of expenses incurred to develop oil fields from Agiba Petroleum Co, Karachaganak Petroleum Operating BV, Mellitah Oil & Gas BV, Petrobel Belayim Petroleum Co, Groupement Sonatrach - Agip «GSA», Organe Conjoint des Opérations «OC SH/FCP» and, only for Karachaganak Petroleum Operating BV, purchase of crude oil by Eni Trade & Biofuels SpA; services charged to Eni's associates are invoiced on the basis of incurred costs;
- ▶ purchase of LNG from Angola LNG Ltd;
- ▶ a guarantee issued on behalf of Angola LNG Supply Services Llc to cover the commitments relating to the payment of the regasification fee;
- ▶ supply of upstream specialist services and a guarantee issued on a pro quota basis granted to Coral FLNG SA on behalf of the Consortium TJS for the contractual obligations assumed following the award of the EPCIC contract for the construction of a floating gas liquefaction plant (for more information see note 28 - Guarantees, commitments and risks);
- ▶ engineering, construction and drilling services by Saipem Group mainly for the Exploration & Production segment;
- ▶ the sale of gas to Société Centrale Electrique du Congo SA;
- ▶ advances received from Società Oleodotti Meridionali SpA for the infrastructure upgrade of the crude oil transport system at the Taranto refinery;
- ▶ guarantees issued in compliance with contractual agreements in the interest of Vår Energi AS, the supply of upstream specialist services, the purchase of crude oil, condensates and gas and the realized part of the forward contracts for the purchase of gas;
- ▶ a guarantee issued in relation to the construction of an oil pipeline on behalf of Eni BTC Ltd;
- ▶ services for environmental restoration to Industria Siciliana Acido Fosforico - ISAF SpA (in liquidation).

The most significant transactions with entities controlled by the Italian Government concerned:

- ▶ sale of fuel, sale and purchase of gas, acquisition of power distribution services and fair value of derivative financial instruments with Enel Group;
- ▶ acquisition of natural gas transportation, distribution and storage services with Snam Group and Italgas Group on the basis of the tariffs set by the Italian Regulatory Authority for Energy, Networks and Environment and purchase and sale with Snam Group of natural gas for granting the system balancing on the basis of prices referred to the quotations of the main energy commodities;
- ▶ acquisition of domestic electricity transmission service and sale and purchase of electricity for granting the system balancing based on prices referred to the quotations of the main energy commodities, and derivatives on commodities

entered to hedge the price risk related to the utilization of transport capacity rights with Terna Group;

- ▶ sale and purchase of electricity, gas, environmental certificates, fair value of derivative financial instruments, sale of oil products and storage capacity with GSE - Gestore Servizi Energetici for the setting-up of a specific stock held by the Organismo Centrale di Stoccaggio Italiano (OCSIT) according to the Legislative Decree no. 249/12; the contribution to cover the charges deriving from the performance of OCSIT functions and activities and the contribution paid to GSE for the use of biomethane and other advanced biofuels in the transport sector.

Transactions with other related parties concerned:

- ▶ provisions to pension funds managed by Eni of €25 million;
- ▶ contributions and service provisions to Eni Enrico Mattei Foundation for €5 million and to Eni Foundation for €3 million.

FINANCING TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Name	(€ million)	December 31, 2021			2021	
		Receivables	Payables	Guarantees	Gains	Charges
Joint ventures and associates						
Cardón IV SA		199	2		37	
Coral FLNG SA		383			4	1
Coral South FLNG DMCC				1,413	2	
Mozambique Rovuma Venture SpA		1,008	72			
Other ^(*)		70	43		35	43
		1,660	117	1,413	78	44
Unconsolidated entities controlled by Eni						
Other		38	34		1	1
		38	34		1	1
Entities controlled by the Government						
Enel Group			109			
Other		2	17			1
		2	126			1
Total		1,700	277	1,413	79	46

(*) Each individual amount included herein was lower than €50 million.

Name	(€ million)	December 31, 2020			2020	
		Receivables	Payables	Guarantees	Gains	Charges
Joint ventures and associates						
Angola LNG Ltd				228		
Cardón IV SA		383			57	
Coral FLNG SA		288			22	1
Coral South FLNG DMCC				1,304		
Saipem Group		2	167			6
Société Centrale Electrique du Congo SA		83			7	
Other		15	12	1	27	18
		771	179	1,533	113	25
Unconsolidated entities controlled by Eni						
Other		36	28		1	
		36	28		1	
Entities controlled by the Government						
Other			11			1
			11			1
Total		807	218	1,533	114	26

Name	(€ million)	December 31, 2019			2019	
		Receivables	Payables	Guarantees	Gains	Charges
Joint ventures and associates						
Angola LNG Ltd				249		
Cardón IV SA		563	5		77	
Coral FLNG SA		253				2
Coral South FLNG DMCC				1,425		
Société Centrale Electrique du Congo SA		85				20
Other		18	14	2	18	14
		919	19	1,676	95	36
Unconsolidated entities controlled by Eni						
Other		48	28		1	
		48	28		1	
Entities controlled by the Government						
Other		4	12			
		4	12			
Total		971	59	1,676	96	36

The most significant transactions with joint ventures, associates and unconsolidated subsidiaries concerned:

- ▶ the financing loan granted to Cardón IV SA for the exploration and development activities of a gas field in Venezuela;
- ▶ the financing loan granted to Coral FLNG SA for the construction of a floating gas liquefaction plant in Area 4 offshore Mozambique;
- ▶ a bank debt guarantee issued on behalf of Coral South FLNG DMCC as part of the project financing of the Coral

FLNG development project (for more information see note 28 - Guarantees, commitments and risks);

- ▶ the loan granted to Mozambique Rovuma Venture SpA for the development of gas reserves offshore Mozambique.

The most significant transactions with entities controlled by the Italian Government concerned:

- ▶ financial debts towards Enel group for margins on derivative contracts.

IMPACT OF TRANSACTIONS AND POSITIONS WITH RELATED PARTIES ON THE BALANCE SHEET, PROFIT AND LOSS ACCOUNT AND STATEMENT OF CASH FLOWS

The impact of transactions and positions with related parties on the balance sheet accounts consisted of the following:

(€ million)	December 31, 2021			December 31, 2020		
	Total	Related parties	Impact %	Total	Related parties	Impact %
Other current financial assets	4,308	55	1.28	254	41	16.14
Trade and other receivables	18,850	1,301	6.90	10,926	802	7.34
Other current assets	13,634	492	3.61	2,686	145	5.40
Other non-current financial assets	1,885	1,645	87.27	1,008	766	75.99
Other non-current assets	1,029	29	2.82	1,253	74	5.91
Short-term debt	2,299	233	10.13	2,882	52	1.80
Current portion of long-term debt	1,781	21	1.18	1,909		
Current portion of non-current lease liabilities	948	17	1.79	849	54	6.36
Trade and other payables	21,720	2,298	10.58	12,936	2,100	16.23
Other current liabilities	15,756	339	2.15	4,872	452	9.28
Long-term debt	23,714	5	0.02	21,895		
Non-current lease liabilities	4,389	1	0.02	4,169	112	2.69
Other non-current liabilities	2,246	415	18.48	1,877	23	1.23

The impact of transactions with related parties on the profit and loss accounts consisted of the following:

(€ million)	2021			2020			2019		
	Total	Related parties	Impact %	Total	Related parties	Impact %	Total	Related parties	Impact %
Sales from operations	76,575	3,000	3.92	43,987	1,164	2.65	69,881	1,248	1.79
Other income and revenues	1,196	52	4.35	960	35	3.65	1,160	4	0.34
Purchases, services and other	(55,549)	(8,644)	15.56	(33,551)	(6,595)	19.66	(50,874)	(9,173)	18.03
Net (impairment losses) reversals of trade and other receivables	(279)	(6)	2.15	(226)	(6)	2.65	(432)	28	..
Payroll and related costs	(2,888)	(21)	0.73	(2,863)	(36)	1.26	(2,996)	(28)	0.93
Other operating income (expense)	903	735	81.40	(766)	13	..	287	19	6.62
Finance income	3,723	79	2.12	3,531	114	3.23	3,087	96	3.11
Finance expense	(4,216)	(46)	1.09	(4,958)	(26)	0.52	(4,079)	(36)	0.88

Main cash flows with related parties are provided below:

(€ million)	2021	2020	2019
Revenues and other income	3,052	1,199	1,252
Costs and other expenses	(7,814)	(5,789)	(6,869)
Other operating (expense) income	735	13	19
Net change in trade and other receivables and payables	(342)	(136)	(839)
Net interests	38	73	81
Net cash provided from operating activities	(4,331)	(4,640)	(6,356)
Capital expenditure in tangible and intangible assets	(851)	(842)	(2,332)
Net change in accounts payable and receivable in relation to investments	(20)	(370)	(339)
Change in financial receivables	(105)	(160)	(241)
Net cash used in investing activities	(976)	(1,372)	(2,912)
Change in financial and lease liabilities	(13)	164	(817)
Net cash used in financing activities	(13)	164	(817)
Total financial flows to related parties	(5,320)	(5,848)	(10,085)

The impact of cash flows with related parties consisted of the following:

€ million)	2021			2020			2019		
	Total	Related parties	Impact %	Total	Related parties	Impact %	Total	Related parties	Impact %
Net cash provided from operating activities	12,861	(4,331)	..	4,822	(4,640)	..	12,392	(6,356)	..
Net cash used in investing activities	(12,022)	(976)	8.12	(4,587)	(1,372)	29.91	(11,413)	(2,912)	25.51
Net cash used in financing activities	(2,039)	(13)	0.64	3,253	164	5.04	(5,841)	(817)	13.99

37 OTHER INFORMATION ABOUT INVESTMENTS³⁰

INFORMATION ON ENI'S CONSOLIDATED SUBSIDIARIES WITH SIGNIFICANT NON-CONTROLLING INTEREST

In 2021 and 2020, Eni did not own any consolidated subsidiaries with a significant non-controlling interest. Equity pertaining to minority interests as of December 31, 2021, amounted to €82 million (€78 million December 31, 2020).

CHANGES IN THE OWNERSHIP INTEREST WITHOUT LOSS OF CONTROL

In 2021 and in 2020 Eni did not report any changes in ownership interest without loss or acquisition of control.

PRINCIPAL JOINT VENTURES, JOINT OPERATIONS AND ASSOCIATES AS OF DECEMBER 31, 2021

Company name	Registered office	Country of operation	Business segment	% ownership interest	Eni's % of the investment
Joint venture					
Cardón IV SA	Caracas (Venezuela)	Venezuela	Exploration & Production	50.00	50.00
Doggerbank Offshore Wind Farm Project 1 Holdco Ltd	Reading (UK)	UK	Plenitude	20.00	20.00
Doggerbank Offshore Wind Farm Project 2 Holdco Ltd	Reading (UK)	UK	Plenitude	20.00	20.00
Mozambique Rovuma Venture SpA	San Donato Milanese (MI) (Italy)	Mozambique	Exploration & Production	35.71	35.71
Saipem SpA	San Donato Milanese (MI) (Italy)	Italy	Corporate and financial companies	30.54	31.20
Vår Energi AS	Sandnes (Norway)	Norway	Exploration & Production	69.85	69.85
Joint Operation					
Damietta LNG (DLNG) SAE	Damietta (Egypt)	Egypt	Global Gas & LNG Portfolio	50.00	50.00
GreenStream BV	Amsterdam (Netherlands)	Libya	Global Gas & LNG Portfolio	50.00	50.00
Raffineria di Milazzo ScpA	Milazzo (ME) (Italy)	Italy	Refining & Marketing	50.00	50.00
Associates					
Abu Dhabi Oil Refining Co (Takreer)	Abu Dhabi (United Arab Emirates)	United Arab Emirates	Refining & Marketing	20.00	20.00
Angola LNG Ltd	Hamilton (Bermuda)	Angola	Exploration & Production	13.60	13.60
Coral FLNG SA	Maputo (Mozambique)	Mozambique	Exploration & Production	25.00	25.00

(30) Investments in subsidiaries, joint arrangements and associates as of December 31, 2021 are presented in the annex "List of companies owned by Eni SpA as of December 31, 2021".

Main line items of profit and loss and balance sheet related to the principal joint ventures, represented by the amounts included in the reports accounted under IFRS of each company, are provided in the table below:

	2021						
(€ million)	Cardón IV SA	Doggerbank Offshore Wind Farm Project 1 Holdco Ltd	Doggerbank Offshore Wind Farm Project 2 Holdco Ltd	Mozambique Rovuma Venture SpA	Saipem SpA	Vår Energi AS	Other joint ventures
Current assets	285	22	12	202	6,819	1,382	632
- of which cash and cash equivalent	3	20	9	82	1,632	198	88
Non-current assets	1,947	1,935	1,306	3,810	4,723	16,589	714
Total assets	2,232	1,957	1,318	4,012	11,542	17,971	1,346
Current liabilities	373	95	59	162	6,844	2,148	853
- current financial liabilities	4			4	1,256	390	296
Non-current liabilities	1,301	1,548	1,085	2,856	4,347	14,900	193
- non-current financial liabilities	430	1,414	908	2,823	2,679	4,160	22
Total liabilities	1,674	1,643	1,144	3,018	11,191	17,048	1,046
Net equity	558	314	174	994	351	923	300
Eni's % of the investment	50.00	20.00	20.00	35.71	31.20	69.85	
Book value of the investment	279	246	238	355	137	645	157
Revenues and other income	686				6,880	5,191	341
Operating expense	(546)				(8,532)	(1,207)	(315)
Other operating profit (loss)					2	(51)	4
Depreciation, amortization and impairments	(98)				(616)	(1,825)	(39)
Operating profit (loss)	42				(2,266)	2,108	(9)
Finance income (expense)	(67)	(1)	(1)		(140)	(350)	(22)
Income (expense) from investments					9		
Profit (loss) before income taxes	(25)	(1)	(1)		(2,397)	1,758	(31)
Income taxes	(131)				(70)	(1,729)	(3)
Net profit (loss)	(156)	(1)	(1)		(2,467)	29	(34)
Other comprehensive income (loss)	39	31	(9)		(117)	61	5
Total other comprehensive income (loss)	(117)	30	(10)		(2,584)	90	(29)
Net profit (loss) attributable to Eni	(78)				(752)	20	(97)
Dividends received from the joint venture						561	25

	2020					
(€ million)	Cardón IV SA	Gas Distribution Company of Thessaloniki -Thessaly SA	Saipem SpA	Unión Fenosa Gas SA	Vår Energi AS	Other joint ventures
Current assets	235	31	6,411	599	804	858
- of which cash and cash equivalent		10	1,687	36	222	43
Non-current assets	2,040	344	4,831	717	16,042	924
Total assets	2,275	375	11,242	1,316	16,846	1,782
Current liabilities	262	38	4,903	311	189	1,022
- current financial liabilities		11	609	99	33	90
Non-current liabilities	1,615	51	3,391	501	15,019	333
- non-current financial liabilities	785	39	2,827	421	4,389	237
Total liabilities	1,877	89	8,294	812	15,208	1,355
Net equity	398	286	2,948	504	1,638	427
Eni's % of the investment	50.00	49.00	31.08	50.00	69.85	
Book value of the investment	199	140	908	242	1,144	188
Revenues and other income	612	62	7,408	854	2,450	286
Operating expense	(453)	(19)	(6,980)	(805)	(980)	(304)
Depreciation, amortization and impairments	(95)	(16)	(1,273)	(108)	(3,425)	(85)
Operating profit (loss)	64	27	(845)	(59)	(1,955)	(103)
Finance income (expense)	(98)	(1)	(166)	(29)	31	(21)
Income (expense) from investments			37	3		
Profit (loss) before income taxes	(34)	26	(974)	(85)	(1,924)	(124)
Income taxes	(58)	(6)	(143)	(2)	603	(4)
Net profit (loss)	(92)	20	(1,117)	(87)	(1,321)	(128)
Other comprehensive income (loss)	(35)		46	(33)	(273)	(25)
Total other comprehensive income (loss)	(127)	20	(1,071)	(120)	(1,594)	(153)
Net profit (loss) attributable to Eni	(46)	10	(354)	(68)	(918)	(93)
Dividends received from the joint venture		9	3		274	10

Main line items of profit and loss and balance sheet related to the principal associates represented by the amounts included in the reports accounted under IFRS of each company are provided in the table below:

	2021			
	Abu Dhabi Oil Refining Co (TAKREEF)	Angola LNG Ltd	Coral FLNG SA	Other associates
(€ million)				
Current assets	3,070	1,234	88	2,855
- of which cash and cash equivalent	153	808	8	419
Non-current assets	16,936	9,736	6,320	4,842
Total assets	20,006	10,970	6,408	7,697
Current liabilities	3,042	1,061	391	2,577
- current financial liabilities		122	1	139
Non-current liabilities	6,208	1,935	5,392	3,857
- non-current financial liabilities	5,164	696	5,384	3,632
Total liabilities	9,250	2,996	5,783	6,434
Net equity	10,756	7,974	625	1,263
Eni's % of the investment	20.00	13.60	25.00	
Book value of the investment	2,151	1,084	156	393
Revenues and other income	21,758	2,739		20,098
Operating expense	(20,429)	(2,316)		(19,785)
Other operating income (expense)				(117)
Depreciation, amortization and impairments	(3,054)	307		(40)
Operating profit (loss)	(1,725)	730		156
Finance income (expense)	(85)	(61)		(5)
Income (expense) from investments				52
Profit (loss) before income taxes	(1,810)	669		203
Income taxes				(16)
Net profit (loss)	(1,810)	669		187
Other comprehensive income (loss)	892	623	46	74
Total other comprehensive income (loss)	(918)	1,292	46	261
Net profit (loss) attributable to Eni	(362)	90		52
Dividends received from the joint venture				16

	2020			
(€ million)	Abu Dhabi Oil Refining Co (TAKREER)	Angola LNG Ltd	Coral FLNG SA	Other associates
Current assets	1,391	618	133	623
- of which cash and cash equivalent	97	428	83	303
Non-current assets	17,938	8,633	4,777	4,072
Total assets	19,329	9,251	4,910	4,695
Current liabilities	4,897	424	172	656
- current financial liabilities	4,404	101		263
Non-current liabilities	2,757	1,187	4,186	3,068
- non-current financial liabilities	456	999	4,186	2,928
Total liabilities	7,654	1,611	4,358	3,724
Net equity	11,675	7,640	552	971
Eni's % of the investment	20.00	13.60	25.00	
Book value of the investment	2,335	1,039	138	321
Revenues and other income	11,933	976	1	954
Operating expense	(12,370)	(548)		(917)
Depreciation, amortization and impairments	(851)	(508)		(75)
Operating profit (loss)	(1,288)	(80)	1	(38)
Finance income (expense)	(91)	(96)	(11)	(13)
Income (expense) from investments				16
Profit (loss) before income taxes	(1,379)	(176)	(10)	(35)
Income taxes	4		2	(9)
Net profit (loss)	(1,375)	(176)	(8)	(44)
Other comprehensive income (loss)	(1,101)	(710)	(48)	(60)
Total other comprehensive income (loss)	(2,476)	(886)	(56)	(104)
Net profit (loss) attributable to Eni	(275)	(24)	(2)	(26)
Dividends received from the joint venture				13

38 PUBLIC ASSISTANCE - ITALIAN LAW NO. 124/2017 AND SUBSEQUENT MODIFICATIONS

Under art. 1, paragraphs 125 and 126, of the Italian Law no. 124/2017 and subsequent modifications, the disclosures about (i) assistances received by Eni SpA and its consolidated subsidiaries from Italian public authorities and entities with the exclusion of listed public controlled companies and their subsidiaries; (ii) assistances granted by Eni SpA and by its fully consolidated subsidiaries to companies, persons and public and private entities³¹, are provided below.

Furthermore, it should be underlined that when Eni acts as operator³² of unincorporated joint ventures³³, a type of joint venture constituted for the management of oil projects, each consideration made directly by Eni is reported in its full amount, regardless of whether Eni is reimbursed proportionally by the non-operating partners through the mechanism of the cash calls.

The following disclosure requirements do not apply to: (i) incentives/subventions granted to all those entitled in accordance with a general assistance aid scheme; (ii) consideration in

exchange for supplied goods/services, included sponsorships; (iii) reimbursements and indemnities paid to persons engaged in professional and orientation trainings; (iv) continuous training contributions to companies granted by inter-professional funds established in the legal form of association; (v) membership fees for the participation to industry trade and territorial associations, as well as to foundations or similar organizations, which perform activities linked with the Company's business; (vi) costs incurred with reference to social projects linked to the investing activities of the Company.

Assistances are identified on a cash basis³⁴. The disclosure includes assistance equal or exceeding €10,000, even though they are granted through several payments during 2021.

Under art. 1, subsection 125-quinquies of Law no. 124/2017, for received assistance see the information included in the Italian State aid Register, prepared in accordance with the art. 52 of the Italian Law 24 December 2012, no. 234.

(31) The following disclosures do not include assistance granted by foreign subsidiaries to foreign beneficiaries.

(32) In the oil projects, the operator is the subject who in accordance with the contractual agreements manages the exploration activities and in this role fulfills the payments due.

(33) 'Unincorporated joint ventures' mean a grouping of companies that operate jointly within the project in accordance with a contract.

(34) In case of non-monetary economic benefits, the cash basis must be assumed substantially referring to the year in which the benefit was enjoyed.

The granted assistance provided herein is mainly referred to foundations, associations and other entities for reputational purposes, donations and support for charitable and solidarity initiatives:

Granted subject	Amount paid (€)
Fondazione Eni Enrico Mattei (FEEM) ^(*)	5,125,000
Fondazione Teatro alla Scala	3,088,384
Eni Foundation	2,653,205
Fondazione Giorgio Cini	500,000
Presidio Ospedaliero "Vittorio Emanuele" di Gela	393,255
WEF - World Economic Forum	279,408
Ministero della Salute dell'Angola (MINSA)	265,000
Fondazione Campagna Amica	200,000
The Halo Trust	169,084
Ara Pacis Initiative For Peace ONLUS	149,755
Presidio Ospedaliero di Villa d'Agri "Ospedale San Pio da Pietrelcina"	114,660
Croce Rossa di Ancona, Pesaro, Chieti e Pubblica Assistenza città di Ravenna	92,250
Lebanese Armed Forces (LAF)	90,000
ONG Volontariato Internazionale per lo Sviluppo (VIS)	84,542
Atlantic Council	82,771
Famiglia di un dipendente scomparso	75,000
World Business Council for Sustainable Development	74,335
La Semente - Società Agricola Cooperativa Sociale	70,000
Council on Foreign Relations	62,331
Associazione Pionieri e Veterani Eni	57,000
Indian Red Cross Society (IRCS)	52,434
Extractive Industries Transparency Initiative (EITI)	51,147
Bruegel	50,000
Cotec - Fondazione per l'innovazione tecnologica	50,000
IFRI - Institut français des relations internationales	50,000
Carnegie Endowment for International Peace (CEIP)	42,082
Parrocchia di Santa Barbara - San Donato Milanese	40,000
Aspen Institute Italia	35,000
E4Impact Foundation	35,000
Italiadecide	35,000
Center for Strategic and International Studies	29,349
Global Reporting Initiative	27,500
CENSIS - Fondazione Centro Studi Investimenti Sociali	25,000
Institute for Human Rights and Business (IHRB)	23,452
AMICAL	22,641
Associazione CILLA Liguria	21,000
Associazione Amici della Luiss	20,000
Centro Studi Americani	20,000
Scuola materna "Sacro Cuore e Maria Ausiliatrice"	20,000
Parrocchia San Domenico Savio - Gela	20,000
Parrocchia di San Giacomo Maggiore Apostolo - Caviaga	20,000
Ospedale "Santo Spirito" e ASL di Pescara	20,000
Voluntary Principles Association (VPA)	11,339
Harvard University	10,221
Parks - Liberi e Uguali	10,000
Sport Insieme Livorno ONLUS	10,000
TDS - Toscana Disabili Sport ASD	10,000
Associazione di Volontariato e di promozione Sociale Pro Loco Sannazzaro	10,000

(*) The amount also includes the contribution relating to the protocol between Eni and the Basilicata Region.

39 SIGNIFICANT NON-RECURRING EVENTS AND OPERATIONS

In 2021, in 2020 and 2019, Eni did not report any non-recurring events and operations.

40 POSITIONS OR TRANSACTIONS DERIVING FROM ATYPICAL AND/OR UNUSUAL OPERATIONS

In 2021, in 2020 and 2019, no transactions deriving from atypical and/or unusual operations were reported.

41 SUBSEQUENT EVENTS

In March 2022, the Italian Government enacted a law that imposes a one-time expense on extra-profits of energy companies determined on the basis of certain transactions for the six-months ended March 31, 2022 compared to the same period in the prior year. Considering that further legislative action and implementation guidance are required and because the

data required to determine the extra-profit are not fully available, management is not able to make a reliable estimate of the impact of the law on the consolidated financial statements.

No further significant events were reported after December 31, 2021, apart from what is already included in the notes to these Financial Statements.

Supplemental Oil & Gas information (unaudited)

The following information prepared in accordance with “International Financial Reporting Standards” (IFRS) is presented based on the disclosure rules of the FASB Extractive Activities -

Oil and Gas (Topic 932). Amounts related to minority interests are immaterial.

CAPITALIZED COSTS

Capitalized costs represent the total expenditures for proved and unproved mineral properties and related support equipment and facilities utilized in oil and gas exploration and production

activities, together with related accumulated depreciation, depletion and amortization. Capitalized costs by geographical area consist of the following:

(€ million)	Italy	Rest of Europe	North Africa	Egypt	Sub-Saharan Africa	Kazakhstan	Rest of Asia	America	Australia and Oceania	Total
2021										
Consolidated subsidiaries										
Proved property	18,644	6,953	16,218	21,125	43,947	12,606	12,947	16,407	1,413	150,260
Unproved property	20	322	492	34	2,306	11	1,518	878	193	5,774
Support equipment and facilities	308	22	1,552	248	1,342	121	38	21	12	3,664
Incomplete wells and other	735	133	1,293	237	1,562	958	1,073	719	53	6,763
Gross Capitalized Costs	19,707	7,430	19,555	21,644	49,157	13,696	15,576	18,025	1,671	166,461
Accumulated depreciation, depletion and amortization	(15,506)	(6,194)	(14,244)	(14,209)	(36,317)	(3,514)	(10,443)	(13,874)	(902)	(115,203)
Net Capitalized Costs consolidated subsidiaries^(a)	4,201	1,236	5,311	7,435	12,840	10,182	5,133	4,151	769	51,258
Equity-accounted entities										
Proved property		11,483	128		1,517			1,987		15,115
Unproved property		2,235					12			2,247
Support equipment and facilities		36	8		3			7		54
Incomplete wells and other		3,179	9		1,323			227		4,738
Gross Capitalized Costs		16,933	145		2,843		12	2,221		22,154
Accumulated depreciation, depletion and amortization		(7,387)	(63)		(313)			(1,324)		(9,087)
Net Capitalized Costs equity-accounted entities^(a)		9,546	82		2,530		12	897		13,067
2020										
Consolidated subsidiaries										
Proved property	18,456	6,465	14,596	19,081	39,848	11,278	10,662	14,567	1,359	136,312
Unproved property	20	311	454	33	2,163	10	1,411	896	179	5,477
Support equipment and facilities	300	20	1,424	216	1,226	109	34	20	11	3,360
Incomplete wells and other	671	147	1,094	193	2,551	1,064	1,469	458	39	7,686
Gross Capitalized Costs	19,447	6,943	17,568	19,523	45,788	12,461	13,576	15,941	1,588	152,835
Accumulated depreciation, depletion and amortization	(15,565)	(5,597)	(12,793)	(12,161)	(32,248)	(2,839)	(9,003)	(12,612)	(805)	(103,623)
Net Capitalized Costs consolidated subsidiaries^(a)	3,882	1,346	4,775	7,362	13,540	9,622	4,573	3,329	783	49,212
Equity-accounted entities										
Proved property		11,466	68		1,384			1,833		14,751
Unproved property		2,131					11			2,142
Support equipment and facilities		23	8					6		37
Incomplete wells and other		1,566	9		17			209		1,801
Gross Capitalized Costs		15,186	85		1,401		11	2,048		18,731
Accumulated depreciation, depletion and amortization		(6,196)	(59)		(343)			(1,076)		(7,674)
Net Capitalized Costs equity-accounted entities^(a)		8,990	26		1,058		11	972		11,057

(a) The amounts include net capitalized financial charges totalling €767 million in 2021 and €843 million in 2020 for the consolidated subsidiaries and €360 million in 2021 and €170 million in 2020 for equity-accounted entities.

COSTS INCURRED

Costs incurred represent amounts both capitalized and expensed in connection with oil and gas producing activities. Costs incurred by geographical area consist of the following:

(€ million)	Italy	Rest of Europe	North Africa	Egypt	Sub - Saharan Africa	Kazakhstan	Rest of Asia	America	Australia and Oceania	Total
2021										
Consolidated subsidiaries										
Proved property acquisitions								8		8
Unproved property acquisitions			6					3		9
Exploration	16	96	33	57	136	3	188	83	1	613
Development ^(a)	182		497	452	842	185	785	657	27	3,627
Total costs incurred consolidated subsidiaries	198	96	536	509	978	188	973	751	28	4,257
Equity-accounted entities										
Proved property acquisitions										
Unproved property acquisitions										
Exploration		92								92
Development ^(b)		936	59		4			2		1,001
Total costs incurred equity-accounted entities		1,028	59		4			2		1,093
2020										
Consolidated subsidiaries										
Proved property acquisitions										
Unproved property acquisitions			55	2						57
Exploration	19	20	69	67	61	7	176	63	1	483
Development ^(a)	472	235	278	422	620	196	1,024	437	10	3,694
Total costs incurred consolidated subsidiaries	491	255	402	491	681	203	1,200	500	11	4,234
Equity-accounted entities										
Proved property acquisitions										
Unproved property acquisitions										
Exploration		47								47
Development ^(b)		1,481	3		6			14		1,504
Total costs incurred equity-accounted entities		1,528	3		6			14		1,551
2019										
Consolidated subsidiaries										
Proved property acquisitions								144		144
Unproved property acquisitions			135	1			23	97		256
Exploration	20	62	101	94	206	15	232	106	39	875
Development ^(a)	1,098	230	749	1,589	1,959	481	1,199	879	43	8,227
Total costs incurred consolidated subsidiaries	1,118	292	985	1,684	2,165	496	1,454	1,226	82	9,502
Equity-accounted entities										
Proved property acquisitions		1,054								1,054
Unproved property acquisitions		1,178								1,178
Exploration		125					(1)			124
Development ^(b)		1,574	4		5			37		1,620
Total costs incurred equity-accounted entities^(c)		3,931	4		5		(1)	37		3,976

(a) Includes the abandonment costs of the assets for €62 million in 2021, €516 million in 2020 and €2,069 million in 2019.

(b) Includes the abandonment decrease of the assets for €464 million in 2021, costs €424 million in 2020 and costs €838 million in 2019.

(c) Includes allocation at fair value of the assets purchased by Vår Energi AS.

RESULTS OF OPERATIONS FROM OIL AND GAS PRODUCING ACTIVITIES

Results of operations from oil and gas producing activities represent only those revenues and expenses directly associated with such activities, including operating overheads. These amounts do not include any allocation of interest expenses or general corporate overheads and, therefore, are not necessarily indicative of the contributions to consolidated net earnings of Eni. Related income taxes are calculated by applying the local income tax rates to the pre-tax income from production activities. Eni is party to

certain Production Sharing Agreements (PSAs), whereby a portion of Eni's share of oil and gas production is withheld and sold by its joint venture partners which are state owned entities, with proceeds being remitted to the state to fulfil Eni's PSA related tax liabilities. Revenue and income taxes include such taxes owed by Eni but paid by state-owned entities out of Eni's share of oil and gas production. Results of operations from oil and gas producing activities by geographical area consist of the following:

(€ million)	Italy	Rest of Europe	North Africa	Egypt	Sub-Saharan Africa	Kazakhstan	Rest of Asia	America	Australia and Oceania	Total
2021										
Consolidated subsidiaries										
Revenues:										
- sales to consolidated entities	1,680	790	1,133		3,782	1,391	2,020	734	4	11,534
- sales to third parties		36	2,602	3,637	930	704	380	351	108	8,748
Total revenues	1,680	826	3,735	3,637	4,712	2,095	2,400	1,085	112	20,282
Production costs	(326)	(147)	(581)	(399)	(816)	(211)	(251)	(288)	(17)	(3,036)
Transportation costs	(4)	(35)	(45)	(10)	(20)	(150)	(5)	(11)		(280)
Production taxes	(128)		(192)		(379)		(230)	(28)		(957)
Exploration expenses	(16)	(72)	(27)	(47)	(238)	(1)	(135)	(21)	(1)	(558)
D.D. & A. and Provision for abandonment ^(a)	(31)	(196)	(357)	(990)	(1,468)	(431)	(665)	(243)	(69)	(4,450)
Other income (expenses)	(395)	11	557	(310)	(330)	(120)	(173)	(132)	(2)	(894)
Pretax income from producing activities	780	387	3,090	1,881	1,461	1,182	941	362	23	10,107
Income taxes	(198)	(156)	(1,450)	(848)	(708)	(394)	(739)	(17)	(15)	(4,525)
Results of operations from E&P activities of consolidated subsidiaries	582	231	1,640	1,033	753	788	202	345	8	5,582
Equity-accounted entities										
Revenues:										
- sales to consolidated entities		1,831								1,831
- sales to third parties		1,756	12		365			367		2,500
Total revenues		3,587	12		365			367		4,331
Production costs		(388)	(6)		(25)			(15)		(434)
Transportation costs		(140)	(1)		(12)					(153)
Production taxes			(2)		(112)			(88)		(202)
Exploration expenses		(35)								(35)
D.D. & A. and Provision for abandonment		(879)	(3)		42			(154)		(994)
Other income (expenses)		(287)			(158)		(1)	(197)		(643)
Pretax income from producing activities		1,858			100		(1)	(87)		1,870
Income taxes		(1,237)						(66)		(1,303)
Results of operations from E&P activities of equity-accounted entities		621			100		(1)	(153)		567

(a) Includes asset net reversal amounting to €1,263 million.

(€ million)	Italy	Rest of Europe	North Africa	Egypt	Sub - Saharan Africa	Kazakhstan	Rest of Asia	America	Australia and Oceania	Total
2020										
Consolidated subsidiaries										
Revenues:										
- sales to consolidated entities	799	334	616		2,315	788	1,333	434	1	6,620
- sales to third parties		53	1,610	2,478	784	547	179	204	109	5,964
Total revenues	799	387	2,226	2,478	3,099	1,335	1,512	638	110	12,584
Production costs	(332)	(139)	(371)	(367)	(782)	(246)	(236)	(272)	(17)	(2,762)
Transportation costs	(4)	(30)	(39)	(11)	(21)	(164)	(4)	(12)		(285)
Production taxes	(111)		(135)		(295)		(133)	(13)		(687)
Exploration expenses	(19)	(14)	(124)	(56)	(77)	(3)	(104)	(112)	(1)	(510)
D.D. & A. and Provision for abandonment ^(a)	(1,149)	(252)	(1,158)	(848)	(2,187)	(454)	(1,070)	(678)	(65)	(7,861)
Other income (expenses)	(255)	(45)	(360)	(204)	25	(153)	(90)	(71)	6	(1,147)
Pretax income from producing activities	(1,071)	(93)	39	992	(238)	315	(125)	(520)	33	(668)
Income taxes	219	69	(671)	(519)	(33)	(134)	(193)	86	(11)	(1,187)
Results of operations from E&P activities of consolidated subsidiaries	(852)	(24)	(632)	473	(271)	181	(318)	(434)	22	(1,855)
Equity-accounted entities										
Revenues:										
- sales to consolidated entities		862								862
- sales to third parties		782	10		131			307		1,230
Total revenues		1,644	10		131			307		2,092
Production costs		(350)	(7)		(23)			(18)		(398)
Transportation costs		(161)	(1)		(11)					(173)
Production taxes			(2)		(3)			(76)		(81)
Exploration expenses		(35)								(35)
D.D. & A. and Provision for abandonment		(1,163)	(1)		(69)			(50)		(1,283)
Other income (expenses)		(90)	(1)		(35)		(2)	(146)		(274)
Pretax income from producing activities		(155)	(2)		(10)		(2)	17		(152)
Income taxes		469	1					(29)		441
Results of operations from E&P activities of equity-accounted entities		314	(1)		(10)		(2)	(12)		289

(a) Includes asset net impairment amounting to €1,865 million.

(€ million)	Italy	Rest of Europe	North Africa	Egypt	Sub-Saharan Africa	Kazakhstan	Rest of Asia	America	Australia and Oceania	Total
2019										
Consolidated subsidiaries										
Revenues:										
- sales to consolidated entities	1,493	618	1,081		4,576	1,195	2,367	825	5	12,160
- sales to third parties		30	4,084	3,715	944	766	149	180	227	10,095
Total revenues	1,493	648	5,165	3,715	5,520	1,961	2,516	1,005	232	22,255
Production costs	(391)	(181)	(520)	(330)	(847)	(255)	(256)	(273)	(43)	(3,096)
Transportation costs	(5)	(31)	(60)	(10)	(39)	(158)	(4)	(15)		(322)
Production taxes	(183)		(263)		(483)		(252)	(7)	(6)	(1,194)
Exploration expenses	(25)	(51)	(30)	(10)	(90)	(39)	(170)	(31)	(43)	(489)
D.D. & A. and Provision for abandonment ^(a)	(944)	(201)	(839)	(978)	(3,060)	(444)	(820)	(607)	(97)	(7,990)
Other income (expenses)	(337)	(16)	(452)	(433)	(502)	(71)	(76)	(86)	(1)	(1,974)
Pretax income from producing activities	(392)	168	3,001	1,954	499	994	938	(14)	42	7,190
Income taxes	148	(11)	(2,561)	(839)	(268)	(326)	(719)	(5)	(31)	(4,612)
Results of operations from E&P activities of consolidated subsidiaries^(b)	(244)	157	440	1,115	231	668	219	(19)	11	2,578
Equity-accounted entities										
Revenues:										
- sales to consolidated entities		1,080								1,080
- sales to third parties		677	15		207			315		1,214
Total revenues		1,757	15		207			315		2,294
Production costs		(336)	(8)		(24)			(25)		(393)
Transportation costs		(84)	(1)		(11)					(96)
Production taxes			(2)		(7)			(81)		(90)
Exploration expenses		(47)								(47)
D.D. & A. and Provision for abandonment		(722)	(1)		(70)			(51)		(844)
Other income (expenses)		(237)	(1)		(28)		(3)	(133)		(402)
Pretax income from producing activities		331	2		67		(3)	25		422
Income taxes		(179)	(2)					(54)		(235)
Results of operations from E&P activities of equity-accounted entities		152			67		(3)	(29)		187

(a) Includes asset net impairment amounting to €1,217 million.

(b) Results of operations exclude revenues, D.D. & A. and income taxes associated with 3.8 million boe as part of a long-term supply agreement to a state-owned national oil company, whereby the buyer has paid the price without lifting the underlying volume in exercise of the take-or-pay clause. The price collected by the buyer has been recognized as revenues in the segment information of the E&P sector prepared in accordance with IFRS and D.D. & A. and income taxes have been accrued accordingly, because the Group performance obligation under the contract has been fulfilled and it is very likely that the buyer will not redeem its contractual right to lift within the contractual terms.

PROVED RESERVES OF OIL AND NATURAL GAS

Eni's criteria concerning evaluation and classification of proved developed and undeveloped reserves comply with Regulation S-X 4-10 of the U.S. Securities and Exchange Commission and have been disclosed in accordance with FASB Extractive Activities - Oil and Gas (Topic 932).

Proved oil and gas reserves are those quantities of oil and gas, which, by analysis of geoscience and engineering data, can be estimated with reasonable certainty to be economically producible, from a given date forward, from known reservoirs, and under existing economic conditions, operating methods, and government regulations, prior to the time at which contracts providing the right to operate expire, unless evidence indicates that renewal is reasonably certain, regardless of whether deterministic or probabilistic methods are used for the estimation. The project to extract the hydrocarbons must have commenced or the operator must be reasonably certain that it will commence the project within a reasonable time. Existing economic conditions include prices and costs at which economic producibility from a reservoir is to be determined. The price shall be the average price during the 12-month period prior to the ending date of the period covered by the report, determined as an un-weighted arithmetic average of the first-day-of-the-month price for each month within such period, unless prices are defined by contractual arrangements, excluding escalations based upon future conditions.

In 2021, the average price for the marker Brent crude oil was \$69 per barrel. Net proved reserves exclude interests and royalties owned by others.

Proved reserves are classified as either developed or undeveloped.

Developed oil and gas reserves are reserves that can be expected to be recovered through existing wells with existing equipment and operating methods or in which the cost of the required equipment is relatively minor compared to the cost of a new well.

Undeveloped oil and gas reserves are reserves of any category that are expected to be recovered from new wells on undrilled acreage, or from existing wells where a relatively major expenditure is required for recompletion. Eni has its proved reserves audited on a rotational basis by independent oil engineering companies³⁵. The description of qualifications of the person primarily responsible of the reserves audit is included in the third-party audit report³⁶. In the preparation of their reports, independent evaluators rely, without independent verification, upon data furnished

by Eni with respect to property interest, production, current costs of operation and development, sale agreements, prices and other factual information and data that were accepted as represented by the independent evaluators. These data, equally used by Eni in its internal process, include logs, directional surveys, core and PVT (Pressure Volume Temperature) analysis, maps, oil/gas/water production/injection data of wells, reservoir studies and technical analysis relevant to field performance, long-term development plans, future capital and operating costs.

In order to calculate the economic value of Eni equity reserves, actual prices applicable to hydrocarbon sales, price adjustments required by applicable contractual arrangements, and other pertinent information are provided. In 2021, Ryder Scott Company, DeGolyer and MacNaughton and Société Generale de Surveillance provided an independent evaluation of about 27% of Eni's total proved reserves as of December 31, 2021³⁷, confirming, as in previous years, the reasonableness of Eni's internal evaluations.

In the three-year period from 2019 to 2021, 93%³⁸ of Eni's total proved reserves were subject to independent evaluation. As of December 31, 2021, the principal properties which did not undergo an independent evaluation in the last three years were Belayim in Egypt and the fields of Area 1 in Mexico.

Eni operates under production sharing agreements in several of the foreign jurisdictions where it has oil and gas exploration and production activities. Reserves of oil and natural gas to which Eni is entitled under PSA arrangements are shown in accordance with Eni's economic interest in the volumes of oil and natural gas estimated to be recoverable in future years. Such reserves include estimated quantities allocated to Eni for recovery of costs, income taxes owed by Eni but settled by its joint venture partners (which are state-owned entities) out of Eni's share of production and Eni's net equity share after cost recovery. Proved oil and gas reserves associated with PSAs represented 58%, 57% and 57% of total proved reserves as of December 31, 2021, 2020 and 2019 respectively, on an oil-equivalent basis. Similar effects as PSAs apply to service contracts; proved reserves associated with such contracts represented 3%, 4%, and 3% of total proved reserves on an oil-equivalent basis as of December 31, 2021, 2020 and 2019, respectively.

Oil and gas reserves quantities include: (i) oil and natural gas quantities in excess of cost recovery which the company has an obligation to purchase under certain PSAs with governments or authorities, whereby the company serves

(35) From 1991 to 2002 DeGolyer and McNaughton, from 2003 also Ryder Scott. In 2018 and 2021 an independent evaluation was provided also by Société Generale de Surveillance (SGS).

(36) The reports of independent engineers are available on Eni website eni.com, section Publications/Annual Report 2021.

(37) Including reserves of equity-accounted entities.

(38) The percentage increases to 94% considering the certification of A-LNG conducted by Gaffney Cline for the shareholders of the A-LNG Consortium (Eni 13.6%).

as producer of reserves. Reserves volumes associated with oil and gas deriving from such obligation represent 4%, 3% and 4% of total proved reserves as of December 31, 2021, 2020 and 2019, respectively, on an oil equivalent basis; (ii) volumes of proved reserves of natural gas to be consumed in operations amounted to approximately 2,335 BCF at 2021 year-end (2,337 BCF and 2,330 BCF respectively at 2020 and 2019 year-end); (iii) the quantities of hydrocarbons related to the Angola LNG plant.

Numerous uncertainties are inherent in estimating quantities of proved reserves, in projecting future productions and

development costs. The accuracy of any reserve estimate is a function of the quality of available data and engineering and geological interpretation and evaluation. The results of drilling, testing and production after the date of the estimate may require substantial upward or downward revisions. In addition, changes in oil and natural gas prices have an effect on the quantities of Eni's proved reserves since estimates of reserves are based on prices and costs relevant to the date when such estimates are made. Consequently, the evaluation of reserves could also significantly differ from actual oil and natural gas volumes that will be produced.

PROVED UNDEVELOPED RESERVES

Proved undeveloped reserves as of December 31, 2021 totalled 2,020 mmbbl, of which 990 mmbbl of liquids mainly concentrated in Africa and Asia and 5,469 BCF of natural gas particularly located in Africa. Proved undeveloped reserves of

consolidated subsidiaries amounted to 775 mmbbl of liquids and 4,152 BCF of natural gas. Changes in Eni's 2021 proved undeveloped reserves were as follows:

(mmbbl)

Proved undeveloped reserves as of December 31, 2020	2,005
Transfer to proved developed reserves	(232)
Extensions and discoveries	62
Revisions of previous estimates	174
Improved recovery	11
Proved undeveloped reserves as of December 31, 2021	2,020

In 2021, total proved undeveloped reserves increased by 15 mmbbl (proved undeveloped reserves of consolidated companies decreased by 168 mmbbl, while those of joint ventures and associates increased by 183 mmbbl).

Main changes derived from:

- (i) proved undeveloped reserves matured to proved developed reserves amounted to -232 mmbbl, and were driven by progress in development activities, production start-ups and project revisions. The main reclassifications to proved developed reserves related to the fields of Merakes in Indonesia (55 mmbbl), LNG project in Nigeria (45 mmbbl), Mizton in Mexico (23 mmbbl), Snorre in Norway (13 mmbbl), Karachaganak in Kazakhstan (11 mmbbl) e Zubair in Iraq (8 mmbbl);
- (ii) new discoveries and extensions of 62 mmbbl, of which 19 mmbbl of oil and 230 BCF of natural gas. The increase in oil reserves of 19 mmbbl was driven by the FIDs made for the New Gas Consortium in Angola (6 mmbbl), Cuica

e Ndungu in Block 15/06 in Angola (5 mmbbl) and Berkine North project in Algeria (5 mmbbl). The increase of 230 BCF of natural gas was due to the New Gas Consortium in Angola;

- (iii) revisions of previous estimates were positive for 174 mmbbl, of which 9 mmbbl of oil and 882 BCF of natural gas. Positive revisions of 334 mmbbl mainly refer to increased entitlements in area D in Libya (74 mmbbl) and Val d'Agri in Italy (23 mmbbl), as well as the progress of development activities at Zohr in Egypt (58 mmbbl) and the finalization of gas commercial agreements in Nigeria (30 mmbbl). Negative revisions of 160 mmbbl mainly refer to the price effect relating to Zubair in Iraq (-56 mmbbl), Area 1 in Mexico (-13 mmbbl), Coral in Mozambique (-13 mmbbl), Belayim in Egypt (-13 mmbbl) and the price effect on Merakes in Indonesia (-11 mmbbl);
- (iv) improved recoveries of 12 mmbbl mainly referred to the Ooguruk field in United States.

PROVED RESERVES OF CRUDE OIL (INCLUDING CONDENSATE AND NATURAL GAS LIQUIDS)

Main changes in proved reserves of crude oil (including condensates and natural gas liquids) reported in the tables above for the period 2021, 2020 and 2019 are discussed below:

(million barrels)	Italy	Rest of Europe	North Africa	Egypt	Sub - Saharan Africa	Kazakhstan	Rest of Asia	America	Australia and Oceania	Total
2021										
Consolidated subsidiaries										
Reserves at December 31, 2020	178	34	383	227	624	805	579	224	1	3,055
<i>of which: developed</i>	146	31	243	172	469	716	297	143	1	2,218
<i>undeveloped</i>	32	3	140	55	155	89	282	81		837
Purchase of Minerals in Place								1		1
Revisions of Previous Estimates	32	8	49	11	21	(58)	(74)	21		10
Improved Recovery					2			10		12
Extensions and Discoveries		(1)	6	2	16					23
Production	(13)	(7)	(45)	(30)	(72)	(37)	(29)	(19)		(252)
Sales of Minerals in Place					(2)					(2)
Reserves at December 31, 2021	197	34	393	210	589	710	476	237	1	2,847
Equity-accounted entities										
Reserves at December 31, 2020		400	12		18			30		460
<i>of which: developed</i>		176	12		15			30		233
<i>undeveloped</i>		224			3					227
Purchase of Minerals in Place										
Revisions of Previous Estimates		17	(2)		4			(23)		(4)
Improved Recovery										
Extensions and Discoveries		2								2
Production		(41)	(1)		(1)			(1)		(44)
Sales of Minerals in Place										
Reserves at December 31, 2021		378	9		21			6		414
Reserves at December 31, 2021	197	412	402	210	610	710	476	243	1	3,261
Developed										
consolidated subsidiaries	146	34	225	164	435	641	262	164	1	2,072
equity-accounted entities		175	9		9			6		199
Undeveloped										
consolidated subsidiaries	51		168	46	154	69	214	73		775
equity-accounted entities		203			12					215

(million barrels)	Italy	Rest of Europe	North Africa	Egypt	Sub-Saharan Africa	Kazakhstan	Rest of Asia	America	Australia and Oceania	Total
2020										
Consolidated subsidiaries										
Reserves at December 31, 2019	194	41	468	264	694	746	491	225	1	3,124
<i>of which: developed</i>	137	37	301	149	519	682	245	148	1	2,219
<i>undeveloped</i>	57	4	167	115	175	64	246	77		905
Purchase of Minerals in Place										
Revisions of Previous Estimates	1	1	(44)	(14)	10	100	114	16		184
Improved Recovery							5			5
Extensions and Discoveries							1	4		5
Production	(17)	(8)	(41)	(23)	(80)	(41)	(32)	(21)		(263)
Sales of Minerals in Place										
Reserves at December 31, 2020	178	34	383	227	624	805	579	224	1	3,055
Equity-accounted entities										
Reserves at December 31, 2019		424	12		10			31		477
<i>of which: developed</i>		219	12		7			31		269
<i>undeveloped</i>		205			3					208
Purchase of Minerals in Place										
Revisions of Previous Estimates		(11)			9					(2)
Improved Recovery										
Extensions and Discoveries		30								30
Production		(43)			(1)			(1)		(45)
Sales of Minerals in Place										
Reserves at December 31, 2020		400	12		18			30		460
Reserves at December 31, 2020	178	434	395	227	642	805	579	254	1	3,515
Developed	146	207	255	172	484	716	297	173	1	2,451
consolidated subsidiaries	146	31	243	172	469	716	297	143	1	2,218
equity-accounted entities		176	12		15			30		233
Undeveloped	32	227	140	55	158	89	282	81		1,064
consolidated subsidiaries	32	3	140	55	155	89	282	81		837
equity-accounted entities		224			3					227

(million barrels)	Italy	Rest of Europe	North Africa	Egypt	Sub-Saharan Africa	Kazakhstan	Rest of Asia	America	Australia and Oceania	Total
2019										
Consolidated subsidiaries										
Reserves at December 31, 2018	208	48	493	279	718	704	476	252	5	3,183
<i>of which: developed</i>	156	44	317	153	551	587	252	143	5	2,208
<i>undeveloped</i>	52	4	176	126	167	117	224	109		975
Purchase of Minerals in Place								29		29
Revisions of Previous Estimates	5	1	37	10	46	79	45	(16)	(4)	203
Improved Recovery										
Extensions and Discoveries				2	21		2	9		34
Production	(19)	(8)	(62)	(27)	(90)	(37)	(32)	(20)		(295)
Sales of Minerals in Place ^(a)					(1)			(29)		(30)
Reserves at December 31, 2019	194	41	468	264	694	746	491	225	1	3,124
Equity-accounted entities										
Reserves at December 31, 2018		297	11		12			37		357
<i>of which: developed</i>		154	11		8			32		205
<i>undeveloped</i>		143			4			5		152
Purchase of Minerals in Place		109								109
Revisions of Previous Estimates		45	2					(5)		42
Improved Recovery										
Extensions and Discoveries		6								6
Production		(27)	(1)		(2)			(1)		(31)
Sales of Minerals in Place		(6)								(6)
Reserves at December 31, 2019		424	12		10			31		477
Reserves at December 31, 2019	194	465	480	264	704	746	491	256	1	3,601
Developed	137	256	313	149	526	682	245	179	1	2,488
consolidated subsidiaries	137	37	301	149	519	682	245	148	1	2,219
equity-accounted entities		219	12		7			31		269
Undeveloped	57	209	167	115	178	64	246	77		1,113
consolidated subsidiaries	57	4	167	115	175	64	246	77		905
equity-accounted entities		205			3					208

(a) Includes 0.6 Mboe as part of a long-term supply agreement to a state-owned national oil company, whereby the buyer has paid the price without lifting the underlying volume in exercise of the take-or-pay clause because it is very likely that the buyer will not redeem its contractual right to lift (make up) the volume paid.

Main changes in proved reserves of crude oil (including condensates and natural gas liquids) reported in the tables above for the period 2019-2021 are discussed below.

CONSOLIDATED SUBSIDIARIES

Purchase of Minerals in Place

In 2019, purchase of proved reserves (29 mmbbl) related to the acquisition of 100% of the Oooguruk production field in Alaska. In 2020, no purchases were made.

In 2021, there are two acquisitions (totaling 1 mmboe) of Lucius fields in the U.S. and Conwy in the U.K.

Revisions of Previous Estimates

In 2019, revisions of previous estimates amounted to 203 mmbbl and were mainly due to: (i) positive revisions of 79 mmbbl in Kazakhstan in relation to the progress in development activities of the Kashagan and Karachaganak fields; (ii) positive revisions of 37 mmbbl in North Africa primarily in relation to the development of the Berkine Nord project in Algeria and, to a lesser extent, contributions from development projects in Libya; (iii) positive revisions of 46 mmbbl in the Sub-Saharan Africa in relation to the

progress in development activities of projects in Nigeria and Angola; and (iv) 45 mmbbl of upward revisions in the rest of Asia were due to the progress of development in the Umm Shaiff and other projects in UAE (25 mmbbl) and to entitlement effects in Iraq, Turkmenistan and Timor Leste. Upward revisions also include 6 mmbbl in Italy and Rest of Europe and 4 mmbbl in the USA. Downward revisions (total 24 mmbbl) are related to Mexico Area 1 (20 mmbbl) due to the removal of uneconomic volumes and for 4 mmbbl in Australia.

In 2020, revisions of previous estimates amounted to an increase of 184 mmbbl. Positive revisions of 100 mmbbl reported in Kazakhstan were driven by higher entitlements and progress in development activities. In the rest of Asia, positive revisions of 114 mmbbl were due to higher entitlements in Iraq (74 mmbbl) and progress at a few projects, among which the most important was the Umm Shaif/Nasr concession in the United Arab Emirates. In the Sub-Saharan Africa positive revisions of 10 mmbbl were due to higher entitlements in Nigeria (14 mmbbl), Angola (8 mmbbl) and Ghana (3 mmbbl), partly offset by negative revisions due to the debooking of the Loango and Zatchi fields reserves in Congo (-18 mmbbl). In America, positive revisions of 16 mmbbl were due to higher entitlements

in Mexico (25 mmbbl), partially offset by the removal of non-economic reserves at various fields in the United States. In Egypt, negative revisions of 14 mmbbl were mainly due to the Abu Rudeis project. In North Africa negative revisions of 44 mmbbl were driven by price effects and capital expenditures curtailments in Libya (-30 mmbbl) and Algeria (-17 mmbbl).

In 2021, revisions of previous estimates are 10 mmbbl detailed as follows. In Italy there are positive revisions of 32 mmbbl mainly due to the Val d'Agri project. In the Rest of Europe 8 mmbbl of positive revisions were registered, mainly in the United Kingdom. In the Rest of North Africa revisions totaled 49 mmbbl, comprising positive revisions (+62 mmbbl) of which +42 mmbbl in Libya (mainly in Area D) and +18 mmbbl in Algeria (BRN +5 mmbbl and other minor fields) and negative revisions (-13 mmbbl) mainly in Algeria (BRW -4 mmbbl) and other minor fields. In Egypt there were revisions of 11 mmbbl, consisting of positive revisions (21 mmbbl) mainly in Meleiha and negative revisions (-10 mmbbl) mainly in Belayim. In Sub-Saharan Africa, revisions totaled +21 mmbbl, consisting of positive revisions (+74 mmbbl) primarily in Nigeria (+42 mmbbl) and Angola (+22 mmbbl) and negative revisions (-53 mmbbl) including -23 mmbbl in Congo and -13 mmbbl in Nigeria. In Kazakhstan, revisions are negative 58 mmbbl, mainly related to the Karachaganak field. In the Rest of Asia revisions (-74 mmbbl) are due to positive revisions (+21 mmbbl) in the United Arab Emirates and negative revisions (-95 mmbbl) mainly in Iraq. In the Americas there were total revisions of 21 mmbbl, comprising positive revisions (+38 mmbbl) in the United States and negative revisions (-17 mmbbl) in Mexico.

Improved Recovery

In 2019, no improved recoveries were reported.

In 2020, improved recoveries of 5 mmbbl related to the Burun project in Turkmenistan.

In 2021, 12 mmbbl are totaled from recovery-assisted improvements primarily on the Ooguruk field in the U.S.

Extensions and Discoveries

In 2019, new discoveries and extensions of 34 mmbbl were driven for 21 mmbbl by the final investment decisions relating to the Assa North field in Nigeria and the Agogo field in the operated Block 15/06 offshore Angola. The remaining extensions and discoveries related to certain fields in USA (9 mmbbl in total, relating to Nikaitchuq and Pegasus-2 fields) and 4 mmbbl in North Africa and Middle East Region driven by incremental near-field discoveries.

In 2020, new discoveries and extensions added 5 mmbbl related to the Pegasus and Front Runner fields in the United States and the Mahani field in the United Arab Emirates.

In 2021, new discoveries and extensions total 23 million barrels, primarily related to Cuica and Ndungu in Block 15/06 and the New Gas Consortium project in Angola and the BKNEP, Zas and Ret projects in Algeria.

Sales of Minerals in Place

In 2019, the sale of 29 mmbbl related for 28 mmbbl to the sale of the entire interest in the production assets in Ecuador. In 2020, no sales of oil properties were reported.

In 2021, there is a sale of OML 17 in Nigeria for 2 mmbbl.

EQUITY-ACCOUNTED ENTITIES

Purchase of Minerals in Place

In 2019, purchase of 109 mmbbl related to the acquisition of assets of ExxonMobil in Norway by the joint venture Vår Energi.

In 2020 and 2021, no purchases of proved reserves were made.

Revisions of Previous Estimates

In 2019, positive revisions of previous estimates for 42 mmbbl mainly related to the Rest of Europe area (45 mmbbl) due to development activities of the Balder X project in Norway.

In 2020, negative revisions of previous estimates amounted to 2 mmbbl. In the Rest of Europe negative revisions for 11 mmbbl were reported mainly at the Ringhorne East and Ekofisk fields in Norway driven by price effects. These were partially offset by positive revisions reported in the Sub-Saharan Africa up by 9 mmbbl driven by an improved performance at the Angola LNG project.

In 2021, revisions were negative 4 mmbbl, mainly located in the Rest of Europe (+17 mmbbl) in Norway and the Americas (-23 mmbbl in Venezuela). Minor revisions in Angola, Tunisia and Mozambique.

Extensions and Discoveries

In 2019, extensions and new discoveries of 6 mmbbl related to the development of the Trestakk field in Norway.

In 2020, extensions and new discoveries of 30 mmbbl were reported as a result of the final investment decision for the Bredaiblikk project in Norway.

In 2021, extensions and new discoveries total 2 mmbbl and are located in Norway.

Sales of Minerals in Place

In 2019, sales of 6 mmbbl related to the divestment of minor assets in Norway.

In 2020 and 2021, no sales of proved reserves were made.

PROVED RESERVES OF NATURAL GAS

(billion cubic feet)	Italy	Rest of Europe	North Africa	Egypt	Sub - Saharan Africa	Kazakhstan	Rest of Asia	America	Australia and Oceania	Total
2021										
Consolidated subsidiaries										
Reserves at December 31, 2020	348	208	2,201	4,692	3,864	2,003	1,589	175	474	15,554
<i>of which: developed</i>	280	194	1,014	4,511	1,751	2,003	674	109	315	10,851
<i>undeveloped</i>	68	14	1,187	181	2,113		915	66	159	4,703
Purchase of Minerals in Place								1		1
Revisions of Previous Estimates	661	78	321	(2)	(903)	(213)	120	125	(15)	172
Improved Recovery										
Extensions and Discoveries		5	13		186		2			206
Production ^(a)	(91)	(44)	(263)	(538)	(179)	(85)	(189)	(27)	(31)	(1,447)
Sales of Minerals in Place					(15)					(15)
Reserves at December 31, 2021	918	247	2,272	4,152	2,953	1,705	1,522	274	428	14,471
Equity-accounted entities										
Reserves at December 31, 2020		510	14		364			1,559		2,447
<i>of which: developed</i>		415	14		170			1,559		2,158
<i>undeveloped</i>		95			194					289
Purchase of Minerals in Place										
Revisions of Previous Estimates		234	(3)		952			(12)		1,171
Improved Recovery										
Extensions and Discoveries		28								28
Production ^(b)		(118)	(1)		(31)			(87)		(237)
Sales of Minerals in Place										
Reserves at December 31, 2021		654	10		1,285			1,460		3,409
Reserves at December 31, 2021	918	901	2,282	4,152	4,238	1,705	1,522	1,734	428	17,880
Developed	729	699	791	3,656	1,924	1,705	971	1,670	266	12,411
consolidated subsidiaries	729	242	781	3,656	1,759	1,705	971	210	266	10,319
equity-accounted entities		457	10		165			1,460		2,092
Undeveloped	189	202	1,491	496	2,314		551	64	162	5,469
consolidated subsidiaries	189	5	1,491	496	1,194		551	64	162	4,152
equity-accounted entities		197			1,120					1,317

(a) It includes production volumes consumed in operations equal to 208 Bcf.

(b) It includes production volumes consumed in operations equal to 15 Bcf.

(billion cubic feet)	Italy	Rest of Europe	North Africa	Egypt	Sub-Saharan Africa	Kazakhstan	Rest of Asia	America	Australia and Oceania	Total
2020										
Consolidated subsidiaries										
Reserves at December 31, 2019	752	262	2,738	5,191	4,103	1,969	1,349	240	507	17,111
<i>of which: developed</i>	657	242	1,374	4,777	1,858	1,969	685	186	322	12,070
<i>undeveloped</i>	95	20	1,364	414	2,245		664	54	185	5,041
Purchase of Minerals in Place										
Revisions of Previous Estimates	(288)	5	(259)	(65)	9	138	356	(33)		(137)
Improved Recovery										
Extensions and Discoveries				6			54	4		64
Production ^(a)	(116)	(59)	(278)	(440)	(248)	(104)	(170)	(36)	(33)	(1,484)
Sales of Minerals in Place										
Reserves at December 31, 2020	348	208	2,201	4,692	3,864	2,003	1,589	175	474	15,554
Equity-accounted entities										
Reserves at December 31, 2019		772	14		287			1,648		2,721
<i>of which: developed</i>		597	14		88			1,648		2,347
<i>undeveloped</i>		175			199					374
Purchase of Minerals in Place										
Revisions of Previous Estimates		(128)	1		113			(12)		(26)
Improved Recovery										
Extensions and Discoveries										
Production ^(b)		(134)	(1)		(36)			(77)		(248)
Sales of Minerals in Place										
Reserves at December 31, 2020		510	14		364			1,559		2,447
Reserves at December 31, 2020	348	718	2,215	4,692	4,228	2,003	1,589	1,734	474	18,001
Developed	280	609	1,028	4,511	1,921	2,003	674	1,668	315	13,009
consolidated subsidiaries	280	194	1,014	4,511	1,751	2,003	674	109	315	10,851
equity-accounted entities		415	14		170			1,559		2,158
Undeveloped	68	109	1,187	181	2,307		915	66	159	4,992
consolidated subsidiaries	68	14	1,187	181	2,113		915	66	159	4,703
equity-accounted entities		95			194					289

(a) It includes production volumes consumed in operations equal to 223 Bcf.

(b) It includes production volumes consumed in operations equal to 16 Bcf.

(billion cubic feet)	Italy	Rest of Europe	North Africa	Egypt	Sub-Saharan Africa	Kazakhstan	Rest of Asia	America	Australia and Oceania	Total
2019										
Consolidated subsidiaries										
Reserves at December 31, 2018	1,199	320	2,890	5,275	3,506	1,989	1,217	277	651	17,324
<i>of which: developed</i>	980	300	1,447	3,331	1,871	1,846	822	154	452	11,203
<i>undeveloped</i>	219	20	1,443	1,944	1,635	143	395	123	199	6,121
Purchase of Minerals in Place								7		7
Revisions of Previous Estimates	(310)	4	267	467	747	79	104	(23)	(108)	1,227
Improved Recovery										
Extensions and Discoveries		2			78		274	4		358
Production ^(a)	(137)	(64)	(419)	(551)	(210)	(99)	(198)	(24)	(36)	(1,738)
Sales of Minerals in Place ^(b)					(18)		(48)	(1)		(67)
Reserves at December 31, 2019	752	262	2,738	5,191	4,103	1,969	1,349	240	507	17,111
Equity-accounted entities										
Reserves at December 31, 2018		360	14		310			1,716		2,400
<i>of which: developed</i>		276	14		57			1,716		2,063
<i>undeveloped</i>		84			253					337
Purchase of Minerals in Place		405								405
Revisions of Previous Estimates		76	1		13			1		91
Improved Recovery										
Extensions and Discoveries		(2)								(2)
Production ^(c)		(67)	(1)		(36)			(69)		(173)
Sales of Minerals in Place										
Reserves at December 31, 2019		772	14		287			1,648		2,721
Reserves at December 31, 2019	752	1,034	2,752	5,191	4,390	1,969	1,349	1,888	507	19,832
Developed	657	839	1,388	4,777	1,946	1,969	685	1,834	322	14,417
consolidated subsidiaries	657	242	1,374	4,777	1,858	1,969	685	186	322	12,070
equity-accounted entities		597	14		88			1,648		2,347
Undeveloped	95	195	1,364	414	2,444		664	54	185	5,415
consolidated subsidiaries	95	20	1,364	414	2,245		664	54	185	5,041
equity-accounted entities		175			199					374

(a) It includes production volumes consumed in operations equal to 231 Bcf.

(b) Includes 498 Mscms as part of a long-term supply agreement to a state-owned national oil company, whereby the buyer has paid the price without lifting the underlying volume in exercise of the take-or-pay clause because it is very likely that the buyer will not redeem its contractual right to lift (make up) the volume paid.

(c) It includes production volumes consumed in operations equal to 11 Bcf.

Main changes in proved reserves of natural gas reported in the tables above for the period 2019-2021 are discussed below.

CONSOLIDATED SUBSIDIARIES

Purchase of Minerals in Place

In 2019, purchase of 7 BCF related to the Ooguruk field in Alaska.

In 2020, no purchases were made.

In 2021, 1 BCF of acquisition related to the Lucius field in the United States is recorded.

Revisions of Previous Estimates

In 2019, positive revisions of previous estimates of 1,227 BCF mainly related to: (i) the Sub-Saharan Africa area for 747 BCF following the final investment decision for the upgrading of the LNG Bonny project in Nigeria (Eni's interest 10.4%); (ii) Egypt for 467 BCF following the progress in

development activities of the Zohr field and other minor projects; (iii) upward revisions of 267 BCF were reported in North Africa and were mainly driven by progress in the development at Berkine North fields in Algeria (227 BCF), while the remaining volumes related to the progress of activities in Libya and other fields in Algeria; (iv) in Kazakhstan we recorded upward revisions of 79 BCF due to better field performance; (v) in the Rest of Asia the upward revisions related to Pakistan (23 BCF relating to over nine fields), United Arab Emirates (13 BCF in three fields), Indonesia at the Jangkrik field (15 BCF) and Iraq at the Zubair Field (15 BCF) mainly driven by progress in development activities. Other revisions for 11 BCF were recorded in U.K. and U.S.

In 2020, revisions of previous estimates were a net negative of 137 BCF. In Italy, 288 BCF of negative revisions were reported mainly at the Hera Lacina-Linda, Cervia-Arianna, Luna, Annamaria, Val d'Agri and Porto Garibaldi-Agostino projects and other gas fields in the Adriatic sea due to price effects. In North Africa, 259 BCF of negative revisions were

driven by price effects in Libya (-287 BCF) in particular at Bahr Essalam and Area E fields and in various fields in Algeria (+18 BCF). In Egypt, 65 BCF of negative revisions were recorded at the Tuna due to performance revision and at Zohr field due to price effect. In America, 33 BCF of negative revision were due to price effects at various US gas fields (-78 BCF), mainly Alliance fields, partially offset by Area 1 in Mexico (46 BCF).

Revisions were positive for 356 BCF in the Rest of Asia driven by a better performance at the Merakes projects in Indonesia (227 BCF) and at the Zubair field in Iraq (97 BCF) due to improved production expectations. In Kazakhstan, positive revisions of 138 BCF were reported at the Karachaganak project due to technical appraisal and higher entitlements.

In 2021, total revisions are 172 BCF as follows: Italy (661 BCF) mainly due to recovery of non-economic cutoffs; Rest of Europe (78 BCF) in the United Kingdom mainly due to recovery of non-economic cutoffs; Rest of North Africa (321 BCF) mainly in Libya due to price effect; Egypt (-2 BCF), consisting of positive revisions of 110 BCF meters mainly in Baltim SW and negative revisions 112 BCF mainly in Port Fouad; Sub-Saharan Africa total revisions of -903 BCF, primarily linked to the reclassification of the Mozambique project from a consolidated company to an equity-accounted company (-993 BCF) and positive revisions of 274 BCF, primarily in Nigeria. In Kazakhstan, reductions of 213 BCF were recorded mainly in Karachaganak due to the PSA effect; in the Rest of Asia, positive revisions of 120 BCF meters were mainly located in Indonesia (Merakes); in the Americas, revisions of 125 BCF occurred mainly in the United States due to the recovery of non-economic cutoffs; in Australia and Oceania, revisions totaled -15 BCF mainly related to the Blacktip project.

Improved Recovery

In 2019, 2020 and 2021, no material improved recoveries were recorded.

Extensions and Discoveries

In 2019, new discoveries and extensions of 358 BCF mainly related to the Rest of Asia (274 BCF) following to the final investment decision for the Udr-Ghasha project in the offshore of the United Arab Emirates.

In 2020, new discoveries and extensions of 64 BCF mainly related to the Rest of Asia (with an upward revision of 54 BCF) following the final investment decision for the Mahani field in the United Arab Emirates, with production started-up in

January 2021, and Egypt for the near-field discoveries in the Bashrush and Abu Madi West concessions.

In 2021, new discoveries and extensions total 206 BCF and relate primarily to the New Gas Consortium project in Angola and to a lesser extent the Berkine North project in Algeria.

Sales of Minerals in Place

In 2019, sales of 67 BCF mainly related to the Rest of Asia area (48 BCF) following the sale of the 20% stake in the Merakes discovery in Indonesia.

In 2020, no sales were made.

In 2021, there are divestments of 15 BCF related to the exit from OML 17 in Nigeria.

EQUITY-ACCOUNTED ENTITIES

Purchase of Minerals in Place

In 2019, purchase of 405 BCF related to the acquisition of assets of ExxonMobil in Norway by the joint venture Vår Energi.

In 2020 and 2021, no purchases were made.

Revisions of Previous Estimates

In 2019, positive revisions of previous estimates of 91 BCF essentially related to the Rest of Europe (76 BCF) following the progress in the Balder X project and the Snorre and Smørbukk fields in Norway.

In 2020, negative revisions of previous estimates of 26 BCF essentially related to the Rest of Europe (128 BCF) mainly in relation to the Grane and Midgard projects in Norway. In Sub-Saharan Africa, 113 BCF of positive revisions were reported at the Angola LNG project due to a better performance.

In 2021, revisions to previous estimates are 1,171 BCF, primarily due to the reclassification of the Mozambique project from a consolidated company to an equity-accounted company.

Extensions and Discoveries

In 2019 and 2020, there were no extensions or new relevant discoveries.

In 2021, 28 BCF of extensions and new discoveries are recorded, mainly due to the investment decision in Tommeliten Alpha in Norway.

Sales of Minerals in Place

In 2019 sales were not material in Rest of Asia and Europe, respectively, while in 2020 and 2021 no sales were made.

STANDARDIZED MEASURE OF DISCOUNTED FUTURE NET CASH FLOWS

Estimated future cash inflows represent the revenues that would be received from production and are determined by applying the year-end average prices during the years ended.

Future price changes are considered only to the extent provided by contractual arrangements. Estimated future development and production costs are determined by estimating the expenditures to be incurred in developing and producing the proved reserves at the end of the year. Neither the effects of price and cost escalations nor expected future changes in technology and operating practices have been considered.

The standardized measure is calculated as the excess of future cash inflows from proved reserves less future costs of producing and developing the reserves, future income taxes and a yearly 10% discount factor.

Future production costs include the estimated expenditures related to the production of proved reserves plus any production taxes without consideration of future inflation. Future

development costs include the estimated costs of drilling development wells and installation of production facilities, plus the net costs associated with dismantlement and abandonment of wells and facilities, under the assumption that year-end costs continue without considering future inflation. Future income taxes were calculated in accordance with the tax laws of the countries in which Eni operates.

The standardized measure of discounted future net cash flows, related to the preceding proved oil and gas reserves, is calculated in accordance with the requirements of FASB Extractive Activities - Oil and Gas (Topic 932). The standardized measure does not purport to reflect realizable values or fair market value of Eni's proved reserves. An estimate of fair value would also take into account, among other things, hydrocarbon resources other than proved reserves, anticipated changes in future prices and costs and a discount factor representative of the risks inherent in the oil and gas exploration and production activity.

The standardized measure of discounted future net cash flows by geographical area consists of the following:

(€ million)	Italy	Rest of Europe	North Africa	Egypt	Sub-Saharan Africa	Kazakhstan	Rest of Asia	America	Australia and Oceania	Total
December 31, 2021										
Consolidated subsidiaries										
Future cash inflows	18,933	4,679	33,142	31,344	40,929	36,430	32,594	13,607	1,511	213,169
Future production costs	(6,929)	(1,496)	(6,325)	(9,726)	(13,196)	(7,343)	(9,578)	(4,189)	(251)	(59,033)
Future development and abandonment costs	(4,104)	(865)	(4,688)	(2,036)	(5,117)	(1,750)	(4,278)	(2,298)	(288)	(25,424)
Future net inflow before income tax	7,900	2,318	22,129	19,582	22,616	27,337	18,738	7,120	972	128,712
Future income tax	(2,037)	(1,001)	(12,345)	(6,736)	(8,372)	(6,301)	(12,899)	(2,386)	(75)	(52,152)
Future net cash flows	5,863	1,317	9,784	12,846	14,244	21,036	5,839	4,734	897	76,560
10 % discount factor	(2,112)	(170)	(4,516)	(4,211)	(5,608)	(10,703)	(2,295)	(1,980)	(350)	(31,945)
Standardized measure of discounted future net cash flows	3,751	1,147	5,268	8,635	8,636	10,333	3,544	2,754	547	44,615
Equity-accounted entities										
Future cash inflows		28,037	230		8,884			5,971		43,122
Future production costs		(8,316)	(120)		(1,590)			(1,454)		(11,480)
Future development and abandonment costs		(6,566)	(85)		(95)			(77)		(6,823)
Future net inflow before income tax		13,155	25		7,199			4,440		24,819
Future income tax		(8,591)	(9)		(1,286)			(1,309)		(11,195)
Future net cash flows		4,564	16		5,913			3,131		13,624
10 % discount factor		(1,462)	16		(3,498)			(1,399)		(6,343)
Standardized measure of discounted future net cash flows		3,102	32		2,415			1,732		7,281
Total consolidated subsidiaries and equity-accounted entities	3,751	4,249	5,300	8,635	11,051	10,333	3,544	4,486	547	51,896

(€ million)	Italy	Rest of Europe	North Africa	Egypt	Sub - Saharan Africa	Kazakhstan	Rest of Asia	America	Australia and Oceania	Total
December 31, 2020										
Consolidated subsidiaries										
Future cash inflows	6,120	1,737	19,780	26,003	26,901	21,519	22,528	6,638	1,599	132,825
Future production costs	(3,587)	(753)	(5,431)	(7,515)	(10,909)	(6,224)	(7,241)	(3,382)	(265)	(45,307)
Future development and abandonment costs	(1,925)	(756)	(4,378)	(1,638)	(4,257)	(1,743)	(4,511)	(1,786)	(246)	(21,240)
Future net inflow before income tax	608	228	9,971	16,850	11,735	13,552	10,776	1,470	1,088	66,278
Future income tax	(170)	(61)	(4,946)	(5,320)	(2,988)	(2,313)	(6,774)	(441)	(140)	(23,153)
Future net cash flows	438	167	5,025	11,530	8,747	11,239	4,002	1,029	948	43,125
10 % discount factor	(33)	108	(2,413)	(4,101)	(3,714)	(6,040)	(1,681)	(482)	(383)	(18,739)
Standardized measure of discounted future net cash flows	405	275	2,612	7,429	5,033	5,199	2,321	547	565	24,386
Equity-accounted entities										
Future cash inflows		15,306	251		1,253			6,291		23,101
Future production costs		(5,942)	(98)		(982)			(1,641)		(8,663)
Future development and abandonment costs		(6,244)	(29)		(46)			(137)		(6,456)
Future net inflow before income tax		3,120	124		225			4,513		7,982
Future income tax		(576)	(54)		(3)			(1,375)		(2,008)
Future net cash flows		2,544	70		222			3,138		5,974
10 % discount factor		(1,055)	(43)		(110)			(1,460)		(2,668)
Standardized measure of discounted future net cash flows		1,489	27		112			1,678		3,306
Total consolidated subsidiaries and equity-accounted entities	405	1,764	2,639	7,429	5,145	5,199	2,321	2,225	565	27,692

(€ million)	Italy	Rest of Europe	North Africa	Egypt	Sub - Saharan Africa	Kazakhstan	Rest of Asia	America	Australia and Oceania	Total
December 31, 2019										
Consolidated subsidiaries										
Future cash inflows	12,363	3,268	38,083	37,020	48,778	36,435	31,220	11,378	1,686	220,231
Future production costs	(5,078)	(1,175)	(6,944)	(10,934)	(15,534)	(8,239)	(8,888)	(5,060)	(293)	(62,145)
Future development and abandonment costs	(3,551)	(1,338)	(4,985)	(1,591)	(6,265)	(2,362)	(6,047)	(2,629)	(225)	(28,993)
Future net inflow before income tax	3,734	755	26,154	24,495	26,979	25,834	16,285	3,689	1,168	129,093
Future income tax	(796)	(249)	(13,632)	(7,829)	(9,926)	(5,485)	(11,379)	(1,034)	(143)	(50,473)
Future net cash flows	2,938	506	12,522	16,666	17,053	20,349	4,906	2,655	1,025	78,620
10 % discount factor	(466)	63	(5,852)	(5,822)	(6,604)	(10,832)	(1,990)	(1,187)	(443)	(33,133)
Standardized measure of discounted future net cash flows	2,472	569	6,670	10,844	10,449	9,517	2,916	1,468	582	45,487
Equity-accounted entities										
Future cash inflows		25,094	380		1,787			7,730		34,991
Future production costs		(6,953)	(113)		(863)			(2,038)		(9,967)
Future development and abandonment costs		(6,519)	(23)		(59)			(145)		(6,746)
Future net inflow before income tax		11,622	244		865			5,547		18,278
Future income tax		(7,020)	(77)		(225)			(1,783)		(9,105)
Future net cash flows		4,602	167		640			3,764		9,173
10 % discount factor		(1,544)	(88)		(322)			(1,809)		(3,763)
Standardized measure of discounted future net cash flows		3,058	79		318			1,955		5,410
Total consolidated subsidiaries and equity-accounted entities	2,472	3,627	6,749	10,844	10,767	9,517	2,916	3,423	582	50,897

CHANGES IN STANDARDIZED MEASURE OF DISCOUNTED FUTURE NET CASH FLOWS

Changes in standardized measure of discounted future net cash flows for the years ended December 31, 2021, 2020 and 2019, are as follows:

(€ million)	Consolidated subsidiaries	Equity-accounted entities	Total
2021			
Standardized measure of discounted future net cash flows at December 31, 2020	24,386	3,306	27,692
Increase (Decrease):			
- sales, net of production costs	(16,402)	(3,381)	(19,783)
- net changes in sales and transfer prices, net of production costs	40,864	9,256	50,120
- extensions, discoveries and improved recovery, net of future production and development costs	1,304	142	1,446
- changes in estimated future development and abandonment costs	(2,737)	(734)	(3,471)
- development costs incurred during the period that reduced future development costs	2,877	1,385	4,262
- revisions of quantity estimates	1,963	1,665	3,628
- accretion of discount	3,810	514	4,324
- net change in income taxes	(14,022)	(5,216)	(19,238)
- purchase of reserves in-place	27		27
- sale of reserves in-place	(28)		(28)
- changes in production rates (timing) and other	2,573	344	2,917
Net increase (decrease)	20,229	3,975	24,204
Standardized measure of discounted future net cash flows at December 31, 2021	44,615	7,281	51,896

(€ million)	Consolidated subsidiaries	Equity-accounted entities	Total
2020			
Standardized measure of discounted future net cash flows at December 31, 2019	45,487	5,410	50,897
Increase (Decrease):			
- sales, net of production costs	(10,046)	(1,490)	(11,536)
- net changes in sales and transfer prices, net of production costs	(34,188)	(5,324)	(39,512)
- extensions, discoveries and improved recovery, net of future production and development costs	123	142	265
- changes in estimated future development and abandonment costs	792	(834)	(42)
- development costs incurred during the period that reduced future development costs	4,147	1,192	5,339
- revisions of quantity estimates	36	(285)	(249)
- accretion of discount	7,136	1,065	8,201
- net change in income taxes	13,336	3,814	17,150
- purchase of reserves in-place			
- sale of reserves in-place			
- changes in production rates (timing) and other	(2,437)	(384)	(2,821)
Net increase (decrease)	(21,101)	(2,104)	(23,205)
Standardized measure of discounted future net cash flows at December 31, 2020	24,386	3,306	27,692

(€ million)	Consolidated subsidiaries	Equity-accounted entities	Total
2019			
Standardized measure of discounted future net cash flows at December 31, 2018	52,411	5,241	57,652
Increase (Decrease):			
- sales, net of production costs	(18,236)	(1,675)	(19,911)
- net changes in sales and transfer prices, net of production costs	(14,972)	(2,247)	(17,219)
- extensions, discoveries and improved recovery, net of future production and development costs	1,240	86	1,326
- changes in estimated future development and abandonment costs	(1,157)	(916)	(2,073)
- development costs incurred during the period that reduced future development costs	5,128	687	5,815
- revisions of quantity estimates	5,573	1,377	6,950
- accretion of discount	8,666	1,050	9,716
- net change in income taxes	6,013	(761)	5,252
- purchase of reserves in-place	260	2,579	2,839
- sale of reserves in-place ^(a)	(429)	(88)	(517)
- changes in production rates (timing) and other	990	77	1,067
Net increase (decrease)	(6,924)	169	(6,755)
Standardized measure of discounted future net cash flows at December 31, 2019	45,487	5,410	50,897

(a) Includes volume as part of a long-term supply agreement to a state-owned national oil company, whereby the buyer has paid the price without lifting the underlying volume in exercise of the take-or-pay clause because it is very likely that the buyer will not redeem its contractual right to lift (make up) the volume paid.

Certification pursuant to rule 154-bis, paragraph 5 of the Legislative Decree No. 58/1998 (Testo Unico della Finanza)

1. The undersigned Claudio Descalzi and Francesco Esposito, in their quality as Chief Executive Officer and Officer responsible for the preparation of financial reports of Eni, also pursuant to article 154-bis, paragraphs 3 and 4 of Legislative Decree No. 58 of February 24, 1998, certify that internal controls over financial reporting in place for the preparation of the consolidated financial statements as of December 31, 2021 and during the period covered by the report, were:
 - ▶ adequate to the Company structure, and
 - ▶ effectively applied during the process of preparation of the report.
2. Internal controls over financial reporting in place for the preparation of the 2021 consolidated financial statements have been defined and the evaluation of their effectiveness has been assessed based on principles and methodologies adopted by Eni in accordance with the Internal Control-Integrated Framework Model issued by the Committee of Sponsoring Organizations of the Treadway Commission, which represents an internationally-accepted framework for the internal control system.
3. The undersigned officers also certify that:
 - 3.1 2021 consolidated financial statements:
 - a) have been prepared in accordance with applicable international accounting standards adopted by the European Community pursuant to Regulation (CE) n. 1606/2002 of the European Parliament and European Council of July 19, 2002;
 - b) correspond to the accounting books and entries;
 - c) fairly and truly represent the financial position, the performance and the cash flows of the issuer and the companies included in the consolidation as of, and for, the period presented in this report.
 - 3.2 The operating and financial review provides a reliable analysis of business trends and results, including trend analysis of the issuer and the companies included in the consolidation, as well as a description of the main risks and uncertainties to which they are exposed.

March 17, 2022

/s/ Claudio Descalzi

Claudio Descalzi
Chief Executive Officer

/s/ Francesco Esposito

Francesco Esposito
Head of Accounting
and Financial Statements

Annex

2021

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List of companies owned by Eni SpA as of December 31, 2021

INVESTMENTS OWNED BY ENI AS OF DECEMBER 31, 2021

In accordance with the provisions of articles 38 and 39 of the Legislative Decree No. 127/1991 and Consob communication No. DEM/6064293 of July 28, 2006, the list of subsidiaries, joint arrangements and associates and significant investments owned by Eni SpA as of December 31, 2021, is presented below. Companies are divided by business segment and, within each segment, they are ordered between Italy and outside Italy and alphabetically. For each company are indicated: company name, registered head office, operating office,

share capital, shareholders and percentage of ownership; for consolidated subsidiaries is indicated the equity ratio attributable to Eni; for unconsolidated investments owned by consolidated companies is indicated the valuation method. In the footnotes are indicated which investments are quoted in the Italian regulated markets or in other regulated markets of the European Union and the percentage of the ordinary voting rights entitled to shareholders if different from the percentage of ownership. The currency codes indicated are reported in accordance with the International Standard ISO 4217. As of December 31, 2021, the breakdown of the companies owned by Eni is provided in the table below:

	Subsidiaries			Joint arrangements and associates			Other significant investments ^(a)		
	Italy	Outside Italy	Total	Italy	Outside Italy	Total	Italy	Outside Italy	Total
Fully consolidated subsidiaries	73	202	275						
Consolidated joint operations				3	7	10			
Investments owned by consolidated companies^(b)									
Equity-accounted investments	5	33	38	25	54	79			
Investments at cost net of impairment losses	5	5	10	4	26	30			
Investments at fair value							4	22	26
	10	38	48	29	80	109	4	22	26
Investments owned by unconsolidated companies									
Owned by controlled companies		6	6		4	4			
Owned by joint arrangements					4	4			
		6	6		8	8			
Total	83	246	329	32	95	127	4	22	26

(a) Relates to investments other than subsidiaries, joint arrangements and associates with an ownership interest greater than 2% for listed companies or 10% for unlisted companies.

(b) Investments in subsidiaries accounted for using the equity method and at cost net of impairment losses relate to non-significant companies.

SUBSIDIARIES AND JOINT ARRANGEMENTS RESIDENT IN STATES OR TERRITORY WITH A PRIVILEGED TAX REGIME

The Legislative Decree of 29 November 2018, No. 241, enforcing the EU Directive rules in the matter of tax avoidance practices, modified the definition of a State or territory with a privileged tax regime pursuant to art. 47-bis of the D.P.R. December 22, 1986, No. 917. Following the aforementioned amendments and the amendments to art. 167 of the D.P.R. December 22, 1986, No. 917, the provisions regarding foreign subsidiaries, CFC, are applied if the non-resident controlled entities jointly present the following conditions: a) they are

subject to an effective taxation of less than half to which they would have been subject if they were resident in Italy; b) more than one third of the proceeds fall into one or more of the following categories: interests, royalties, dividends, financial leasing income, income from insurance and banking activities, income and sale from intra-group services with low or zero added economic value.

As of December 31, 2021, Eni controls 5 companies that benefit from a privileged tax regime. These 5 companies are subject to taxation in Italy because they are included in Eni's tax return. No subsidiary that benefits from a privileged tax regime has issued financial instruments. All the financial statements for 2021 are subject to external audit.

PARENT COMPANY

Company name	Registered office	Country of operation	Currency	Share Capital	Shareholders	% Ownership
Eni SpA ^(#)	Rome	Italy	EUR	4,005,358,876	Cassa Depositi e Prestiti SpA Ministero dell'Economia e delle Finanze Eni SpA Other shareholders	25.96 4.37 1.83 67.84

SUBSIDIARIES

Exploration & Production

IN ITALY

Company name	Registered office	Country of operation	Currency	Share Capital	Shareholders	% Ownership	% Equity ratio	Consolidation or valuation method ^(*)
Eni Angola SpA	San Donato Milanese (MI)	Angola	EUR	20,200,000	Eni SpA	100.00	100.00	F.C.
Eni Mediterranea Idrocarburi SpA	Gela (CL)	Italy	EUR	5,200,000	Eni SpA	100.00	100.00	F.C.
Eni Mozambico SpA	San Donato Milanese (MI)	Mozambique	EUR	200,000	Eni SpA	100.00	100.00	F.C.
Eni Natural Energies SpA	San Donato Milanese (MI)	Italy	EUR	100,000	Eni SpA	100.00	100.00	F.C.
Eni Timor Leste SpA	San Donato Milanese (MI)	East Timor	EUR	4,386,849	Eni SpA	100.00	100.00	F.C.
Eni West Africa SpA	San Donato Milanese (MI)	Angola	EUR	1,000,000	Eni SpA	100.00	100.00	F.C.
Floaters SpA	San Donato Milanese (MI)	Italy	EUR	200,120,000	Eni SpA	100.00	100.00	F.C.
leoc SpA	San Donato Milanese (MI)	Egypt	EUR	7,518,000	Eni SpA	100.00	100.00	F.C.
Società Petrolifera Italiana SpA	San Donato Milanese (MI)	Italy	EUR	8,034,400	Eni SpA Third parties	99.96 0.04	99.96	F.C.

(*) F.C. = full consolidation, J.O. = joint operation, Eq. = equity-accounted, Co. = valued at cost, F.V. = valued at fair value

(#) Company with shares quoted in the regulated market of Italy or of other EU countries

OUTSIDE ITALY

Company name	Registered office	Country of operation	Currency	Share Capital	Shareholders	% Ownership	% Equity ratio	Consolidation or valuation method ^(*)
Agip Caspian Sea BV	Amsterdam (Netherlands)	Kazakhstan	EUR	20,005	Eni International BV	100.00	100.00	F.C.
Agip Energy and Natural Resources (Nigeria) Ltd	Abuja (Nigeria)	Nigeria	NGN	5,000,000	Eni International BV Eni Oil Holdings BV	95.00 5.00	100.00	F.C.
Agip Karachaganak BV	Amsterdam (Netherlands)	Kazakhstan	EUR	20,005	Eni International BV	100.00	100.00	F.C.
Burren Energy (Bermuda) Ltd⁽¹⁾	Hamilton (Bermuda)	United Kingdom	USD	12,002	Burren Energy Plc	100.00	100.00	F.C.
Burren Energy (Egypt) Ltd	London (United Kingdom)	Egypt	GBP	2	Burren Energy Plc	100.00		Eq.
Burren Energy Congo Ltd⁽²⁾	Tortola (British Virgin Islands)	Republic of the Congo	USD	50,000	Burren En.(Berm)Ltd	100.00	100.00	F.C.
Burren Energy India Ltd	London (United Kingdom)	United Kingdom	GBP	2	Burren Energy Plc	100.00	100.00	F.C.
Burren Energy Plc	London (United Kingdom)	United Kingdom	GBP	28,819,023	Eni UK Holding Plc Eni UK Ltd	99.99 (.)	100.00	F.C.
Burren Shakti Ltd⁽¹⁾	Hamilton (Bermuda)	United Kingdom	USD	213,138	Burren En. India Ltd	100.00	100.00	F.C.
Eni Abu Dhabi BV⁽³⁾	Amsterdam (Netherlands)	United Arab Emirates	EUR	20,000	Eni International BV	100.00	100.00	F.C.
Eni AEP Ltd	London (United Kingdom)	Pakistan	GBP	471,000	Eni UK Ltd	100.00	100.00	F.C.
Eni Albania BV	Amsterdam (Netherlands)	Albania	EUR	20,000	Eni International BV	100.00	100.00	F.C.
Eni Algeria Exploration BV	Amsterdam (Netherlands)	Algeria	EUR	20,000	Eni International BV	100.00	100.00	F.C.
Eni Algeria Ltd Sàrl	Luxembourg (Luxembourg)	Algeria	USD	20,000	Eni Oil Holdings BV	100.00	100.00	F.C.
Eni Algeria Production BV	Amsterdam (Netherlands)	Algeria	EUR	20,000	Eni International BV	100.00	100.00	F.C.
Eni Ambalat Ltd	London (United Kingdom)	Indonesia	GBP	1	Eni Indonesia Ltd	100.00	100.00	F.C.
Eni America Ltd	Dover (USA)	USA	USD	72,000	Eni UHL Ltd	100.00	100.00	F.C.
Eni Angola Exploration BV	Amsterdam (Netherlands)	Angola	EUR	20,000	Eni International BV	100.00	100.00	F.C.
Eni Angola Production BV	Amsterdam (Netherlands)	Angola	EUR	20,000	Eni International BV	100.00	100.00	F.C.
Eni Argentina Exploración y Explotación SA	Buenos Aires (Argentina)	Argentina	ARS	31,997,266	Eni International BV Eni Oil Holdings BV	95.00 5.00	100.00	F.C.
Eni Arguni I Ltd	London (United Kingdom)	Indonesia	GBP	1	Eni Indonesia Ltd	100.00	100.00	F.C.
Eni Australia BV	Amsterdam (Netherlands)	Australia	EUR	20,000	Eni International BV	100.00	100.00	F.C.

(*) F.C. = full consolidation, J.O. = joint operation, Eq. = equity-accounted, Co. = valued at cost, F.V. = valued at fair value.

(1) Company that benefits from a privileged tax regime pursuant to art. 167, paragraph 4 of the D.P.R. of December 22, 1986, n. 917: the income attributable to the Group is subject to taxation in Italy.

(2) Company that does not benefit from a privileged tax regime pursuant to art. 167, paragraph 4 of the D.P.R. of December 22, 1986, n. 917: the company operates with permanent establishment in Congo and the tax rate is not lower than 50% of that current in Italy.

(3) Company that does not benefit from a privileged tax regime pursuant to art. 167, paragraph 4 of the D.P.R. of December 22, 1986, n. 917: the company operates with permanent establishment in the United Arab Emirates and the nominal tax rate is not lower than 50% of that current in Italy.

Company name	Registered office	Country of operation	Currency	Share Capital	Shareholders	% Ownership	% Equity ratio	Consolidation or valuation method(*)
Eni Australia Ltd	London (United Kingdom)	Australia	GBP	20,000 ,000	Eni International BV	100.00	100.00	F.C.
Eni Bahrain BV	Amsterdam (Netherlands)	Bahrain	EUR	20,000	Eni International BV	100.00	100.00	F.C.
Eni BB Petroleum Inc	Dover (USA)	USA	USD	1,000	Eni Petroleum Co Inc	100.00	100.00	F.C.
Eni BTC Ltd	London (United Kingdom)	United Kingdom	GBP	1	Eni International BV	100.00		Eq.
Eni Bukat Ltd	London (United Kingdom)	Indonesia	GBP	1	Eni Indonesia Ltd	100.00	100.00	F.C.
Eni Canada Holding Ltd	Calgary (Canada)	Canada	USD	3,938,200,001	Eni International BV	100.00	100.00	F.C.
Eni CBM Ltd	London (United Kingdom)	Indonesia	USD	2,210,728	Eni Lasmo Plc	100.00		Eq.
Eni China BV	Amsterdam (Netherlands)	China	EUR	20,000	Eni International BV	100.00	100.00	F.C.
Eni Congo SA	Point-Noire (Republic of the Congo)	Republic of the Congo	USD	17,000,000	Eni E&P Holding BV Eni Int. NA NV Sarl Eni International BV	99.99 (..) (..)	100.00	F.C.
Eni Côte d'Ivoire Ltd	London (United Kingdom)	Ivory Coast	GBP	1	Eni Lasmo Plc	100.00	100.00	F.C.
Eni Cyprus Ltd	Nicosia (Cyprus)	Cyprus	EUR	2,008	Eni International BV	100.00	100.00	F.C.
Eni Denmark BV	Amsterdam (Netherlands)	Greenland	EUR	20,000	Eni International BV	100.00		Eq.
Eni do Brasil Investimentos em Exploração e Produção de Petróleo Ltda	Rio de Janeiro (Brazil)	Brazil	BRL	1,593,415,000	Eni International BV Eni Oil Holdings BV	99.99 (..)		Eq.
Eni East Ganai Ltd	London (United Kingdom)	Indonesia	GBP	1	Eni Indonesia Ltd	100.00	100.00	F.C.
Eni East Sepinggan Ltd	London (United Kingdom)	Indonesia	GBP	1	Eni Indonesia Ltd	100.00	100.00	F.C.
Eni Elgin/Franklin Ltd	London (United Kingdom)	United Kingdom	GBP	100	Eni UK Ltd	100.00	100.00	F.C.
Eni Energy Russia BV	Amsterdam (Netherlands)	Netherlands	EUR	20,000	Eni International BV	100.00	100.00	F.C.
Eni Exploration & Production Holding BV	Amsterdam (Netherlands)	Netherlands	EUR	29,832,777.12	Eni International BV	100.00	100.00	F.C.
Eni Gabon SA	Libreville (Gabon)	Gabon	XAF	4,000,000,000	Eni International BV	100.00	100.00	F.C.
Eni Ganai Ltd	London (United Kingdom)	Indonesia	GBP	2	Eni Indonesia Ltd	100.00	100.00	F.C.
Eni Gas & Power LNG Australia BV	Amsterdam (Netherlands)	Australia	EUR	1,013,439	Eni International BV	100.00	100.00	F.C.
Eni Ghana Exploration and Production Ltd	Accra (Ghana)	Ghana	GHS	21,412,500	Eni International BV	100.00	100.00	F.C.

(*) F.C. = full consolidation, J.O. = joint operation, Eq. = equity-accounted, Co. = valued at cost, F.V. = valued at fair value.

Company name	Registered office	Country of operation	Currency	Share Capital	Shareholders	% Ownership	% Equity ratio	Consolidation or valuation method ^(*)
Eni Hewett Ltd	Aberdeen (United Kingdom)	United Kingdom	GBP	3,036,000	Eni UK Ltd	100.00	100.00	F.C.
Eni Hydrocarbons Venezuela Ltd	London (United Kingdom)	Venezuela	GBP	8,050,500	Eni Lasmo Plc	100.00		Eq.
Eni India Ltd	London (United Kingdom)	India	GBP	44,000,000	Eni Lasmo Plc	100.00		Eq.
Eni Indonesia Ltd	London (United Kingdom)	Indonesia	GBP	100	Eni ULX Ltd	100.00	100.00	F.C.
Eni Indonesia Ots 1 Ltd⁽⁴⁾	Grand Cayman (Cayman Islands)	Indonesia	USD	1.01	Eni Indonesia Ltd	100.00	100.00	F.C.
Eni International NA NV Sarl	Luxembourg (Luxembourg)	United Kingdom	USD	25,000	Eni International BV	100.00	100.00	F.C.
Eni Investments Plc	London (United Kingdom)	United Kingdom	GBP	750,050,000	Eni SpA Eni UK Ltd	99.99 (.)	100.00	F.C.
Eni Iran BV	Amsterdam (Netherlands)	Iran	EUR	20,000	Eni International BV	100.00		Eq.
Eni Iraq BV	Amsterdam (Netherlands)	Iraq	EUR	20,000	Eni International BV	100.00	100.00	F.C.
Eni Ireland BV	Amsterdam (Netherlands)	Ireland	EUR	20,000	Eni International BV	100.00	100.00	F.C.
Eni Isatay BV	Amsterdam (Netherlands)	Kazakhstan	EUR	20,000	Eni International BV	100.00	100.00	F.C.
Eni JPDA 03-13 Ltd	London (United Kingdom)	Australia	GBP	250,000	Eni International BV	100.00	100.00	F.C.
Eni JPDA 06-105 Pty Ltd	Perth (Australia)	Australia	AUD	80,830,576	Eni International BV	100.00	100.00	F.C.
Eni JPDA 11-106 BV	Amsterdam (Netherlands)	Australia	EUR	50,000	Eni International BV	100.00	100.00	F.C.
Eni Kenya BV	Amsterdam (Netherlands)	Kenya	EUR	20,000	Eni International BV	100.00	100.00	F.C.
Eni Krueng Mane Ltd	London (United Kingdom)	Indonesia	GBP	2	Eni Indonesia Ltd	100.00	100.00	F.C.
Eni Lasmo Plc	London (United Kingdom)	United Kingdom	GBP	337,638,724.25	Eni Investments Plc Eni UK Ltd	99.99 (.)	100.00	F.C.
Eni Lebanon BV	Amsterdam (Netherlands)	Lebanon	EUR	20,000	Eni International BV	100.00	100.00	F.C.
Eni Liverpool Bay Operating Co Ltd	London (United Kingdom)	United Kingdom	GBP	1	Eni UK Ltd	100.00		Eq.
Eni LNS Ltd	London (United Kingdom)	United Kingdom	GBP	1	Eni UK Ltd	100.00	100.00	F.C.
Eni Marketing Inc	Dover (USA)	USA	USD	1,000	Eni Petroleum Co Inc	100.00	100.00	F.C.
Eni Maroc BV	Amsterdam (Netherlands)	Morocco	EUR	20,000	Eni International BV	100.00	100.00	F.C.
Eni México S. de RL de CV	Mexico City (Mexico)	Mexico	MXN	3,000	Eni International BV Eni Oil Holdings BV	99.90 0.10	100.00	F.C.
Eni Middle East Ltd	London (United Kingdom)	United Kingdom	GBP	1	Eni ULT Ltd	100.00	100.00	F.C.

(*) F.C. = full consolidation, J.O. = joint operation, Eq. = equity-accounted, Co. = valued at cost, F.V. = valued at fair value.

(4) Company that does not benefit from a privileged tax regime pursuant to art. 167, paragraph 4 of the D.P.R. of December 22, 1986, n. 917: the company is fiscally resident in the United Kingdom and operates with a permanent establishment in Indonesia with a tax rate not lower than 50% of that current in Italy.

Company name	Registered office	Country of operation	Currency	Share Capital	Shareholders	% Ownership	% Equity ratio	Consolidation or valuation method ^(*)
Eni MOG Ltd (in liquidation)	London (United Kingdom)	United Kingdom	GBP	0 ^(a)	Eni Lasmo Plc Eni LNS Ltd	99.99 (.)	100.00	F.C.
Eni Montenegro BV	Amsterdam (Netherlands)	Republic of Montenegro	EUR	20,000	Eni International BV	100.00	100.00	F.C.
Eni Mozambique Engineering Ltd	London (United Kingdom)	United Kingdom	GBP	1	Eni Lasmo Plc	100.00	100.00	F.C.
Eni Mozambique LNG Holding BV	Amsterdam (Netherlands)	Netherlands	EUR	20,000	Eni International BV	100.00	100.00	F.C.
Eni Muara Bakau BV	Amsterdam (Netherlands)	Indonesia	EUR	20,000	Eni International BV	100.00	100.00	F.C.
Eni Myanmar BV	Amsterdam (Netherlands)	Myanmar	EUR	20,000	Eni International BV	100.00	100.00	F.C.
Eni New Energy Egypt SAE	Cairo (Egypt)	Egypt	EGP	250,000	Eni International BV leoc Exploration BV leoc Production BV	99.98 0.01 0.01		Eq.
Eni North Africa BV	Amsterdam (Netherlands)	Libya	EUR	20,000	Eni International BV	100.00	100.00	F.C.
Eni North Ganai Ltd	London (United Kingdom)	Indonesia	GBP	1	Eni Indonesia Ltd	100.00	100.00	F.C.
Eni Oil & Gas Inc	Dover (USA)	USA	USD	100,800	Eni America Ltd	100.00	100.00	F.C.
Eni Oil Algeria Ltd	London (United Kingdom)	Algeria	GBP	1,000	Eni Lasmo Plc	100.00	100.00	F.C.
Eni Oil Holdings BV	Amsterdam (Netherlands)	Netherlands	EUR	450,000	Eni ULX Ltd	100.00	100.00	F.C.
Eni Oman BV	Amsterdam (Netherlands)	Oman	EUR	20,000	Eni International BV	100.00	100.00	F.C.
Eni Pakistan Ltd	London (United Kingdom)	Pakistan	GBP	90,087	Eni ULX Ltd	100.00	100.00	F.C.
Eni Pakistan (M) Ltd Sarl	Luxembourg (Luxembourg)	Pakistan	USD	20,000	Eni Oil Holdings BV	100.00	100.00	F.C.
Eni Petroleum Co Inc	Dover (USA)	USA	USD	156,600,000	Eni SpA Eni International BV	63.86 36.14	100.00	F.C.
Eni Petroleum US Llc	Dover (USA)	USA	USD	1,000	Eni BB Petroleum Inc	100.00	100.00	F.C.
Eni Qatar BV	Amsterdam (Netherlands)	Netherlands	EUR	20,000	Eni International BV	100.00		Eq.
Eni RAK BV⁽⁵⁾	Amsterdam (Netherlands)	United Arab Emirates	EUR	20,000	Eni International BV	100.00	100.00	F.C.
Eni Rapak Ltd	London (United Kingdom)	Indonesia	GBP	2	Eni Indonesia Ltd	100.00	100.00	F.C.
Eni RD Congo SA	Kinshasa (Democratic Republic of the Congo)	Democratic Republic of the Congo	CDF	750,000,000	Eni International BV Eni Oil Holdings BV	99.99 (.)		Eq.
Eni Rovuma Basin BV	Amsterdam (Netherlands)	Mozambique	EUR	20,000	Eni Mozambique LNG H. BV	100.00	100.00	F.C.
Eni Sharjah BV⁽⁵⁾	Amsterdam (Netherlands)	United Arab Emirates	EUR	20,000	Eni International BV	100.00	100.00	F.C.

(*) F.C. = full consolidation, J.O. = joint operation, Eq. = equity-accounted, Co. = valued at cost, F.V. = valued at fair value.

(a) Shares without nominal value.

(5) Company that does not benefit from a privileged tax regime pursuant to art. 167, paragraph 4 of the D.P.R. of December 22, 1986, n.917: the company operates with a permanent establishment in the United Arab Emirates and carries out an effective economic activity.

Company name	Registered office	Country of operation	Currency	Share Capital	Shareholders	% Ownership	% Equity ratio	Consolidation or valuation method ^(*)
Eni South Africa BV	Amsterdam (Netherlands)	Republic of South Africa	EUR	20,000	Eni International BV	100.00	100.00	F.C.
Eni South China Sea Ltd Sàrl	Luxembourg (Luxembourg)	China	USD	20,000	Eni International BV	100.00		Eq.
Eni TNS Ltd	Aberdeen (United Kingdom)	United Kingdom	GBP	1,000	Eni UK Ltd	100.00	100.00	F.C.
Eni Tunisia BV	Amsterdam (Netherlands)	Tunisia	EUR	20,000	Eni International BV	100.00	100.00	F.C.
Eni Turkmenistan Ltd⁽⁶⁾	Hamilton (Bermuda)	Turkmenistan	USD	20,000	Burren En.(Berm) Ltd	100.00	100.00	F.C.
Eni UHL Ltd	London (United Kingdom)	United Kingdom	GBP	1	Eni ULT Ltd	100.00	100.00	F.C.
Eni UK Holding Plc	London (United Kingdom)	United Kingdom	GBP	424,050,000	Eni Lasmo Plc Eni UK Ltd	99.99 (..)	100.00	F.C.
Eni UK Ltd	London (United Kingdom)	United Kingdom	GBP	50,000,000	Eni International BV	100.00	100.00	F.C.
Eni UKCS Ltd	London (United Kingdom)	United Kingdom	GBP	100	Eni UK Ltd	100.00	100.00	F.C.
Eni Ukraine Holdings BV	Amsterdam (Netherlands)	Netherlands	EUR	20,000	Eni International BV	100.00		Eq.
Eni Ukraine Llc (in liquidation)	Kiev (Ukraine)	Ukraine	UAH	98,419,627.51	Eni Ukraine Hold.BV Eni International BV	99.99 0.01		
Eni Ukraine Shallow Waters BV (in liquidation)	Amsterdam (Netherlands)	Ukraine	EUR	20,000	Eni Ukraine Hold.BV	100.00		
Eni ULT Ltd	London (United Kingdom)	United Kingdom	GBP	93,215,492.25	Eni Lasmo Plc	100.00	100.00	F.C.
Eni ULX Ltd	London (United Kingdom)	United Kingdom	GBP	200,010,000	Eni ULT Ltd	100.00	100.00	F.C.
Eni US Operating Co Inc	Dover (USA)	USA	USD	1,000	Eni Petroleum Co Inc	100.00	100.00	F.C.
Eni USA Gas Marketing Llc	Dover (USA)	USA	USD	10,000	Eni Marketing Inc	100.00	100.00	F.C.
Eni USA Inc	Dover (USA)	USA	USD	1,000	Eni Oil & Gas Inc	100.00	100.00	F.C.
Eni Venezuela BV	Amsterdam (Netherlands)	Venezuela	EUR	20,000	Eni Venezuela E&P H.	100.00	100.00	F.C.
Eni Venezuela E&P Holding SA	Bruxelles (Belgium)	Belgium	USD	254,443,200	Eni International BV Eni Oil Holdings BV	99.99 (..)	100.00	F.C.
Eni Ventures Plc (in liquidation)	London (United Kingdom)	United Kingdom	GBP	0 ^(a)	Eni International BV Eni Oil Holdings BV	99.99 (..)		Co.
Eni Vietnam BV	Amsterdam (Netherlands)	Vietnam	EUR	20,000	Eni International BV	100.00	100.00	F.C.
Eni West Ganai Ltd	London (United Kingdom)	Indonesia	GBP	1	Eni Indonesia Ltd	100.00	100.00	F.C.
Eni West Timor Ltd	London (United Kingdom)	Indonesia	GBP	1	Eni Indonesia Ltd	100.00	100.00	F.C.
Eni Yemen Ltd	London (United Kingdom)	United Kingdom	GBP	1,000	Burren Energy Plc	100.00		Eq.

(*) F.C. = full consolidation, J.O. = joint operation, Eq. = equity-accounted, Co. = valued at cost, F.V. = valued at fair value.

(6) Company that does not benefit from a privileged tax regime pursuant to art. 167, paragraph 4 of the D.P.R. of December 22, 1986, n. 917: the company operates with permanent establishment in Turkmenistan and the nominal tax rate is not lower than 50% of that current in Italy.

(a) Shares without nominal value.

Company name	Registered office	Country of operation	Currency	Share Capital	Shareholders	% Ownership	% Equity ratio	Consolidation or valuation method ^(*)
Eurl Eni Algérie	Algiers (Algeria)	Algeria	DZD	1,000,000	Eni Algeria Ltd Sàrl	100.00		Eq.
First Calgary Petroleum LP	Wilmington (USA)	Algeria	USD	1	Eni Canada Hold. Ltd FCP Partner Co ULC	99.99 0.01	100.00	F.C.
First Calgary Petroleum Partner Co ULC	Calgary (Canada)	Canada	CAD	10	Eni Canada Hold. Ltd	100.00	100.00	F.C.
leoc Exploration BV	Amsterdam (Netherlands)	Egypt	EUR	20,000	Eni International BV	100.00		Eq.
leoc Production BV	Amsterdam (Netherlands)	Egypt	EUR	20,000	Eni International BV	100.00	100.00	F.C.
Lasmo Sanga Sanga Ltd⁽⁷⁾	Hamilton (Bermuda)	Indonesia	USD	12,000	Eni Lasmo Plc	100.00	100.00	F.C.
Liverpool Bay CCS Ltd	London (United Kingdom)	United Kingdom	GBP	10,000	Eni Lasmo Plc	100.00		Eq.
Liverpool Bay Ltd	London (United Kingdom)	United Kingdom	USD	1	Eni ULX Ltd	100.00		Eq.
Llc "Eni Energhia"	Moscow (Russia)	Russia	RUB	2,000,000	Eni Energy Russia BV Eni Oil Holdings BV	99.90 0.10		Eq.
Mizamtec Operating Company S. de RL de CV	Mexico City (Mexico)	Mexico	MXN	3,000	Eni US Op. Co Inc Eni Petroleum Co Inc	99.90 0.10	100.00	F.C.
Nigerian Agip CPFA Ltd	Lagos (Nigeria)	Nigeria	NGN	1,262,500	NAOC Ltd Agip En Nat Res. Ltd Nigerian Agip E. Ltd	98.02 0.99 0.99		Co.
Nigerian Agip Exploration Ltd	Abuja (Nigeria)	Nigeria	NGN	5,000,000	Eni International BV Eni Oil Holdings BV	99.99 0.01	100.00	F.C.
Nigerian Agip Oil Co Ltd	Abuja (Nigeria)	Nigeria	NGN	1,800,000	Eni International BV Eni Oil Holdings BV	99.89 0.11	100.00	F.C.
Zetah Congo Ltd⁽⁸⁾	Nassau (Bahamas)	Republic of the Congo	USD	300	Eni Congo SA Burren En.Congo Ltd	66.67 33.33		Co.
Zetah Kouilou Ltd⁽⁸⁾	Nassau (Bahamas)	Republic of the Congo	USD	2,000	Eni Congo SA Burren En.Congo Ltd Third parties	54.50 37.00 8.50		Co.

(*) F.C. = full consolidation, J.O. = joint operation, Eq. = equity-accounted, Co. = valued at cost, F.V. = valued at fair value.

(7) Company that does not benefit from a privileged tax regime pursuant to art. 167, paragraph 4 of the D.P.R. of December 22, 1986, n. 917: the company is fiscally resident in the United Kingdom and operates with permanent establishment in Indonesia and the nominal tax rate is not lower than 50% of that current in Italy.

(8) Company that benefits from a privileged tax regime pursuant to art. 167, paragraph 4 of the D.P.R. of December 22, 1986, n. 917: the income attributable to the Group is subject to taxation in Italy.

GLOBAL GAS & LNG PORTFOLIO

IN ITALY

Company name	Registered office	Country of operation	Currency	Share Capital	Shareholders	% Ownership	% Equity ratio	Consolidation or valuation method ^(*)
Eni Corridor Srl	San Donato Milanese (MI)	Italy	EUR	50,000	Eni SpA	100.00		Eq.
Eni Gas Transport Services Srl	San Donato Milanese (MI)	Italy	EUR	120,000	Eni SpA	100.00		Co.
Eni Global Energy Markets SpA	Rome	Italy	EUR	41,233,720	Eni SpA	100.00	100.00	F.C.
LNG Shipping SpA	San Donato Milanese (MI)	Italy	EUR	240,900,000	Eni SpA	100.00	100.00	F.C.
Trans Tunisian Pipeline Co SpA	San Donato Milanese (MI)	Tunisia	EUR	1,098,000	Eni SpA	100.00	100.00	F.C.

OUTSIDE ITALY

Company name	Registered office	Country of operation	Currency	Share Capital	Shareholders	% Ownership	% Equity ratio	Consolidation or valuation method ^(*)
Eni España Comercializadora De Gas SAU	Madrid (Spain)	Spain	EUR	2,340,240	Eni SpA	100.00	100.00	F.C.
Eni G&P Trading BV	Amsterdam (Netherlands)	Turkey	EUR	70,000	Eni International BV	100.00	100.00	F.C.
Eni Gas Liquefaction BV	Amsterdam (Netherlands)	Netherlands	EUR	20,000	Eni International BV	100.00	100.00	F.C.
Société de Service du Gazoduc Transtunisien SA - Sergaz SA	Tunis (Tunisia)	Tunisia	TND	99,000	Eni International BV Third parties	66.67 33.33	66.67	F.C.
Société pour la Construction du Gazoduc Transtunisien SA - Scogat SA	Tunis (Tunisia)	Tunisia	TND	200,000	Eni International BV Eni SpA LNG Shipping SpA Trans Tunis. P. Co SpA	99.85 0.05 0.05 0.05	100.00	F.C.

(*) F.C. = full consolidation, J.O. = joint operation, Eq. = equity-accounted, Co. = valued at cost, F.V. = valued at fair value.

REFINING & MARKETING AND CHEMICAL

Refining & Marketing

IN ITALY

Company name	Registered office	Country of operation	Currency	Share Capital	Shareholders	% Ownership	% Equity ratio	Consolidation or valuation method ^(*)
Ecofuel SpA	San Donato Milanese (MI)	Italy	EUR	52,000,000	Eni SpA	100.00	100.00	F.C.
Eni Fuel SpA	Rome	Italy	EUR	59,944,310	Eni SpA	100.00	100.00	F.C.
Eni Trade & Biofuels SpA	Rome	Italy	EUR	22,568,759	Eni SpA	100.00	100.00	F.C.
Eni4Cities SpA	San Donato Milanese (MI)	Italy	EUR	50,000	Ecofuel SpA	100.00		Eq.
EniBioCh4in Alexandria Srl Società Agricola	San Donato Milanese (MI)	Italy	EUR	50,000	EniBioCh4in SpA Third parties	70.00 30.00	70.00	F.C.
EniBioCh4in Annia Srl Società Agricola	San Donato Milanese (MI)	Italy	EUR	50,000	EniBioCh4in SpA	100.00	100.00	F.C.
EniBioCh4in Appia Srl Società Agricola	San Donato Milanese (MI)	Italy	EUR	10,000	EniBioCh4in SpA	100.00	100.00	F.C.
EniBioCh4in Aprilia Srl	San Donato Milanese (MI)	Italy	EUR	10,000	EniBioCh4in SpA	100.00	100.00	F.C.
EniBioCh4in Briona Srl Società Agricola	San Donato Milanese (MI)	Italy	EUR	20,000	EniBioCh4in SpA	100.00	100.00	F.C.
EniBioCh4in Calandre Energia Srl Società Agricola	San Donato Milanese (MI)	Italy	EUR	10,000	EniBioCh4in SpA	100.00	100.00	F.C.
EniBioCh4in Gardilliana Società Agricola Srl	San Donato Milanese (MI)	Italy	EUR	50,000	EniBioCh4in SpA	100.00	100.00	F.C.
EniBioCh4in Grupellum Società Agricola Srl	San Donato Milanese (MI)	Italy	EUR	100,000	EniBioCh4in SpA Third parties	98.00 2.00	98.00	F.C.
EniBioCh4in Jonica Srl	San Donato Milanese (MI)	Italy	EUR	20,000	EniBioCh4in SpA	100.00	100.00	F.C.
EniBioCh4in Maddalena Società Agricola Srl	San Donato Milanese (MI)	Italy	EUR	50,000	EniBioCh4in SpA	100.00	100.00	F.C.
EniBioCh4in Medea Srl Società Agricola	San Donato Milanese (MI)	Italy	EUR	50,000	EniBioCh4in SpA	100.00	100.00	F.C.
EniBioCh4in Momo Società Agricola Srl	San Donato Milanese (MI)	Italy	EUR	20,000	EniBioCh4in SpA Third parties	95.00 5.00	95.00	F.C.
EniBioCh4in Mortara Società Agricola Srl	San Donato Milanese (MI)	Italy	EUR	20,000	EniBioCh4in SpA Third parties	95.00 5.00	95.00	F.C.
EniBioCh4in Pannellia BioGas Srl Società Agricola	San Donato Milanese (MI)	Italy	EUR	50,000	EniBioCh4in SpA	100.00	100.00	F.C.
EniBioCh4in Plovera Società Agricola Srl	San Donato Milanese (MI)	Italy	EUR	20,000	EniBioCh4in SpA Third parties	98.00 2.00	98.00	F.C.
EniBioCh4in Quadrivium Srl Società Agricola	San Donato Milanese (MI)	Italy	EUR	50,000	EniBioCh4in SpA	100.00	100.00	F.C.
EniBioCh4in Rhodigium Società Agricola Srl	San Donato Milanese (MI)	Italy	EUR	20,000	EniBioCh4in SpA	100.00	100.00	F.C.
EniBioCh4in San Benedetto Po Srl Società Agricola	San Donato Milanese (MI)	Italy	EUR	10,000	EniBioCh4in SpA	100.00	100.00	F.C.

(*) F.C. = full consolidation, J.O. = joint operation, Eq. = equity-accounted, Co. = valued at cost, F.V. = valued at fair value.

Company name	Registered office	Country of operation	Currency	Share Capital	Shareholders	% Ownership	% Equity ratio	Consolidation or valuation method ^(*)
EniBioCh4in Service BioGas Srl	San Donato Milanese (MI)	Italy	EUR	50,000	EniBioCh4in SpA	100.00	100.00	F.C.
EniBioCh4in Società Agricola Il Bue Srl	San Donato Milanese (MI)	Italy	EUR	10,000	EniBioCh4in SpA	100.00	100.00	F.C.
EniBioCh4in SpA	San Donato Milanese (MI)	Italy	EUR	2,500,000	Ecofuel SpA	100.00	100.00	F.C.
EniBioCh4in Vigevano Srl Società Agricola	San Donato Milanese (MI)	Italy	EUR	100,000	EniBioCh4in SpA	100.00	100.00	F.C.
EniBioCh4in Villacidro Agricole Società Agricola a responsabilità limitata	San Donato Milanese (MI)	Italy	EUR	10,000	EniBioCh4in SpA	100.00	100.00	F.C.
Petroven Srl	Genova	Italy	EUR	918,520	Ecofuel SpA	100.00	100.00	F.C.
Po' Energia Srl Società Agricola	Bolzano	Italy	EUR	10,000	EniBioCh4in SpA	100.00	100.00	F.C.
Raffineria di Gela SpA	Gela (CL)	Italy	EUR	15,000,000	Eni SpA	100.00	100.00	F.C.
SeaPad SpA	Genova	Italy	EUR	12,400,000	Ecofuel SpA Third parties	80.00 20.00		Eq.
Servizi Fondo Bombole Metano SpA	Rome	Italy	EUR	13,580,000.20	Eni SpA	100.00		Co.

OUTSIDE ITALY

Company name	Registered office	Country of operation	Currency	Share Capital	Shareholders	% Ownership	% Equity ratio	Consolidation or valuation method ^(*)
Eni Abu Dhabi Refining & Trading BV	Amsterdam (Netherlands)	Netherlands	EUR	20,000	Eni International BV	100.00	100.00	F.C.
Eni Abu Dhabi Refining & Trading Services BV	Amsterdam (Netherlands)	United Arab Emirates	EUR	20,000	Eni Abu Dhabi R&T BV	100.00		Eq.
Eni Austria GmbH	Wien (Austria)	Austria	EUR	78,500,000	Eni International BV Eni Deutsch. GmbH	75.00 25.00	100.00	F.C.
Eni Benelux BV	Rotterdam (Netherlands)	Netherlands	EUR	1,934,040	Eni International BV	100.00	100.00	F.C.
Eni Deutschland GmbH	Munich (Germany)	Germany	EUR	90,000,000	Eni International BV Eni Oil Holdings BV	89.00 11.00	100.00	F.C.
Eni Ecuador SA	Quito (Ecuador)	Ecuador	USD	103,142.08	Eni International BV Esain SA	99.93 0.07	100.00	F.C.
Eni Energy (Shanghai) Co Ltd (former Eni Lubricants Trading (Shanghai) Co Ltd)	Shanghai (China)	China	EUR	5,000,000	Eni International BV	100.00	100.00	F.C.
Eni France Sàrl	Lyon (France)	France	EUR	56,800,000	Eni International BV	100.00	100.00	F.C.

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Company name	Registered office	Country of operation	Currency	Share Capital	Shareholders	% Ownership	% Equity ratio	Consolidation or valuation method(*)
Eni Iberia SLU	Alcobendas (Spain)	Spain	EUR	17,299,100	Eni International BV	100.00	100.00	F.C.
Eni Marketing Austria GmbH	Wien (Austria)	Austria	EUR	19,621,665.23	Eni Mineralöhlh.GmbH Eni International BV	99.99 (..)	100.00	F.C.
Eni Mineralölhandel GmbH	Wien (Austria)	Austria	EUR	34,156,232.06	Eni Austria GmbH	100.00	100.00	F.C.
Eni Schmiertechnik GmbH	Wurzburg (Germany)	Germany	EUR	2,000,000	Eni Deutsch. GmbH	100.00	100.00	F.C.
Eni Suisse SA	Lausanne (Switzerland)	Switzerland	CHF	102,500,000	Eni International BV	100.00	100.00	F.C.
Eni Trading & Shipping Inc	Dover (USA)	USA	USD	1,000,000	ET&B SpA	100.00	100.00	F.C.
Eni Transporte y Suministro México S. de RL de CV	Mexico City (Mexico)	Mexico	MXN	3,000	Eni International BV Eni Oil Holdings BV	99.90 0.10		Eq.
Eni USA R&M Co Inc	Wilmington (USA)	USA	USD	11,000,000	Eni International BV	100.00		Eq.
Esacontrol SA	Quito (Ecuador)	Ecuador	USD	60,000	Eni Ecuador SA Third parties	87.00 13.00		Eq.
Esain SA	Quito (Ecuador)	Ecuador	USD	30,000	Eni Ecuador SA Tecnoesa SA	99.99 (..)	100.00	F.C.
Llc "Eni-Nefto"	Moscow (Russia)	Russia	RUB	1,010,000	Eni International BV Eni Oil Holdings BV	99.01 0.99		Eq.
Oléoduc du Rhône SA	Bovernier (Switzerland)	Switzerland	CHF	7,000,000	Eni International BV	100.00		Eq.
Tecnoesa SA	Quito (Ecuador)	Ecuador	USD	36,000	Eni Ecuador SA Esain SA	99.99 (..)		Eq.

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Chemical

IN ITALY

Company name	Registered office	Country of operation	Currency	Share Capital	Shareholders	% Ownership	% Equity ratio	Consolidation or valuation method(*)
Finproject SpA	Morrovalle (MC)	Italy	EUR	18,500,000	Versalis SpA	100.00	100.00	F.C.
Padanaplast Srl	Roccabianca (PR)	Italy	EUR	18,000,000	Finproject SpA	100.00	100.00	F.C.
Versalis SpA	San Donato Milanese (MI)	Italy	EUR	446,050,728.65	Eni SpA	100.00	100.00	F.C.

OUTSIDE ITALY

Company name	Registered office	Country of operation	Currency	Share Capital	Shareholders	% Ownership	% Equity ratio	Consolidation or valuation method(*)
Asian Compounds Ltd	Hong Kong (Hong Kong)	Honk Kong	HKD	1,000	Finproject Asia Ltd	100.00	100.00	F.C.
Dunastyr Polisztirolgyártó Zártkörűen Működő Részvénytársaság	Budapest (Hungary)	Hungary	HUF	1,577,971.20	Versalis SpA Versalis Deutschland GmbH Versalis International SA	96.34 1.83 1.83	100.00	F.C.
Finproject Asia Ltd	Hong Kong (Honk Kong)	Honk Kong	USD	1,000	Finproject SpA	100.00	100.00	F.C.
Finproject Brasil Industria De Solados Eireli	Franca (Brazil)	Brazil	BRL	1,000,000	Finproject SpA	100.00	100.00	F.C.
Finproject Guangzhou Trading Co Ltd	Guangzhou (China)	China	USD	180,000	Finproject SpA	100.00	100.00	F.C.
Finproject India Pvt Ltd	Jaipur (India)	India	INR	100,000,000	Asian Compounds Ltd Finproject Asia Ltd	99.00 1.00	100.00	F.C.
Finproject Romania Srl	Valea Lui Mihai (Romania)	Romania	RON	67,730	Finproject SpA	100.00	100.00	F.C.
Finproject Singapore Pte Ltd	Singapore (Singapore)	Singapore	SGD	100	Finproject Asia Ltd	100.00	100.00	F.C.
Finproject Viet Nam Company Limited	Hai Phong (Vietnam)	Vietnam	VND	19,623,250,000	Finproject Asia Ltd	100.00	100.00	F.C.

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Company name	Registered office	Country of operation	Currency	Share Capital	Shareholders	% Ownership	% Equity ratio	Consolidation or valuation method ^(*)
Foam Creations (2008) Inc	Quebec City (Canada)	Canada	CAD	1,215,000	Finproject SpA	100.00	100.00	F.C.
Foam Creations México SA de CV	León (Mexico)	Mexico	MXN	19,138,165	Foam Creations (2008) Finproject SpA	99.99 (.)	100.00	F.C.
Padanaplast America Llc	Wilmington (USA)	USA	USD	70,000	Finproject SpA	100.00	100.00	F.C.
Padanaplast Deutschland GmbH	Hannover (Germany)	Germany	EUR	25,000	Padanaplast Srl	100.00	100.00	F.C.
Versalis Americas Inc	Dover (USA)	USA	USD	100,000	Versalis International SA	100.00	100.00	F.C.
Versalis Congo Sarlu	Pointe-Noire (Republic of the Congo)	Republic of the Congo	XAF	1,000,000	Versalis International SA	100.00	100.00	F.C.
Versalis Deutschland GmbH	Eschborn (Germany)	Germany	EUR	100,000	Versalis SpA	100.00	100.00	F.C.
Versalis France SAS	Mardyck (France)	France	EUR	126,115,582.90	Versalis SpA	100.00	100.00	F.C.
Versalis International SA	Bruxelles (Belgium)	Belgium	EUR	15,449,173.88	Versalis SpA Versalis Deutschland GmbH Dunastyr Zrt Versalis France	59.00 23.71 14.43 2.86	100.00	F.C.
Versalis Kimya Ticaret Limited Sirketi	Istanbul (Turkey)	Turkey	TRY	20,000	Versalis International SA	100.00	100.00	F.C.
Versalis México S. de R.L. de CV	Mexico City (Mexico)	Mexico	MXN	1,000	Versalis International SA Versalis SpA	99.00 1.00	100.00	F.C.
Versalis Pacific (India) Private Ltd	Mumbai (India)	India	INR	238,700	Versalis Singapore P. Ltd Third parties	99.99 (.)		Eq.
Versalis Pacific Trading (Shanghai) Co Ltd	Shanghai (China)	China	CNY	1,000,000	Versalis SpA	100.00	100.00	F.C.
Versalis Singapore Pte Ltd	Singapore (Singapore)	Singapore	SGD	80,000	Versalis SpA	100.00	100.00	F.C.
Versalis UK Ltd	London (United Kingdom)	United Kingdom	GBP	4,004,042	Versalis SpA	100.00	100.00	F.C.
Versalis Zeal Ltd	Tokoradi (Ghana)	Ghana	GHS	5,650,000	Versalis International SA Third parties	80.00 20.00	80.00	F.C.

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PLENITUDE & POWER

Plenitude

IN ITALY

Company name	Registered office	Country of operation	Currency	Share Capital	Shareholders	% Ownership	% Equity ratio	Consolidation or valuation method ^(*)
4Energia Srl	Milan	Italy	EUR	400,000	Be Power SpA	100.00	100.00	F.C.
Be Charge Srl	Milan	Italy	EUR	500,000	Be Power SpA	100.00	100.00	F.C.
Be Charge Valle d'Aosta Srl	Milan	Italy	EUR	10,000	Be Charge Srl	100.00	100.00	F.C.
Be Power SpA	Milan	Italy	EUR	698,251	Eni gas e luce SpA SB Third parties	99.19 ^(a) 0.81	100.00	F.C.
CEF 3 Wind Energy SpA	Milan	Italy	EUR	101,000	Eni New Energy SpA	100.00	100.00	F.C.
CGDB Enrico Srl	San Donato Milanese (MI)	Italy	EUR	10,000	Eni New Energy SpA	100.00	100.00	F.C.
CGDB Laerte Srl	San Donato Milanese (MI)	Italy	EUR	10,000	Eni New Energy SpA	100.00	100.00	F.C.
Eni gas e luce SpA Società Benefit	San Donato Milanese (MI)	Italy	EUR	770,000,000	Eni SpA	100.00	100.00	F.C.
Eni New Energy SpA	San Donato Milanese (MI)	Italy	EUR	9,296,000	Eni gas e luce SpA SB	100.00	100.00	F.C.
Eolica Lucana Srl	Milan	Italy	EUR	100,000	Eni New Energy SpA	100.00	100.00	F.C.
Evolvere SpA Società Benefit	Milan	Italy	EUR	1,130,000	Eni gas e luce SpA SB Third parties	70.52 29.48	70.52	F.C.
Evolvere Venture SpA	Milan	Italy	EUR	50,000	Evolvere SpA Soc. Ben.	100.00	70.52	F.C.
Finpower Wind Srl	Milan	Italy	EUR	10,000	Eni New Energy SpA	100.00	100.00	F.C.
Green Energy Management Services Srl	Rome	Italy	EUR	10,000	Eni New Energy SpA	100.00	100.00	F.C.
SEA SpA	L'Aquila	Italy	EUR	100,000	Eni gas e luce SpA SB Third parties	60.00 40.00	60.00	F.C.
Società Energie Rinnovabili 1 SpA	Rome	Italy	EUR	120,000	SER SpA CEF 3 Wind Energy	96.00 4.00	100.00	F.C.
Società Energie Rinnovabili SpA	Palermo	Italy	EUR	121,636	CEF 3 Wind Energy	100.00	100.00	F.C.
Wind Park Laterza Srl	San Donato Milanese (MI)	Italy	EUR	10,000	Eni New Energy SpA	100.00	100.00	F.C.

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(a) Controlling interest: Eni gas e luce SpA SB 100.00

OUTSIDE ITALY

Company name	Registered office	Country of operation	Currency	Share Capital	Shareholders	% Ownership	% Equity ratio	Consolidation or valuation method ^(*)
Adriaplin Podjetje za distribucijo zemeljskega plina doo Ljubljana	Ljubljana (Slovenia)	Slovenia	EUR	12,956,935	Eni gas e luce SpA SB Third parties	51.00 49.00	51.00	F.C.
Aldro Energía y Soluciones SLU	Torrelavega (Spain)	Spain	EUR	3,192,000	Eni gas e luce SpA SB	100.00	100.00	F.C.
Aleria Solar SAS	Bastia (France)	France	EUR	100	Dhamma Energy SAS	100.00	100.00	F.C.
Alpinia Solar SLU	Madrid (Spain)	Spain	EUR	3,000	Dhamma Energy Group	100.00	100.00	F.C.
Argon SAS	Argenteuil (France)	France	EUR	180,000	Dhamma Energy SAS	100.00	100.00	F.C.
Arm Wind Llp	Nur-Sultan (Kazakhstan)	Kazakhstan	KZT	19,069,100,000	Eni Energy Solutions BV	100.00	100.00	F.C.
Athies-Samoussy Solar PV1 SAS	Argenteuil (France)	France	EUR	68,000	Krypton SAS	100.00	100.00	F.C.
Athies-Samoussy Solar PV2 SAS	Argenteuil (France)	France	EUR	40,000	Krypton SAS	100.00	100.00	F.C.
Athies-Samoussy Solar PV3 SAS	Argenteuil (France)	France	EUR	36,000	Krypton SAS	100.00	100.00	F.C.
Athies-Samoussy Solar PV4 SAS	Argenteuil (France)	France	EUR	14,000	Xenon SAS	100.00	100.00	F.C.
Athies-Samoussy Solar PV5 SAS	Argenteuil (France)	France	EUR	14,000	Xenon SAS	100.00	100.00	F.C.
Belle Magiocche Solaire SAS	Bastia (France)	France	EUR	10,000	Dhamma Energy SAS	100.00	100.00	F.C.
Bonete Solar SLU	Madrid (Spain)	Spain	EUR	3,000	Dhamma Energy Group	100.00	100.00	F.C.
Brazoria Class B Member Llc	Dover (USA)	USA	USD	1,000	Eni New Energy US Inc	100.00		Eq.
Brazoria County Solar Project Llc	Dover (USA)	USA	USD	1,000	Eni New Energy US Hold	100.00	100.00	F.C.
Brazoria HoldCo Llc	Dover (USA)	USA	USD	1,000	Brazoria Class B	100.00		
Camelia Solar SLU	Madrid (Spain)	Spain	EUR	3,000	Dhamma Energy Group	100.00	100.00	F.C.
Celtis Solar SLU	Madrid (Spain)	Spain	EUR	3,000	Dhamma Energy Group	100.00	100.00	F.C.
Desarrollos Empresariales Illas SL	Madrid (Spain)	Spain	EUR	3,000	Dhamma Energy Group Third parties	55.00 45.00	55.00	F.C.
Desarrollos Energéticos Riojanos SL	Villarcayo de Merindad de Castilla la Vieja (Spain)	Spain	EUR	876,042	Eni gas e luce SpA SB Energías Amb. Outes	60.00 40.00	100.00	F.C.
Dhamma Energy Development SAS	Argenteuil (France)	France	EUR	51,000	Dhamma Energy Group	100.00	100.00	F.C.
Dhamma Energy Group Sàrl	Dudelange (Luxembourg)	Luxembourg	EUR	10,253,560	Eni gas e luce SpA SB	100.00	100.00	F.C.

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Company name	Registered office	Country of operation	Currency	Share Capital	Shareholders	% Ownership	% Equity ratio	Consolidation or valuation method ^(*)
Dhamma Energy Management SLU	Madrid (Spain)	Spain	EUR	6,680	Dhamma Energy Group	100.00	100.00	F.C.
Dhamma Energy Rooftop SAS	Argenteuil (France)	France	EUR	40,000	Dhamma Energy Group	100.00	100.00	F.C.
Dhamma Energy SAS	Argenteuil (France)	France	EUR	1,116,489.72	Dhamma Energy Group	100.00	100.00	F.C.
Ecovent Parc Eolic SAU	Madrid (Spain)	Spain	EUR	1,037,350	Eni gas e luce SpA SB	100.00	100.00	F.C.
Energías Ambientales de Outes SLU	Madrid (Spain)	Spain	EUR	643,451.49	Eni gas e luce SpA SB	100.00	100.00	F.C.
Energías Alternativas Eolicas Riojanas SL	Logroño (Spain)	Spain	EUR	2,008,901.71	Eni gas e luce SpA SB Desarrollos Energéticos Riojanos SL	57.50 42.50	100.00	F.C.
Eni Energy Solutions BV	Amsterdam (Netherlands)	Netherlands	EUR	20,000	Eni gas e luce SpA SB	100.00	100.00	F.C.
Eni Gas & Power France SA	Levallois Perret (France)	France	EUR	29,937,600	Eni gas e luce SpA SB Third parties	99.87 0.13	99.87	F.C.
Eni New Energy Australia Pty Ltd	Perth (Australia)	Australia	AUD	4	Eni gas e luce SpA SB	100.00		Eq.
Eni New Energy Batchelor Pty Ltd	Perth (Australia)	Australia	AUD	1	Eni New Energ. Austr.	100.00		
Eni New Energy Katherine Pty Ltd	Perth (Australia)	Australia	AUD	1	Eni New Energ. Austr.	100.00		
Eni New Energy Manton Dam Pty Ltd	Perth (Australia)	Australia	AUD	1	Eni New Energ. Austr.	100.00		
Eni New Energy Pakistan (Private) Ltd	Saddar Town-Karachi (Pakistan)	Pakistan	PKR	1,252,000,000	Eni International BV Eni Oil Holdings BV Eni Pakistan Ltd (M)	99.98 0.01 0.01	100.00	F.C.
Eni New Energy US Holding Llc	Dover (USA)	USA	USD	100	Eni New Energy US Inc Eni New Energy US Inv. Inc	99.00 1.00	100.00	F.C.
Eni New Energy US Inc	Dover (USA)	USA	USD	100	Eni gas e luce SpA SB	100.00	100.00	F.C.
Eni New Energy US Investing Inc	Dover (USA)	USA	USD	1,000	Eni New Energy US Inc	100.00	100.00	F.C.
Eni North Sea Wind Ltd	London (United Kingdom)	United Kingdom	GBP	10,000	Eni Energy Solutions BV	100.00	100.00	F.C.
Estanque Redondo Solar SLU	Madrid (Spain)	Spain	EUR	3,000	Dhamma Energy Group	100.00	100.00	F.C.
Gas Supply Company Thessaloniki - Thessalia SA	Thessaloniki (Greece)	Greece	EUR	13,761,788	Eni gas e luce SpA SB	100.00	100.00	F.C.
Holding Lanás Solar Sàrl	Argenteuil (France)	France	EUR	100	Dhamma Energy SAS	100.00	100.00	F.C.
Instalaciones Martínez Díez SLU	Torrelavega (Spain)	Spain	EUR	18,030	Eni gas e luce SpA SB	100.00	100.00	F.C.
Ixia Solar SLU	Madrid (Spain)	Spain	EUR	3,000	Dhamma Energy Group	100.00	100.00	F.C.
Krypton SAS	Argenteuil (France)	France	EUR	180,000	Dhamma Energy SAS	100.00	100.00	F.C.
Lanás Solar SAS	Argenteuil (France)	France	EUR	100	Holding Lanás Solar	100.00	100.00	F.C.

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Company name	Registered office	Country of operation	Currency	Share Capital	Shareholders	% Ownership	% Equity ratio	Consolidation or valuation method ^(*)
Membrio Solar SLU	Madrid (Spain)	Spain	EUR	3,000	Dhamma Energy Group	100.00	100.00	F.C.
Olea Solar SLU	Madrid (Spain)	Spain	EUR	3,000	Dhamma Energy Group	100.00	100.00	F.C.
Opalo Solar SLU	Madrid (Spain)	Spain	EUR	3,000	Dhamma Energy Group	100.00	100.00	F.C.
Pistacia Solar SLU	Madrid (Spain)	Spain	EUR	3,000	Dhamma Energy Group	100.00	100.00	F.C.
POP Solar SAS	Argenteuil (France)	France	EUR	1,000	Dhamma Energy Group	100.00	100.00	F.C.
Tebar Solar SLU	Madrid (Spain)	Spain	EUR	3,000	Dhamma Energy Group	100.00	100.00	F.C.
Xenon SAS	Argenteuil (France)	France	EUR	1,500,100	Dhamma Energy SAS Third parties	0.01 ^(a) 99.99	100.00	F.C.
Zinnia Solar SLU	Madrid (Spain)	Spain	EUR	3,000	Dhamma Energy Group	100.00	100.00	F.C.

(*) F.C. = full consolidation, J.O. = joint operation, Eq. = equity-accounted, Co. = valued at cost, F.V. = valued at fair value.

(a) Controlling interest: Dhamma Energy SAS 100.00

Power

IN ITALY

Company name	Registered office	Country of operation	Currency	Share Capital	Shareholders	% Ownership	% Equity ratio	Consolidation or valuation method ^(*)
EniPower Mantova SpA	San Donato Milanese (MI)	Italy	EUR	144,000,000	EniPower SpA Third parties	86.50 13.50	86.50	F.C.
EniPower SpA	San Donato Milanese (MI)	Italy	EUR	944,947,849	Eni SpA	100.00	100.00	F.C.

(*) F.C. = full consolidation, J.O. = joint operation, Eq. = equity-accounted, Co. = valued at cost, F.V. = valued at fair value.

CORPORATE AND OTHER ACTIVITIES

Corporate and financial companies

IN ITALY

Company name	Registered office	Country of operation	Currency	Share Capital	Shareholders	% Ownership	% Equity ratio	Consolidation or valuation method ^(*)
Agenzia Giornalistica Italia SpA	Rome	Italy	EUR	2,000,000	Eni SpA	100.00	100.00	F.C.
D-Service Media Srl (in liquidation)	Milan	Italy	EUR	75,000	D-Share SpA	100.00		Eq.
D-Share SpA	Milan	Italy	EUR	121,719.25	AGI SpA	100.00	100.00	F.C.
Eni Corporate University SpA	San Donato Milanese (MI)	Italy	EUR	3,360,000	Eni SpA	100.00	100.00	F.C.
Eni Energia Italia Srl	San Donato Milanese (MI)	Italy	EUR	50,000	Eni SpA	100.00		Co.
Eni Nuova Energia Srl	San Donato Milanese (MI)	Italy	EUR	50,000	Eni SpA	100.00		Co.
Eni Trading & Shipping SpA (in liquidation)	Rome	Italy	EUR	334,171	Eni SpA	100.00		Co.
EniProgetti SpA	Venezia Marghera (VE)	Italy	EUR	2,064,000	Eni SpA	100.00	100.00	F.C.
EniServizi SpA	San Donato Milanese (MI)	Italy	EUR	13,427,419.08	Eni SpA	100.00	100.00	F.C.
Serfactoring SpA	San Donato Milanese (MI)	Italy	EUR	5,160,000	Eni SpA	100.00	100.00	F.C.
Servizi Aerei SpA	San Donato Milanese (MI)	Italy	EUR	48,205,536	Eni SpA	100.00	100.00	F.C.

OUTSIDE ITALY

Company name	Registered office	Country of operation	Currency	Share Capital	Shareholders	% Ownership	% Equity ratio	Consolidation or valuation method ^(*)
Banque Eni SA	Bruxelles (Belgium)	Belgium	EUR	50,000,000	Eni International BV Eni Oil Holdings BV	99.90 0.10	100.00	F.C.
D-Share USA Corp.	New York (USA)	USA	USD	0 ^(a)	D-Share SpA	100.00		Co.
Eni Finance International SA	Bruxelles (Belgium)	Belgium	USD	1,480,365,336	Eni International BV Eni SpA	66.39 33.61	100.00	F.C.

(*) F.C. = full consolidation, J.O. = joint operation, Eq. = equity-accounted, Co. = valued at cost, F.V. = valued at fair value.

(a) Shares without nominal value.

Company name	Registered office	Country of operation	Currency	Share Capital	Shareholders	% Ownership	% Equity ratio	Consolidation or valuation method ^(*)
Eni Finance USA Inc	Dover (USA)	USA	USD	15,000,000	Eni Petroleum Co Inc	100.00	100.00	F.C.
Eni Insurance DAC	Dublin (Ireland)	Ireland	EUR	500,000,000	Eni SpA	100.00	100.00	F.C.
Eni International BV	Amsterdam (Netherlands)	Netherlands	EUR	641,683,425	Eni SpA	100.00	100.00	F.C.
Eni International Resources Ltd	London (United Kingdom)	United Kingdom	GBP	50,000	Eni SpA Eni UK Ltd	99.99 (.)	100.00	F.C.
Eni Next Llc	Dover (USA)	USA	USD	100	Eni Petroleum Co Inc	100.00	100.00	F.C.
EniProgetti Egypt Ltd	Cairo (Egypt)	Egypt	EGP	50,000	Eni Progetti SpA Eni SpA	99.00 1.00		Eq.

(*) F.C. = full consolidation, J.O. = joint operation, Eq. = equity-accounted, Co. = valued at cost, F.V. = valued at fair value.

Other activities

IN ITALY

Company name	Registered office	Country of operation	Currency	Share Capital	Shareholders	% Ownership	% Equity ratio	Consolidation or valuation method ^(*)
Eni Rewind SpA	San Donato Milanese (MI)	Italy	EUR	281,857,871.44	Eni SpA Third parties	99.99 (.)	100.00	F.C.
Industria Siciliana Acido Fosforico - ISAF - SpA (in liquidation)	Gela (CL)	Italy	EUR	1,300,000	Eni Rewind SpA Third parties	52.00 48.00		Eq.
Ing. Luigi Conti Vecchi SpA	Assemini (CA)	Italy	EUR	5,518,620.64	Eni Rewind SpA	100.00	100.00	F.C.

OUTSIDE ITALY

Company name	Registered office	Country of operation	Currency	Share Capital	Shareholders	% Ownership	% Equity ratio	Consolidation or valuation method ^(*)
Eni Rewind International BV	Amsterdam (Netherlands)	Netherlands	EUR	20,000	Eni International BV	100.00		Eq.
Oleodotto del Reno SA	Coira (Switzerland)	Switzerland	CHF	1,550,000	Eni Rewind SpA	100.00		Eq.

(*) F.C. = full consolidation, J.O. = joint operation, Eq. = equity-accounted, Co. = valued at cost, F.V. = valued at fair value.

JOINT ARRANGEMENTS AND ASSOCIATES

Exploration & Production

IN ITALY

Company name	Registered office	Country of operation	Currency	Share Capital	Shareholders	% Ownership	% Equity ratio	Consolidation or valuation method ^(*)
Agri-Energy Srl^(†)	Jolanda di Savoia (FE)	Italy	EUR	50,000	Eni Natural Energies SpA Third parties	50.00 50.00		Eq.
Mozambique Rovuma Venture SpA^(†)	San Donato Milanese (MI)	Mozambique	EUR	20,000,000	Eni SpA Third parties	35.71 64.29		Eq.

OUTSIDE ITALY

Company name	Registered office	Country of operation	Currency	Share Capital	Shareholders	% Ownership	% Equity ratio	Consolidation or valuation method ^(*)
Agiba Petroleum Co^(†)	Cairo (Egypt)	Egypt	EGP	20,000	leoc Production BV Third parties	50.00 50.00		Co.
Angola LNG Ltd	Hamilton (Bermuda)	Angola	USD	8,817,000,000	Eni Angola Prod. BV Third parties	13.60 86.40		Eq.
Ashrafi Island Petroleum Co (in liquidation)	Cairo (Egypt)	Egypt	EGP	20,000	leoc Production BV Third parties	25.00 75.00		Co.
Barentsmorneftegaz Sàrl^(†)	Luxembourg (Luxembourg)	Russia	USD	20,000	Eni Energy Russia BV Third parties	33.33 66.67		Eq.
Cabo Delgado Gas Development Limitada^(†)	Maputo (Mozambique)	Mozambique	MZN	2,500,000	Eni Mozambique LNG H. BV Third parties	50.00 50.00		Co.
Cardón IV SA^(†)	Caracas (Venezuela)	Venezuela	VED	0	Eni Venezuela BV Third parties	50.00 50.00		Eq.
Compañía Agua Plana SA	Caracas (Venezuela)	Venezuela	VED	0	Eni Venezuela BV Third parties	26.00 74.00		Co.
Coral FLNG SA	Maputo (Mozambique)	Mozambique	MZN	100,000,000	Eni Mozambique LNG H. BV Third parties	25.00 75.00		Eq.
Coral South FLNG DMCC	Dubai (United Arab Emirates)	United Arab Emirates	AED	500,000	Eni Mozambique LNG H. BV Third parties	25.00 75.00		Eq.
East Delta Gas Co (in liquidation)	Cairo (Egypt)	Egypt	EGP	20,000	leoc Production BV Third parties	37.50 62.50		Co.
East Kanayis Petroleum Co^(†)	Cairo (Egypt)	Egypt	EGP	20,000	leoc Production BV Third parties	50.00 50.00		Co.
East Obaiyed Petroleum Co^(†)	Cairo (Egypt)	Egypt	EGP	20,000	leoc Production BV Third parties	50.00 50.00		Co.

(*) F.C. = full consolidation, J.O. = joint operation, Eq. = equity-accounted, Co. = valued at cost, F.V. = valued at fair value.

(†) Jointly controlled entity.

Company name	Registered office	Country of operation	Currency	Share Capital	Shareholders	% Ownership	% Equity ratio	Consolidation or valuation method ^(*)
El Temsah Petroleum Co	Cairo (Egypt)	Egypt	EGP	20,000	leoc Production BV Third parties	25.00 75.00		Co.
El-Fayrouz Petroleum Co^(†) (in liquidation)	Cairo (Egypt)	Egypt	EGP	20,000	leoc Exploration BV Third parties	50.00 50.00		
Fedynskmorneftegaz Sàrl^(†)	Luxembourg (Luxembourg)	Russia	USD	20,000	Eni Energy Russia BV Third parties	33.33 66.67		Eq.
Isatay Operating Company Llp^(†)	Nur-Sultan (Kazakhstan)	Kazakhstan	KZT	400,000	Eni Isatay Third parties	50.00 50.00		Co.
Karachaganak Petroleum Operating BV	Amsterdam (Netherlands)	Kazakhstan	EUR	20,000	Agip Karachaganak BV Third parties	29.25 70.75		Co.
Khaleej Petroleum Co Wll	Safat (Kuwait)	Kuwait	KWD	250,000	Eni Middle E. Ltd Third parties	49.00 51.00		Eq.
Liberty National Development Co Llc	Wilmington (USA)	USA	USD	0 ^(a)	Eni Oil & Gas Inc Third parties	32.50 67.50		Eq.
Mediterranean Gas Co	Cairo (Egypt)	Egypt	EGP	20,000	leoc Production BV Third parties	25.00 75.00		Co.
Meleiha Petroleum Company^(†)	Cairo (Egypt)	Egypt	EGP	20,000	leoc Production BV Third parties	50.00 50.00		Co.
Mellitah Oil & Gas BV^(†)	Amsterdam (Netherlands)	Libya	EUR	20,000	Eni North Africa BV Third parties	50.00 50.00		Co.
Nile Delta Oil Co Nidoco	Cairo (Egypt)	Egypt	EGP	20,000	leoc Production BV Third parties	37.50 62.50		Co.
Norpipe Terminal HoldCo Ltd	London (United Kingdom)	Norway	GBP	55.69	Eni SpA Third parties	14.20 85.80		Eq.
North Bardawil Petroleum Co	Cairo (Egypt)	Egypt	EGP	20,000	leoc Exploration BV Third parties	30.00 70.00		
North El Burg Petroleum Co	Cairo (Egypt)	Egypt	EGP	20,000	leoc Production BV Third parties	25.00 75.00		Co.
Petrobel Belayim Petroleum Co^(†)	Cairo (Egypt)	Egypt	EGP	20,000	leoc Production BV Third parties	50.00 50.00		Co.
PetroBicentenario SA^(†)	Caracas (Venezuela)	Venezuela	VED	0	Eni Lasmo Plc Third parties	40.00 60.00		Eq.
PetroJunin SA^(†)	Caracas (Venezuela)	Venezuela	VED	0.02	Eni Lasmo Plc Third parties	40.00 60.00		Eq.
PetroSucre SA	Caracas (Venezuela)	Venezuela	VED	0	Eni Venezuela BV Third parties	26.00 74.00		Eq.
Pharaonic Petroleum Co	Cairo (Egypt)	Egypt	EGP	20,000	leoc Production BV Third parties	25.00 75.00		Co.
Point Resources FPSO AS	Sandnes (Norway)	Norway	NOK	150,100,000	PR FPSO Holding AS	100.00		
Point Resources FPSO Holding AS	Sandnes (Norway)	Norway	NOK	60,000	Vår Energi AS	100.00		
Port Said Petroleum Co^(†)	Cairo (Egypt)	Egypt	EGP	20,000	leoc Production BV Third parties	50.00 50.00		Co.

(*) F.C. = full consolidation, J.O. = joint operation, Eq. = equity-accounted, Co. = valued at cost, F.V. = valued at fair value.

(†) Jointly controlled entity.

(a) Shares without nominal value.

Company name	Registered office	Country of operation	Currency	Share Capital	Shareholders	% Ownership	% Equity ratio	Consolidation or valuation method ^(*)
PR Jotun DA	Sandnes (Norway)	Norway	NOK	0 ^(a)	PR FPSO AS PR FPSO Holding AS	95.00 5.00		
Raml Petroleum Co	Cairo (Egypt)	Egypt	EGP	20,000	leoc Production BV Third parties	22.50 77.50		Co.
Ras Qattara Petroleum Co	Cairo (Egypt)	Egypt	EGP	20,000	leoc Production BV Third parties	37.50 62.50		Co.
Rovuma LNG Investment (DIFC) Ltd	Dubai (United Arab Emirates)	Mozambique	USD	50,000	Eni Mozambique LNG H. BV Third parties	25.00 75.00		Eq.
Rovuma LNG SA	Maputo (Mozambique)	Mozambique	MZN	100,000,000	Eni Mozambique LNG H. BV Third parties	25.00 75.00		Eq.
Shorouk Petroleum Company	Cairo (Egypt)	Egypt	EGP	20,000	leoc Production BV Third parties	25.00 75.00		Co.
Société Centrale Electrique du Congo SA	Pointe-Noire (Republic of the Congo)	Republic of the Congo	XAF	44,732,000,000	Eni Congo SA Third parties	20.00 80.00		Eq.
Société Italo Tunisienne d'Exploitation Pétrolière SA^(†)	Tunis (Tunisia)	Tunisia	TND	5,000,000	Eni Tunisia BV Third parties	50.00 50.00		Eq.
Sodeps - Société de Développement et d'Exploitation du Permis du Sud SA^(†)	Tunis (Tunisia)	Tunisia	TND	100,000	Eni Tunisia BV Third parties	50.00 50.00		Co.
Solenova Ltd^(†)	London (United Kingdom)	Angola	USD	1,580,000	Eni E&P Holding BV Third parties	50.00 50.00		Eq.
Thekah Petroleum Co (in liquidation)	Cairo (Egypt)	Egypt	EGP	20,000	leoc Exploration BV Third parties	25.00 75.00		
United Gas Derivatives Co	New Cairo (Egypt)	Egypt	USD	153,000,000	Eni International BV Third parties	33.33 66.67		Eq.
Vår Energi AS^(†)	Sandnes (Norway)	Norway	NOK	399,425,000	Eni International BV Third parties	69.85 30.15		Eq.
Vår Energi Marine AS	Sandnes (Norway)	Norway	NOK	61,000,000	Vår Energi AS	100.00		
VIC CBM Ltd^(†)	London (United Kingdom)	Indonesia	USD	52,315,912	Eni Lasmo Plc Third parties	50.00 50.00		Eq.
Virginia Indonesia Co CBM Ltd^(†)	London (United Kingdom)	Indonesia	USD	25,631,640	Eni Lasmo Plc Third parties	50.00 50.00		Eq.
West Ashrafi Petroleum Co^(†) (in liquidation)	Cairo (Egypt)	Egypt	EGP	20,000	leoc Exploration BV Third parties	50.00 50.00		

(*) F.C. = full consolidation, J.O. = joint operation, Eq. = equity-accounted, Co. = valued at cost, F.V. = valued at fair value.

(†) Jointly controlled entity.

(a) Shares without nominal value.

GLOBAL GAS & LNG PORTFOLIO

IN ITALY

Company name	Registered office	Country of operation	Currency	Share Capital	Shareholders	% Ownership	% Equity ratio	Consolidation or valuation method ^(*)
Mariconsult SpA^(†)	Milan	Italy	EUR	120,000	Eni SpA Third parties	50.00 50.00		Eq.
Transmed SpA^(†)	Milan	Italy	EUR	240,000	Eni SpA Third parties	50.00 50.00		Eq.

OUTSIDE ITALY

Company name	Registered office	Country of operation	Currency	Share Capital	Shareholders	% Ownership	% Equity ratio	Consolidation or valuation method ^(*)
Angola LNG Supply Services Llc	Wilmington (USA)	USA	USD	19,278,782	Eni USA Gas M. Llc Third parties	13.60 86.40		Eq.
Blue Stream Pipeline Co BV^(†)	Amsterdam (Netherlands)	Russia	USD	22,000	Eni International BV Third parties	50.00 50.00	74.62 ^(a)	J.O.
Damietta LNG (DLNG) SAE^(†)	Damietta (Egypt)	Egypt	USD	375,000,000	Eni Gas Liquef. BV Third parties	50.00 50.00	50.00	J.O.
GreenStream BV^(†)	Amsterdam (Netherlands)	Libya	EUR	200,000,000	Eni North Africa BV Third parties	50.00 50.00	50.00	J.O.
Premium Multiservices SA	Tunis (Tunisia)	Tunisia	TND	200,000	Sergaz SA Third parties	49.99 50.01		Eq.
SAMCO Sagl	Lugano (Switzerland)	Switzerland	CHF	20,000	Transmed.Pip.Co Ltd Eni International BV Third parties	90.00 5.00 5.00		Eq.
SEGAS Services SAE^(†)	Damietta (Egypt)	Egypt	USD	1,000,000	Damietta LNG Eni Gas Liquef. BV Third parties	98.00 1.00 1.00	50.00	J.O.
Société Energies Renouvelables Eni-ETAP SA^(†)	Tunis (Tunisia)	Tunisia	TND	1,000,000	Eni International BV Third parties	50.00 50.00		Eq.
Transmediterranean Pipeline Co Ltd^{(†)(a)}	St. Helier (Jersey)	Jersey	USD	10,310,000	Eni SpA Third parties	50.00 50.00	50.00	J.O.

(*) F.C. = full consolidation, J.O. = joint operation, Eq. = equity-accounted, Co. = valued at cost, F.V. = valued at fair value

(†) Jointly controlled entity.

(a) Equity ratio equal to the Eni's working interest.

(9) Company that benefits from a privileged tax regime pursuant to art. 167, paragraph 4 of the D.P.R. of December 22, 1986, n. 917: the company is subjected to taxation in Italy because it is included in Eni's tax return. The company is considered as a controlled entity pursuant to art. 167, paragraph 2 of the TUIR.

REFINING & MARKETING AND CHEMICAL

Refining & Marketing

IN ITALY

Company name	Registered office	Country of operation	Currency	Share Capital	Shareholders	% Ownership	% Equity ratio	Consolidation or valuation method ^(*)
Arezzo Gas SpA ^(†)	Arezzo	Italy	EUR	394,000	Eni Fuel SpA Third parties	50.00 50.00		Eq.
CePIM Centro Padano Interscambio Merci SpA	Fontevivo (PR)	Italy	EUR	6,642,928.32	Ecofuel SpA Third parties	44.78 55.22		Eq.
Consorzio Operatori GPL di Napoli	Napoli	Italy	EUR	102,000	Eni Fuel SpA Third parties	25.00 75.00		Co.
Costiero Gas Livorno SpA ^(†)	Livorno	Italy	EUR	26,000,000	Eni Fuel SpA Third parties	65.00 35.00	65.00	J.O.
Disma SpA	Segrate (MI)	Italy	EUR	2,600,000	Eni Fuel SpA Third parties	25.00 75.00		Eq.
Livorno LNG Terminal SpA (in liquidation)	Livorno	Italy	EUR	200,000	Costiero Gas L. SpA Third parties	50.00 50.00		Co.
Porto Petroli di Genova SpA	Genova	Italy	EUR	2,068,000	Ecofuel SpA Third parties	40.50 59.50		Eq.
Raffineria di Milazzo ScpA ^(†)	Milazzo (ME)	Italy	EUR	171,143,000	Eni SpA Third parties	50.00 50.00	50.00	J.O.
Seram SpA	Fiumicino (RM)	Italy	EUR	852,000	Eni SpA Third parties	25.00 75.00		Eq.
Sigea Sistema Integrato Genova Arquata SpA	Genova	Italy	EUR	3,326,900	Ecofuel SpA Third parties	35.00 65.00		Eq.
Società Oleodotti Meridionali - SOM SpA ^(†)	Rome	Italy	EUR	3,085,000	Eni SpA Third parties	70.00 30.00		Eq.
South Italy Green Hydrogen Srl ^(†)	Rome	Italy	EUR	10,000	Eni SpA Third parties	50.00 50.00		Eq.

OUTSIDE ITALY

Company name	Registered office	Country of operation	Currency	Share Capital	Shareholders	% Ownership	% Equity ratio	Consolidation or valuation method ^(*)
Abu Dhabi Oil Refining Company (TAKREER)	Abu Dhabi (United Arab Emirates)	United Arab Emirates	AED	500,000,000	Eni Abu Dhabi R&T Third parties	20.00 80.00		Eq.
ADNOC Global Trading Ltd	Abu Dhabi (United Arab Emirates)	United Arab Emirates	USD	100,000,000	Eni Abu Dhabi R&T Third parties	20.00 80.00		Eq.

(*) F.C. = full consolidation, J.O. = joint operation, Eq. = equity-accounted, Co. = valued at cost, F.V. = valued at fair value.

(†) Jointly controlled entity.

Company name	Registered office	Country of operation	Currency	Share Capital	Shareholders	% Ownership	% Equity ratio	Consolidation or valuation method ^(*)
AET - Raffinerieeteiligungsgesellschaft mbH^(†)	Schwedt (Germany)	Germany	EUR	27,000	Eni Deutsch. GmbH Third parties	33.33 66.67		Eq.
Bayernoil Raffineriegesellschaft mbH^(†)	Vohburg (Germany)	Germany	EUR	10,226,000	Eni Deutsch. GmbH Third parties	20.00 80.00	20.00	J.O.
City Carbuoil SA^(†)	Monteceneri (Switzerland)	Switzerland	CHF	6,000,000	Eni Suisse SA Third parties	49.91 50.09		Eq.
Egyptian International Gas Technology Co	New Cairo (Egypt)	Egypt	EGP	100,000,000	Eni International BV Third parties	40.00 60.00		Co.
ENEOS Italsing Pte Ltd	Singapore (Singapore)	Singapore	SGD	12,000,000	Eni International BV Third parties	22.50 77.50		Eq.
Fuelling Aviation Services GIE	Tremblay-en-France (France)	France	EUR	0	Eni France Sàrl Third parties	25.00 75.00		Co.
Mediterranée Bitumes SA	Tunis (Tunisia)	Tunisia	TND	1,000,000	Eni International BV Third parties	34.00 66.00		Eq.
Routex BV	Amsterdam (Netherlands)	Netherlands	EUR	67,500	Eni International BV Third parties	20.00 80.00		Eq.
Saraco SA	Meyrin (Switzerland)	Switzerland	CHF	420,000	Eni Suisse SA Third parties	20.00 80.00		Co.
Supermetanol CA^(†)	Jose Puerto La Cruz (Venezuela)	Venezuela	VED	0	Ecofuel SpA Supermetanol CA Third parties	34.51 ^(a) 30.07 35.42	50.00	J.O.
TBG Tanklager Betriebsgesellschaft GmbH^(†)	Salzburg (Austria)	Austria	EUR	43,603.70	Eni Marketing A. GmbH Third parties	50.00 50.00		Eq.
Weat Electronic Datenservice GmbH	Düsseldorf (Germany)	Germany	EUR	409,034	Eni Deutsch. GmbH Third parties	20.00 80.00		Eq.

(*) F.C. = full consolidation, J.O. = joint operation, Eq. = equity-accounted, Co. = valued at cost, F.V. = valued at fair value.

(†) Jointly controlled entity.

(a) Controlling interest: Ecofuel SpA 50.00
Third parties 50.00

Chemical

IN ITALY

Company name	Registered office	Country of operation	Currency	Share Capital	Shareholders	% Ownership	% Equity ratio	Consolidation or valuation method ^(*)
Brindisi Servizi Generali Scarl	Brindisi	Italy	EUR	1,549,060	Versalis SpA Eni Rewind SpA EniPower SpA Third parties	49.00 20.20 8.90 21.90		Eq.
IFM Ferrara ScpA	Ferrara	Italy	EUR	5,270,466	Versalis SpA Eni Rewind SpA S.E.F. Srl Third parties	19.74 11.58 10.70 57.98		Eq.
Matrica SpA^(†)	Porto Torres (SS)	Italy	EUR	37,500,000	Versalis SpA Third parties	50.00 50.00		Eq.
Priolo Servizi ScpA	Melilli (SR)	Italy	EUR	28,100,000	Versalis SpA Eni Rewind SpA Third parties	37.22 5.65 57.13		Eq.
Ravenna Servizi Industriali ScpA	Ravenna	Italy	EUR	5,597,400	Versalis SpA EniPower SpA Ecofuel SpA Third parties	42.13 30.37 1.85 25.65		Eq.
Servizi Porto Marghera Scarl	Venezia Marghera (VE)	Italy	EUR	8,695,718	Versalis SpA Eni Rewind SpA Third parties	48.44 38.39 13.17		Eq.

OUTSIDE ITALY

Company name	Registered office	Country of operation	Currency	Share Capital	Shareholders	% Ownership	% Equity ratio	Consolidation or valuation method ^(*)
Lotte Versalis Elastomers Co Ltd^(†)	Yeosu (South Korea)	South Korea	KRW	551,800,000,000	Versalis SpA Third parties	50.00 50.00		Eq.
Versalis Chem-invest LLP^(†)	Uralsk City (Kazakhstan)	Kazakhstan	KZT	64,194,000	Versalis International SA Third parties	49.00 51.00		Eq.
VPM Oilfield Specialty Chemicals Llc^(†)	Abu Dhabi (United Arab Emirates)	United Arab Emirates	AED	1,000,000	Versalis International SA Third parties	49.00 51.00		Eq.

(*) F.C. = full consolidation, J.O. = joint operation, Eq. = equity-accounted, Co. = valued at cost, F.V. = valued at fair value.

(†) Jointly controlled entity.

PLENITUDE & POWER

Plenitude

IN ITALY

Company name	Registered office	Country of operation	Currency	Share Capital	Shareholders	% Ownership	% Equity ratio	Consolidation or valuation method ^(*)
E-Prosume Srl^(†)	Milan	Italy	EUR	100,000	Evolvere Venture SpA Third parties	50.00 50.00		Eq.
Evogy Srl Società Benefit	Seriante (BG)	Italy	EUR	11,785.71	Evolvere Venture SpA Third parties	45.45 54.55		Eq.
GreenIT SpA^(†)	San Donato Milanese (MI)	Italy	EUR	50,000	Eni gas e luce SpA SB Third parties	51.00 49.00		Eq.
Renewable Dispatching Srl	Milan	Italy	EUR	200,000	Evolvere Venture SpA Third parties	40.00 60.00		Eq.
Tate Srl	Bologna	Italy	EUR	408,509.29	Evolvere Venture SpA Third parties	36.00 64.00		Eq.

OUTSIDE ITALY

Company name	Registered office	Country of operation	Currency	Share Capital	Shareholders	% Ownership	% Equity ratio	Consolidation or valuation method ^(*)
Bluebell Solar Class A Holdings II Llc	Wilmington (USA)	USA	USD	82,351,634	Eni New Energy US Inc Third parties	99.00 1.00		Eq.
Clarensac Solar SAS	Meyreuil (France)	France	EUR	25,000	Dhamma Energy SAS Third parties	40.00 60.00		Eq.
Doggerbank Offshore Wind Farm Project 1 Holdco Ltd^(†)	Reading (United Kingdom)	United Kingdom	GBP	1,000	Eni North Sea Wind Third parties	20.00 80.00		Eq.
Doggerbank Offshore Wind Farm Project 2 Holdco Ltd^(†)	Reading (United Kingdom)	United Kingdom	GBP	1,000	Eni North Sea Wind Third parties	20.00 80.00		Eq.
Enera Conseil SAS^(†)	Clichy (France)	France	EUR	9,690	Eni G&P France SA Third parties	51.00 49.00		Eq.
Fotovoltaica Escudero SL	Valencia (Spain)	Spain	EUR	3,000	Dhamma Energy Group Third parties	45.00 55.00		Eq.
Gas Distribution Company of Thessaloniki - Thessaly SA^(†)	Ampelokipi-Menemeni (Greece)	Greece	EUR	247,127,605	Eni gas e luce SpA SB Third parties	49.00 51.00		Co.
Novis Renewables Holdings Llc	Wilmington (USA)	USA	USD	100	Eni New Energy US Inc Third parties	49.00 51.00		Eq.

(*) F.C. = full consolidation, J.O. = joint operation, Eq. = equity-accounted, Co. = valued at cost, F.V. = valued at fair value.

(†) Jointly controlled entity.

Company name	Registered office	Country of operation	Currency	Share Capital	Shareholders	% Ownership	% Equity ratio	Consolidation or valuation method ^(*)
Novis Renewables Llc^(†)	Wilmington (USA)	USA	USD	100	Eni New Energy US Inc Third parties	50.00 50.00		Eq.
OVO Energy (France) SAS	Paris (France)	France	EUR	66,666.66	Eni gas e luce SpA SB Third parties	25.00 75.00		Eq.
Vårgrønn AS^(†)	Stavanger (Norway)	Norway	NOK	100,000	Eni Energy Solutions BV Third parties	69.60 30.40		Eq.

(*) F.C. = full consolidation, J.O. = joint operation, Eq. = equity-accounted, Co. = valued at cost, F.V. = valued at fair value.

(†) Jointly controlled entity.

Power**IN ITALY**

Company name	Registered office	Country of operation	Currency	Share Capital	Shareholders	% Ownership	% Equity ratio	Consolidation or valuation method ^(*)
Società EniPower Ferrara Srl^(†)	San Donato Milanese (MI)	Italy	EUR	140,000,000	EniPower SpA Third parties	51.00 49.00	51.00	J.O.

(*) F.C. = full consolidation, J.O. = joint operation, Eq. = equity-accounted, Co. = valued at cost, F.V. = valued at fair value.

(†) Jointly controlled entity.

Other activities

IN ITALY

Company name	Registered office	Country of operation	Currency	Share Capital	Shareholders	% Ownership	% Equity ratio	Consolidation or valuation method ^(*)
HEA SpA^(†)	Bologna	Italy	EUR	50,000	Eni Rewind SpA Third parties	50.00 50.00		Co.
Progetto Nuraghe Scarl	Porto Torres (SS)	Italy	EUR	10,000	Eni Rewind SpA Third parties	48.55 51.45		Eq.

(*) F.C. = full consolidation, J.O. = joint operation, Eq. = equity-accounted, Co. = valued at cost, F.V. = valued at fair value.

(†) Jointly controlled entity.

OTHER SIGNIFICANT INVESTMENTS

Exploration & Production

IN ITALY

Company name	Registered office	Country of operation	Currency	Share Capital	Shareholders	% Ownership	Consolidation or valuation method ^(*)
BF SpA^(#)	Jolanda di Savoia (FE)	Italy	EUR	187,059,565	Eni Natural Energies SpA Third parties	3.32 96.68	F.V.
Consorzio Universitario in Ingegneria per la Qualità e l'Innovazione	Pisa	Italy	EUR	138,000	Eni SpA Third parties	16.67 83.33	F.V.

OUTSIDE ITALY

Company name	Registered office	Country of operation	Currency	Share Capital	Shareholders	% Ownership	Consolidation or valuation method ^(*)
Administradora del Golfo de Paria Este SA	Caracas (Venezuela)	Venezuela	VED	0	Eni Venezuela BV Third parties	19.50 80.50	F.V.
Brass LNG Ltd	Lagos (Nigeria)	Nigeria	USD	1,000,000	Eni Int. NA NV Sàrl Third parties	20.48 79.52	F.V.
Darwin LNG Pty Ltd	West Perth (Australia)	Australia	AUD	187,569,921.42	Eni G&P LNG Aus. BV Third parties	10.99 89.01	F.V.
New Liberty Residential Co Llc	West Trenton (USA)	USA	USD	0 ^(a)	Eni Oil & Gas Inc Third parties	17.50 82.50	F.V.
Nigeria LNG Ltd	Port Harcourt (Nigeria)	Nigeria	USD	1,138,207,000	Eni Int. NA NV Sàrl Third parties	10.40 89.60	F.V.
North Caspian Operating Co NV	The Hague (Netherlands)	Kazakhstan	EUR	128,520	Agip Caspian Sea BV Third parties	16.81 83.19	F.V.
OPCO - Sociedade Operacional Angola LNG SA	Luanda (Angola)	Angola	AOA	7,400,000	Eni Angola Prod. BV Third parties	13.60 86.40	F.V.
Petrolera Güiría SA	Caracas (Venezuela)	Venezuela	VED	0	Eni Venezuela BV Third parties	19.50 80.50	F.V.
SOMG - Sociedade de Operações e Manutenção de Gasodutos SA	Luanda (Angola)	Angola	AOA	7,400,000	Eni Angola Prod. BV Third parties	10.57 89.43	F.V.
Torsina Oil Co	Cairo (Egypt)	Egypt	EGP	20,000	leoc Production BV Third parties	12.50 87.50	F.V.

(*) F.C. = full consolidation, J.O. = joint operation, Eq. = equity-accounted, Co. = valued at cost, F.V. = valued at fair value.

(#) Company with shares quoted in the regulated market of Italy or of other EU countries.

(a) Shares without nominal value.

GLOBAL GAS & LNG PORTFOLIO**OUTSIDE ITALY**

Company name	Registered office	Country of operation	Currency	Share Capital	Shareholders	% Ownership	Consolidation or valuation method ^(*)
Norsea Gas GmbH	Friedeburg-Etzel (Germany)	Germany	EUR	1,533,875.64	Eni International BV Third parties	13.04 86.96	F.V.

(*) F.C. = full consolidation, J.O. = joint operation, Eq. = equity-accounted, Co. = valued at cost, F.V. = valued at fair value.

REFINING & MARKETING AND CHEMICAL

Refining & Marketing

OUTSIDE ITALY

Company name	Registered office	Country of operation	Currency	Share Capital	Shareholders	% Ownership	Consolidation or valuation method ^(*)
BFS Berlin Fuelling Services GbR	Berlin (Germany)	Germany	EUR	89,199	Eni Deutsch. GmbH Third parties	12.50 87.50	F.V.
Compañía de Economía Mixta "Austrogas"	Cuenca (Ecuador)	Ecuador	USD	6,863,493	Eni Ecuador SA Third parties	13.38 86.62	F.V.
Dépôts Pétroliers de Fos SA	Fos-Sur-Mer (France)	France	EUR	3,954,196.40	Eni France Sàrl Third parties	16.81 83.19	F.V.
Dépôt Pétrolier de la Côte d'Azur SAS	Nanterre (France)	France	EUR	207,500	Eni France Sàrl Third parties	18.00 82.00	F.V.
Joint Inspection Group Ltd	Cambourne (United Kingdom)	United Kingdom	GBP	0 ^(a)	Eni SpA Third parties	12.50 87.50	F.V.
Saudi European Petrochemical Co IBN ZAHR	Al Jubail (Saudi Arabia)	Saudi Arabia	SAR	1,200,000,000	Ecofuel SpA Third parties	10.00 90.00	F.V.
S.I.P.G. Société Immobilière Pétrolière de Gestion Snc	Tremblay-en-France (France)	France	EUR	40,000	Eni France Sàrl Third parties	12.50 87.50	F.V.
Sistema Integrado de Gestion de Aceites Usados	Madrid (Spain)	Spain	EUR	175,713	Eni Iberia SLU Third parties	15.45 84.55	F.V.
Tanklager - Gesellschaft Tegel (TGT) GbR	Hamburg (Germany)	Germany	EUR	4,953	Eni Deutsch. GmbH Third parties	12.50 87.50	F.V.
TAR - Tankanlage Ruemlang AG	Ruemlang (Switzerland)	Switzerland	CHF	3,259,500	Eni Suisse SA Third parties	16.27 83.73	F.V.
Tema Lube Oil Co Ltd	Accra (Ghana)	Ghana	GHS	258,309	Eni International BV Third parties	12.00 88.00	F.V.

(*) F.C. = full consolidation, J.O. = joint operation, Eq. = equity-accounted, Co. = valued at cost, F.V. = valued at fair value.

(a) Shares without nominal value.

Chemical**IN ITALY**

Company name	Registered office	Country of operation	Currency	Share Capital	Shareholders	% Ownership	Consolidation or valuation method ^(*)
Novamont SpA	Novara	Italy	EUR	13,333,500	Versalis SpA Third parties	25.00 75.00	F.V.

(*) F.C. = full consolidation, J.O. = joint operation, Eq. = equity-accounted, Co. = valued at cost, F.V. = valued at fair value.

CORPORATE AND OTHER ACTIVITIES

Other activities

IN ITALY

Company name	Registered office	Country of operation	Currency	Share Capital	Shareholders	% Ownership	Consolidation or valuation method ^(*)
Ottana Sviluppo ScpA (in bankruptcy)	Nuoro	Italy	EUR	516,000	Eni Rewind SpA Third parties	30.00 70.00	F.V.

(*) F.C. = full consolidation, J.O. = joint operation, Eq. = equity-accounted, Co. = valued at cost, F.V. = valued at fair value.

CHANGES IN THE SCOPE OF CONSOLIDATION FOR 2021

Fully consolidated subsidiaries

COMPANIES INCLUDED (No. 91)

4Energia Srl	Milan	Plenitude	Acquisition
Aldro Energía y Soluciones SLU	Torrelavega	Plenitude	Acquisition
Aleria Solar SAS	Bastia	Plenitude	Acquisition
Alpinia Solar SLU	Madrid	Plenitude	Acquisition
Argon SAS	Argenteuil	Plenitude	Acquisition
Asian Compounds Ltd	Hong Kong	Chemical	Acquisition of the control
Athies-Samoussy Solar PV1 SAS	Argenteuil	Plenitude	Acquisition
Athies-Samoussy Solar PV2 SAS	Argenteuil	Plenitude	Acquisition
Athies-Samoussy Solar PV3 SAS	Argenteuil	Plenitude	Acquisition
Athies-Samoussy Solar PV4 SAS	Argenteuil	Plenitude	Acquisition
Athies-Samoussy Solar PV5 SAS	Argenteuil	Plenitude	Acquisition
Be Charge Srl	Milan	Plenitude	Acquisition
Be Charge Valle d'Aosta Srl	Milan	Plenitude	Acquisition
Be Power SpA	Milan	Plenitude	Acquisition
Belle Magiocche Solaire SAS	Bastia	Plenitude	Acquisition
Bonete Solar SLU	Madrid	Plenitude	Acquisition
Brazoria County Solar Project Llc	Dover	Plenitude	Acquisition
Camelia Solar SLU	Madrid	Plenitude	Acquisition
CEF 3 Wind Energy SpA	Milan	Plenitude	Acquisition
Celtis Solar SLU	Madrid	Plenitude	Acquisition
Desarrollos Empresariales Illas SL	Madrid	Plenitude	Acquisition
Desarrollos Energéticos Riojanos SL	Villarcayo de Merindad de Castilla la Vieja	Plenitude	Acquisition
Dhamma Energy Development SAS	Argenteuil	Plenitude	Acquisition
Dhamma Energy Group Sàrl	Dudelange	Plenitude	Acquisition
Dhamma Energy Management SLU	Madrid	Plenitude	Acquisition
Dhamma Energy Rooftop SAS	Argenteuil	Plenitude	Acquisition
Dhamma Energy SAS	Argenteuil	Plenitude	Acquisition
Ecovent Parc Eolic SAU	Madrid	Plenitude	Acquisition
Energias Alternativas Eolicas Riojanas SL	Logroño	Plenitude	Acquisition
Energias Ambientales de Outes SLU	Madrid	Plenitude	Acquisition
Eni España Comercializadora De Gas SAU	Madrid	Global Gas & LNG Portfolio	Acquisition
Eni Natural Energies SpA	San Donato Milanese	Exploration & Production	Constitution
Eni New Energy US Holding Llc	Dover	Plenitude	Constitution
Eni New Energy US Investing Inc	Dover	Plenitude	Constitution
Eni North Sea Wind Ltd	London	Plenitude	Relevancy

EniBioCh4in Alexandria Srl Società Agricola	San Donato Milanese	Refining & Marketing	Acquisition
EniBioCh4in Annia Srl Società Agricola	San Donato Milanese	Refining & Marketing	Acquisition
EniBioCh4in Appia Srl Società Agricola	San Donato Milanese	Refining & Marketing	Acquisition
EniBioCh4in Aprilia Srl	San Donato Milanese	Refining & Marketing	Acquisition
EniBioCh4in Briona Srl Società Agricola	San Donato Milanese	Refining & Marketing	Acquisition
EniBioCh4in Calandre Energia Srl Società Agricola	San Donato Milanese	Refining & Marketing	Acquisition
EniBioCh4in Gardillana Società Agricola Srl	San Donato Milanese	Refining & Marketing	Acquisition
EniBioCh4in Grupellum Società Agricola Srl	San Donato Milanese	Refining & Marketing	Acquisition
EniBioCh4in Jonica Srl	San Donato Milanese	Refining & Marketing	Acquisition
EniBioCh4in Maddalena Società Agricola Srl	San Donato Milanese	Refining & Marketing	Acquisition
EniBioCh4in Medea Srl Società Agricola	San Donato Milanese	Refining & Marketing	Acquisition
EniBioCh4in Momo Società Agricola Srl	San Donato Milanese	Refining & Marketing	Acquisition
EniBioCh4in Mortara Società Agricola Srl	San Donato Milanese	Refining & Marketing	Acquisition
EniBioCh4in Pannellia BioGas Srl Società Agricola	San Donato Milanese	Refining & Marketing	Acquisition
EniBioCh4in Plovera Società Agricola Srl	San Donato Milanese	Refining & Marketing	Acquisition
EniBioCh4in Quadruvium Srl Società Agricola	San Donato Milanese	Refining & Marketing	Acquisition
EniBioCh4in Rhodigium Società Agricola Srl	San Donato Milanese	Refining & Marketing	Acquisition
EniBioCh4in San Benedetto Po Srl Società Agricola	San Donato Milanese	Refining & Marketing	Acquisition
EniBioCh4in Service BioGas Srl	San Donato Milanese	Refining & Marketing	Acquisition
EniBioCh4in Società Agricola Il Bue Srl	San Donato Milanese	Refining & Marketing	Acquisition
EniBioCh4in SpA	San Donato Milanese	Refining & Marketing	Acquisition
EniBioCh4in Vigevano Srl Società Agricola	San Donato Milanese	Refining & Marketing	Acquisition
EniBioCh4in Villacidro Agricole Società Agricola a responsabilità limitata	San Donato Milanese	Refining & Marketing	Acquisition
Eolica Lucana Srl	Milan	Plenitude	Acquisition
Estanque Redondo Solar SLU	Madrid	Plenitude	Acquisition
Finpower Wind Srl	Milan	Plenitude	Acquisition
Finproject Asia Ltd	Hong Kong	Chemical	Acquisition of the control
Finproject Brasil Industria De Solados Eireli	Franca	Chemical	Acquisition of the control
Finproject Guangzhou Trading Co Ltd	Guangzhou	Chemical	Acquisition of the control
Finproject India Pvt Ltd	Jaipur	Chemical	Acquisition of the control
Finproject Romania Srl	Valea Lui Mihai	Chemical	Acquisition of the control
Finproject Singapore Pte Ltd	Singapore	Chemical	Acquisition of the control
Finproject SpA	Morrovalle	Chemical	Acquisition of the control
Finproject Viet Nam Company Limited	Hai Phong	Chemical	Acquisition of the control
Foam Creations (2008) Inc	Quebec City	Chemical	Acquisition of the control
Foam Creations México SA de CV	León	Chemical	Acquisition of the control
Green Energy Management Services Srl	Rome	Plenitude	Acquisition
Holding Lanas Solar Sàrl	Argenteuil	Plenitude	Acquisition
Instalaciones Martínez Díez SLU	Torrelavega	Plenitude	Acquisition
Ixia Solar SLU	Madrid	Plenitude	Acquisition

Krypton SAS	Argenteuil	Plenitude	Acquisition
Lanas Solar SAS	Argenteuil	Plenitude	Acquisition
Membrio Solar SLU	Madrid	Plenitude	Acquisition
Olea Solar SLU	Madrid	Plenitude	Acquisition
Opalo Solar SLU	Madrid	Plenitude	Acquisition
Padanaplast America Llc	Wilmington	Chemical	Acquisition of the control
Padanaplast Deutschland GmbH	Hannover	Chemical	Acquisition of the control
Padanaplast Srl	Roccabianca	Chemical	Acquisition of the control
Pistacia Solar SLU	Madrid	Plenitude	Acquisition
Po' Energia Srl Società Agricola	Bolzano	Refining & Marketing	Acquisition
POP Solar SAS	Argenteuil	Plenitude	Acquisition
Società Energie Rinnovabili 1 SpA	Rome	Plenitude	Acquisition
Società Energie Rinnovabili SpA	Palermo	Plenitude	Acquisition
Tebar Solar SLU	Madrid	Plenitude	Acquisition
Xenon SAS	Argenteuil	Plenitude	Acquisition
Zinnia Solar SLU	Madrid	Plenitude	Acquisition

COMPANIES EXCLUDED (No. 5)

Eni Hydrocarbons Venezuela Ltd	London	Exploration & Production	Irrelevancy
Eni Trading & Shipping SpA (in liquidation)	Rome	Global Gas & LNG Portfolio	Irrelevancy
Eni Ukraine Holdings BV	Amsterdam	Exploration & Production	Irrelevancy
Evolvere Smart Srl	Milan	Plenitude	Cancellation
Llc "Eni Energhia"	Moscow	Exploration & Production	Irrelevancy

Consolidated joint operations

COMPANIES INCLUDED (No. 2)

SEGAS Services SAE	Damietta	Global Gas & LNG Portfolio	Acquisition of joint control
Damietta LNG (DLNG) SAE	Damietta	Global Gas & LNG Portfolio	Acquisition of joint control

COMPANIES EXCLUDED (No. 1)

Mozambique Rovuma Venture SpA	San Donato Milanese	Exploration & Production	Change of the joint arrangement
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Independent auditor's report on the consolidated non-financial statement



ENI SPA

**INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED
NON-FINANCIAL STATEMENT PURSUANT TO ARTICLE 3,
PARAGRAPH 10, OF LEGISLATIVE DECREE NO. 254/2016 AND
ARTICLE 5 OF CONSOB REGULATION NO. 20267 OF JANUARY
2018**

YEAR ENDED 31 DECEMBER 2021



Independent auditor's report on the consolidated non-financial statement

pursuant to article 3, paragraph 10, of Legislative Decree No. 254/2016 and article 5 of CONSOB Regulation no. 20267 of January 2018

To the Board of Directors of Eni SpA

Pursuant to article 3, paragraph 10, of Legislative Decree No. 254 of 30 December 2016 (the "Decree") and article 5 of CONSOB Regulation No. 20267/2018, we have undertaken a limited assurance engagement on the consolidated non-financial statement of Eni SpA and its subsidiaries (the "Group") for the year ended 31 December 2021 prepared in accordance with article 4 of the Decree, presented in the specific section of the report on operations and approved by the board of directors on 17 March 2022 (hereinafter the "NFS").

Our review does not extend to the information set out in the "Taxonomy" paragraph of the NFS, required by article 8 of European Regulation 2020/852.

Responsibilities of the Directors and the Board of Statutory Auditors for the NFS

The Directors are responsible for the preparation of the NFS in accordance with articles 3 and 4 of the Decree and with the "Global Reporting Initiative Sustainability Reporting Standards" defined in 2016, and subsequent versions, by the GRI - Global Reporting Initiative (the "GRI Standards"), disclosed in the chapter "Reporting principles and criteria" of the NFS, identified by them as the reporting standards.

The Directors are also responsible, in the terms prescribed by law, for such internal control as they determine is necessary to enable the preparation of a NFS that is free from material misstatement, whether due to fraud or error.

Moreover, the Directors are responsible for identifying the content of the NFS, within the matters mentioned in article 3, paragraph 1, of the Decree, considering the activities and characteristics of the Group and to the extent necessary to ensure an understanding of the Group's activities, its performance, its results and related impacts.

Finally, the Directors are responsible for defining the business and organisational model of the Group and, with reference to the matters identified and reported in the NFS, for the policies adopted by the Group and for the identification and management of risks generated and/or faced by the Group.

The Board of Statutory Auditors is responsible for overseeing, in the terms prescribed by law, compliance with the Decree.

PricewaterhouseCoopers SpA

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Auditor's Independence and Quality Control

We are independent in accordance with the principles of ethics and independence set out in the Code of Ethics for Professional Accountants published by the International Ethics Standards Board for Accountants, which are based on the fundamental principles of integrity, objectivity, competence and professional diligence, confidentiality and professional behaviour. Our audit firm adopts International Standard on Quality Control 1 (ISQC Italia 1) and, accordingly, maintains an overall quality control system which includes processes and procedures for compliance with ethical and professional principles and with applicable laws and regulations.

Auditor's responsibilities

We are responsible for expressing a conclusion, on the basis of the work performed, regarding the compliance of the NFS with the Decree and the GRI Standards. We conducted our work in accordance with *International Standard on Assurance Engagements 3000 (Revised) – Assurance Engagements Other than Audits or Reviews of Historical Financial Information* ("ISAE 3000 Revised"), issued by the International Auditing and Assurance Standards Board (IAASB) for limited assurance engagements. The standard requires that we plan and apply procedures in order to obtain limited assurance that the NFS is free of material misstatement. The procedures performed in a limited assurance engagement are less in scope than those performed in a reasonable assurance engagement in accordance with ISAE 3000 Revised, and, therefore, do not provide us with a sufficient level of assurance that we have become aware of all significant facts and circumstances that might be identified in a reasonable assurance engagement.

The procedures performed on the NFS were based on our professional judgement and consisted in interviews, primarily of company personnel responsible for the preparation of the information presented in the NFS, analyses of documents, recalculations and other procedures designed to obtain evidence considered useful.

In detail, we performed the following procedures:

1. analysis of the relevant matters reported in the NFS relating to the activities and characteristics of the Group, in order to assess the reasonableness of the selection process used, in accordance with article 3 of the Decree and with the reporting standard adopted;
2. analysis and assessment of the criteria used to identify the consolidation area, in order to assess their compliance with the Decree;
3. comparison of the financial information reported in the NFS with the information reported in the Eni Group's consolidated financial statements for the year ended 31 December 2021;
4. understanding of the following matters:
 - business and organizational model of the Group with reference to the management of the matters specified in article 3 of the Decree;
 - policies adopted by the Group with reference to the matters specified in article 3 of the Decree, actual results and related key performance indicators;
 - key risks generated or faced by the Group with reference to the matters specified in article 3 of the Decree.

With reference to those matters, we compared the information obtained with the information presented in the NFS and carried out the procedures described under point 5 a) below;



5. understanding of the processes underlying the preparation, collection and management of the significant qualitative and quantitative information included in the NFS.

In detail, we held meetings and interviews with the management of Eni SpA and we performed limited analyses of documentary evidence, to gather information about the processes and procedures for the collection, consolidation, processing and submission of the non-financial information to the function responsible for the preparation of the NFS.

Moreover, for material information, considering the activities and characteristics of the Group:

- at a holding level:
 - a) with reference to the qualitative information included in the NFS, and in particular to the business model, the policies adopted and the main risks, we carried out interviews and acquired supporting documentation to verify its consistency with available evidence;
 - b) with reference to quantitative information, we performed analytical procedures as well as limited tests, in order to assess, on a sample basis, the accuracy of consolidation of the information.
- for the sites of Eni SpA (Taranto Refinery), Eni Congo SA (Mboundi site), Eni US Operating Inc (Green Canyon 254 site), Petrobel Belayim Petroleum CO (Zohr site) and Versalis France SAS (Dunkerque plant), which were selected on the basis of their activities, their contribution to the performance indicators at a consolidated level and their location, we carried out deep dive meetings during which we discussed with local management and gathered supporting documentation regarding the correct application of the procedures and calculation methods used for the key performance indicators.

Conclusion

Based on the work performed, nothing has come to our attention that causes us to believe that the NFS of the Eni Group for the year ended 31 December 2021 is not prepared, in all material respects, in accordance with articles 3 and 4 of the Decree and with the GRI Standards.

Our conclusions on the NFS of the Eni Group do not extend to the information set out in the "Taxonomy" paragraph of the NSF, required by article 8 of European Regulation 2020/852.

Rome, 8 April 2022

PricewaterhouseCoopers SpA

Signed by

Massimo Rota
(Partner)

Signed by

Paolo Bersani
(Authorised signatory)

This report has been translated from the Italian original solely for the convenience of international readers. We have not performed any controls on the NFS 2021 translation.

Independent auditor's report on the consolidated financial statements



Independent auditor's report

*in accordance with article 14 of Legislative Decree No. 39 of
January 27, 2010 and article 10 of Regulation (EU) No. 537/2014*

Eni SpA

***Consolidated Financial Statements as of
December 31 2021***



Independent auditor's report

in accordance with article 14 of Legislative Decree No. 39 of 27 January 2010 and article 10 of Regulation (EU) No. 537/2014

To the shareholders of
Eni SpA

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Eni Group (the Group), which comprise the consolidated balance sheet as of December 31, 2021, the consolidated profit and loss account, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Group as of December 31, 2021, and of the result of its operations and cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union, as well as with the regulations issued to implement article 9 of Legislative Decree No. 38/05.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of this report. We are independent of Eni SpA (the Company) pursuant to the regulations and standards on ethics and independence applicable to audits of financial statements under Italian law. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

PricewaterhouseCoopers SpA

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Key Audit Matters
Evaluation of hydrocarbon reserves, measurement of mineral assets and of other financial statement line items related thereto

Note 1 “Significant accounting policies, estimates and judgements”, Note 12 “Property, plant and equipment”, Note 13 “Right-of-use assets and lease liabilities”, Note 14 “Intangible assets”, Note 15 “Impairment review of tangible and intangible assets and right-of-use assets”, Note 16 “Investments” and Note 21 “Provisions” of the consolidated financial statements

The items “Property, plant and equipment”, “Right-of-use assets” and “Intangible assets” include significant amounts related to mineral assets, more specifically referring to mineral exploitation wells and plant of the Exploration & Production (E&P) segment in an amount of Euro 42,342 million, E&P exploration assets and appraisal amounting to Euro 1,244 million, E&P tangible assets in progress equal to Euro 6,545 million, Right-of-use assets amounting to Euro 3,195 million, Exploration rights in an amount of Euro 913 million.

The carrying amount of the mineral assets also comprises estimated costs for site restoration and abandonment and social projects, the provision of which amounted to Euro 8,580 million at December 31, 2021.

Furthermore, the Group holds investments in the E&P segment, accounted for with the equity method, for a total amount of Euro 2,639 million at December 31, 2021.

Mineral assets are depreciated according to the unit of production method (also UOP method) based on the units produced during the year and the estimated hydrocarbon reserves that can be produced. At December 31, 2021 depreciation of mineral assets related to the E&P segment amounted to Euro 5,976 million.

Auditing procedures performed in response to key audit matters

Our audit procedures consisted in the comprehension, assessment and verification of the operating efficacy of relevant controls implemented by management in respect of the measurement of hydrocarbon reserves, the measurement of mineral assets, of investments in the E&P segment accounted for under the equity method and of other additional financial statement items related thereto.

The audit procedures on the estimate of the hydrocarbon reserves included, *inter alia*, the analysis of the movements in reserves during the year also compared to the year in which these reserves were set up, an understanding of the main assumptions and verification of their reasonableness.

With reference to the estimate of abandonment costs, the following additional audit procedures were also carried out:

- (i) We obtained an understanding of the legislative and regulatory framework and of the underlying mineral arrangements;
 - (ii) We compared the costs and related times of expenses at year-end with the previous year’s forecasts and, when significant, we investigated the differences identified and we also verified the consistency of the expected
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Key Audit Matters

At year-end mineral assets recognised in the consolidated financial statements are tested for impairment, if changes or circumstances have highlighted that (i) their carrying value may no longer be recoverable and/or (ii) impairments recognised in previous years have ceased to obtain or their amount has changed. The recoverable amount of mineral assets is generally taken as being equal to their value in use and determined discounting the expected future cash flows from the use of the assets.

As at December 31, 2021 net reversals related to the mineral assets of the E&P segment, marked by the upside in hydrocarbon prices expected in the short/medium term, amounted to Euro 1,244 million.

The estimate of hydrocarbon reserves and the determination of the value of mineral assets and of the related items are based on a series of factors, assumptions and variables, such as:

- (i) accuracy of the estimate of the reserves which depends on the quality of the available geological, technical and economic data, as well as the related interpretation and evaluation by the Group' internal and external experts;
- (ii) the estimate of future production units and related flows of operating income and expense, of development and abandonment costs, as well as the timing these costs are incurred;
- (iii) long-term price projections of hydrocarbons, which include the possible impacts linked to the energy transition, reflected in the 2022 – 2025 Strategic Plan, and which management considers to be consistent with the goals of the 2015 Cop21 Paris Agreement on climate and reasserted by the Cop26 summit in Glasgow;
- (iv) changes in the tax legislation, in administrative regulations and changes in the underlying contract types;
- (v) the production of oil and natural gas extracted and subsequent reservoir analyses, which can entail significant revisions; and

Auditing procedures performed in response to key audit matters

expenses and times in comparison with actual data.

Regarding the valuation of Exploration rights and Exploration activities and E&P appraisal, we discussed the prospects of the main exploration projects with management, for which we verified the consistency with the planned investment provided in the Group's forecast plans including, among others, the achievement of the decarbonization targets set by the Group.

The audit procedures relating to depreciation and amortization also included verifying the use of the UOP rates resulting from the valuation of the reserves and re-calculations, on a sample basis, of amortization/depreciation charges.

With regard to the impairment test the following additional audit procedures were also carried out:

- (i) We verified the consistency of the method used by the Group with the requirements of IAS 36 and particularly the appropriateness of the cash flows used and related consistency with the Group's forecast plans;
- (ii) For a sample of CGUs, we verified the reasonableness of the assumptions used by management to estimate cash flows and we checked they were in line with the estimated reserves and site abandonment and restoration costs;
- (iii) We verified the sensitivity analysis performed by the Group.

We evaluated the technical expertise and objectivity of the Group's internal and external experts involved in the valuation process, as well as the methods used by them.

Our Valuation & Economics experts and those of the Enterprise Risk Management function supported us in the verification of the



Key Audit Matters

(vi) the discount rate used.

We paid special attention to the risk of incorrect quantification of the estimates carried out by management in relation to the valuation of hydrocarbon reserves and the measurement of mineral assets and the other financial statement line items related thereto considering (i) the high degree of uncertainty of the estimates and measurements (ii) the technical complexity of the valuation models used and (iii) the materiality of the related financial statement line items.

Auditing procedures performed in response to key audit matters

consistency of the assumptions contained in the 2022 – 2025 Strategic Plan with the changed macroeconomic perspectives of the E&P segment, also in relation to the effects of the post-COVID-19 rally in demand for hydrocarbons, and in particular (i) the examination of the different valuation models used, (ii) the verification of the methods adopted to estimate a sample of medium/long-term prices of commodities including the verification of the consistency of such prices with the most recent market consensus, (iii) the verification of inflation rates, also in comparison with the market prices and those expressed by sector analysts and (iv) the examination of the different discount rates adopted.

Finally, we verified the disclosures provided in the notes to the financial statements on all the above-reported matters relating to mineral assets and the other financial statement line items related thereto, as well as their consistency, where applicable, with the information contained in the consolidated non-financial statement on the achievement of carbon neutrality and the related climate risks.

Responsibilities of the Directors and the Board of Statutory Auditors for the Consolidated Financial Statements

The directors are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union, as well as with the regulations issued to implement article 9 of Legislative Decree No. 38/05 and, in the terms prescribed by law, for such internal control as they determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

The directors are responsible for assessing the Group's ability to continue as a going concern and, in preparing the consolidated financial statements, for the appropriate application of the going concern basis of accounting, and for disclosing matters related to going concern. In preparing the consolidated financial statements, the directors use the going concern basis of accounting unless they either intend to liquidate Eni SpA or to cease operations or have no realistic alternative but to do so.

The board of statutory auditors is responsible for overseeing, in the terms prescribed by law, the Group's financial reporting process.



Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISA Italia) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

As part of our audit conducted in accordance with International Standards on Auditing (ISA Italia), we exercised professional judgement and maintained professional scepticism throughout the audit. Furthermore:

- We identified and assessed the risks of material misstatement of the consolidated financial statements, whether due to fraud or error; we designed and performed audit procedures responsive to those risks; we obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- We obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;
- We evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;
- We concluded on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;
- We evaluated the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We obtained sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion on the consolidated financial statements.

We communicated with those charged with governance, identified at an appropriate level as required by ISA Italia regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identified during our audit.



We also provided those charged with governance with a statement that we complied with the regulations and standards on ethics and independence applicable under Italian law and communicated with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determined those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We described these matters in our auditor's report.

Additional Disclosures required by Article 10 of Regulation (EU) No. 537/2014

On May 10, 2018, the shareholders of Eni SpA in general meeting engaged us to perform the statutory audit of the Company's and the consolidated financial statements for the years ending December 31, 2019, to December 31, 2027.

We declare that we did not provide any prohibited non-audit services referred to in article 5, paragraph 1, of Regulation (EU) No. 537/2014 and that we remained independent of the Company in conducting the statutory audit.

We confirm that the opinion on the consolidated financial statements expressed in this report is consistent with the additional report to the board of statutory auditors, in its capacity as audit committee, prepared pursuant to article 11 of the aforementioned Regulation.

Report on Compliance with other Laws and Regulations

Opinion on compliance with the provisions of Commission Delegated Regulation (EU) 2019/815

The directors of Eni SpA are responsible for the application of the provisions of Commission Delegated Regulation (EU) 2019/815 concerning regulatory technical standards on the specification of a single electronic reporting format (ESEF - European Single Electronic Format) (hereinafter, the "Commission Delegated Regulation") to the consolidated financial statements, to be included in the annual report.

We have performed the procedures specified in auditing standard (SA Italia) No. 700B in order to express an opinion on the compliance of the consolidated financial statements with the provisions of the Commission Delegated Regulation.

In our opinion, the consolidated financial statements have been prepared in XHTML format and have been marked up, in all significant respects, in compliance with the provisions of the Commission Delegated Regulation.

Opinion in accordance with Article 14, paragraph 2, letter e), of Legislative Decree No. 39/10 and Article 123-bis, paragraph 4, of Legislative Decree No. 58/98

The directors of Eni SpA are responsible for preparing a report on operations and a report on the corporate governance and ownership structure of the Eni Group as of December 31, 2021, including



their consistency with the relevant consolidated financial statements and their compliance with the law.

We have performed the procedures required under auditing standard (SA Italia) No. 720B in order to express an opinion on the consistency of the report on operations and of the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree No. 58/98, with the consolidated financial statements of the Eni Group as of December 31, 2021, and on their compliance with the law, as well as to issue a statement on material misstatements, if any.

In our opinion, the report on operations and the specific information included in the report on corporate governance and ownership structure mentioned above are consistent with the consolidated financial statements of Eni Group as of December 31, 2021 and are prepared in compliance with the law.

With reference to the statement referred to in article 14, paragraph 2, letter e), of Legislative Decree No. 39/10, issued on the basis of our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have nothing to report.

Statement in accordance with article 4 of Consob's Regulation implementing Legislative Decree No. 254 of 30 December 2016

The directors of Eni SpA are responsible for the preparation of the non-financial statement pursuant to Legislative Decree No. 254 of 30 December 2016.

We have verified that the directors approved the non-financial statement.

Pursuant to article 3, paragraph 10, of Legislative Decree No. 254 of 30 December 2016, the non-financial statement is the subject of a separate statement of compliance issued by ourselves.

Rome, April 8, 2022

PricewaterhouseCoopers SpA

Signed by

Massimo Rota
(Partner)

As disclosed by the Directors, the accompanying consolidated financial statements of Eni SpA constitute a non-official version which is not compliant with the provisions of the Commission Delegated Regulation (EU) 2019/815. This independent auditor's report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.



Eni SpA

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Capital Stock as of December 31, 2021: € 4,005,358,876.00 fully paid

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