

Governance

Integrity and transparency are the principles that have inspired Eni in designing its corporate governance system¹, a key pillar of the Company's business model. The governance system, flanking our business strategy, is intended to support the relationship of trust between Eni and its stakeholders and to help achieve business goals, creating sustainable value for the long-term. Eni is committed to building a corporate governance system founded on excellence in our open dialogue with the market and all stakeholders.

Starting from January 1st, 2021, Eni applies the recommendations of the 2020 Corporate Governance Code, which Eni's Board of Directors adopted on December 23, 2020.

The Corporate Governance Code identifies "sustainable success" as the objective that must guide the action of the management body and which takes the form of creating long-term value for shareholders, taking into account the interests of other relevant stakeholders.

Eni, however, has been considering the interest of stakeholders other than shareholders as one of the necessary elements Directors must evaluate in making informed decisions since 2006.

With this in mind, we consider ongoing, transparent communication with stakeholders an essential tool for better understanding their needs. It is part of our efforts to ensure the effective exercise of shareholders' rights. In 2021 Eni continued to pursue a dialogue with the market on matters of governance and to seize the opportunities deriving from studies and experience at the international level, in spite of the complications associated with the health emergency which prevented more immediate contacts, in particular with reference to the shareholders' meeting. In any case, shareholders were granted all legal rights and additional information tools in order to allow the greatest possible involvement.

Furthermore, in line with the principles defined by the Board of Directors, Eni is committed to creating a Corporate Governance system inspired by criteria of excellence, also participating in initiatives to improve it. Initiatives in 2021 in particular include the participation in working groups for in-depth study of issues related to the application of the new Code, including the Observatory on engagement policies, set up by Assonime (the Association of Italian joint stock companies) to offer a permanent forum for discussion between listed companies called upon to define a policy of dialogue with shareholders, as required by the Corporate Governance Code. The in-depth study of the issue, also through the analysis of engagement policies adopted by institutional investors and asset managers as well as by representative trade associations, led to the development of an engagement policy approved on March 8, 2022 by Eni's Board of Directors, upon proposal of the Chairman, in agreement with the Chief Executive Officer.

The Eni Corporate Governance

Eni Corporate Governance model

Eni's Corporate Governance structure is based on the traditional Italian model, which – without prejudice to the role of the Shareholders' Meeting – assigns the management of the Company to the Board of Directors, supervisory functions to the Board of Statutory Auditors and statutory auditing to the Audit Firm.

Appointment and composition of corporate bodies

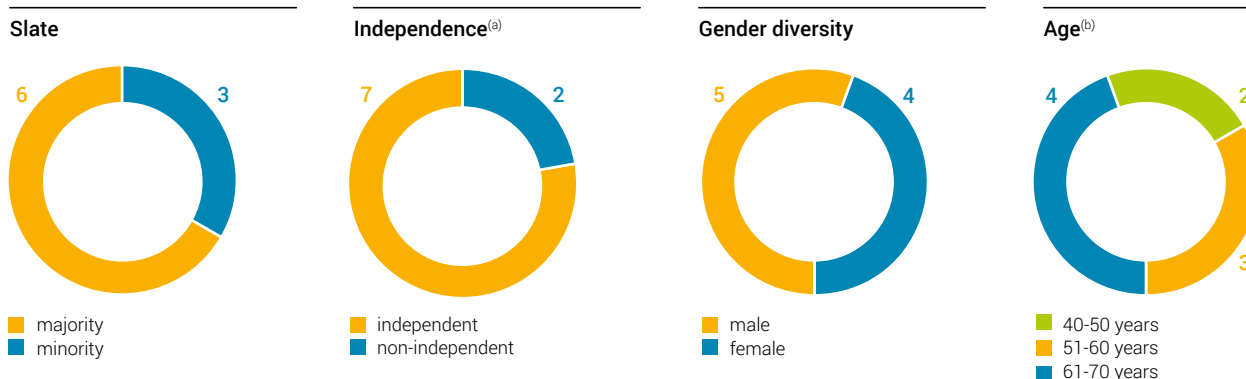
Eni's Board of Directors and Board of Statutory Auditors, and their respective Chairmen, are elected by the Shareholders' Meeting. To ensure the presence of Directors and Statutory Auditors selected by non-controlling shareholders a slate voting mechanism is used. Eni's Board of Directors and Board of Statutory Auditors², whose term runs from May 2020 until the Shareholders' Meeting called to approve the 2022 financial statements, are made up of 9 and 5 members, respectively. Three directors and two standing statutory auditors, including the Chairman of the Board of Statutory Auditors, are elected

(1) For more detailed information on the Eni Corporate Governance system, please see the Corporate Governance and Shareholding Structure Report drafted in accordance with Article 123-bis of Legislative Decree no. 58/1998 and published on the Company's website in the Governance section.

(2) Following the resignation of a standing Statutory Auditor on September 1, 2020, replaced by an alternate Auditor, the Shareholders' Meeting of May 12, 2021 appointed a Statutory Auditor and an alternate Auditor for the duration of the term of the Board of Statutory Auditors in office, to restore full membership of the Board of Statutory Auditors.

by non-controlling shareholders, thereby giving minority shareholders a larger number of representatives than that provided for under law. In deciding the composition of the Board of Directors, the Shareholders' Meeting was able to take account of the guidance provided to investors by the previous Board with regard to diversity, professionalism, experience and competence, also with reference to corporate strategies, the Company's transformation and energy transition. The outcome was a balanced and diversified Board of Directors. The Board of Statutory Auditors also prepared new shareholders' advice providing indications on the composition of the body in relation to the tasks it is called upon to perform. The composition of the Board of Directors and of the Board of Statutory Auditors is also more diversified in gender terms, in accordance with the provisions of applicable law and the By-laws. The latter was promptly amended to be compliant with the law in February 2020 in view of the renewal of the corporate bodies. In particular, for 6 consecutive terms the management and control bodies shall be composed of at least 2/5 of the less represented gender. Furthermore, based on the assessments most recently carried out on February 17, 2022, the number of independent directors on the Board of Directors (7³ of the 9 serving, of whom 8 are non-executive directors including the Chairwoman) remains greater than the number provided for in the Bylaws and by corporate governance best practices.

COMPOSITION OF THE BOARD OF DIRECTORS



(a) Independence as defined by applicable law and Corporate Governance Code.
 (b) Figures at December 31, 2021.

The structure of the Board of Directors

The Board of Directors appointed a Chief Executive Officer on May 14, 2020 and established four internal committees with advisory and recommendation functions: the Control and Risk Committee⁴, the Remuneration Committee⁵, the Nomination Committee and the Sustainability and Scenarios Committee. The Committees report, through their Chairmen, on the main issues they address at each meeting of the Board of Directors.

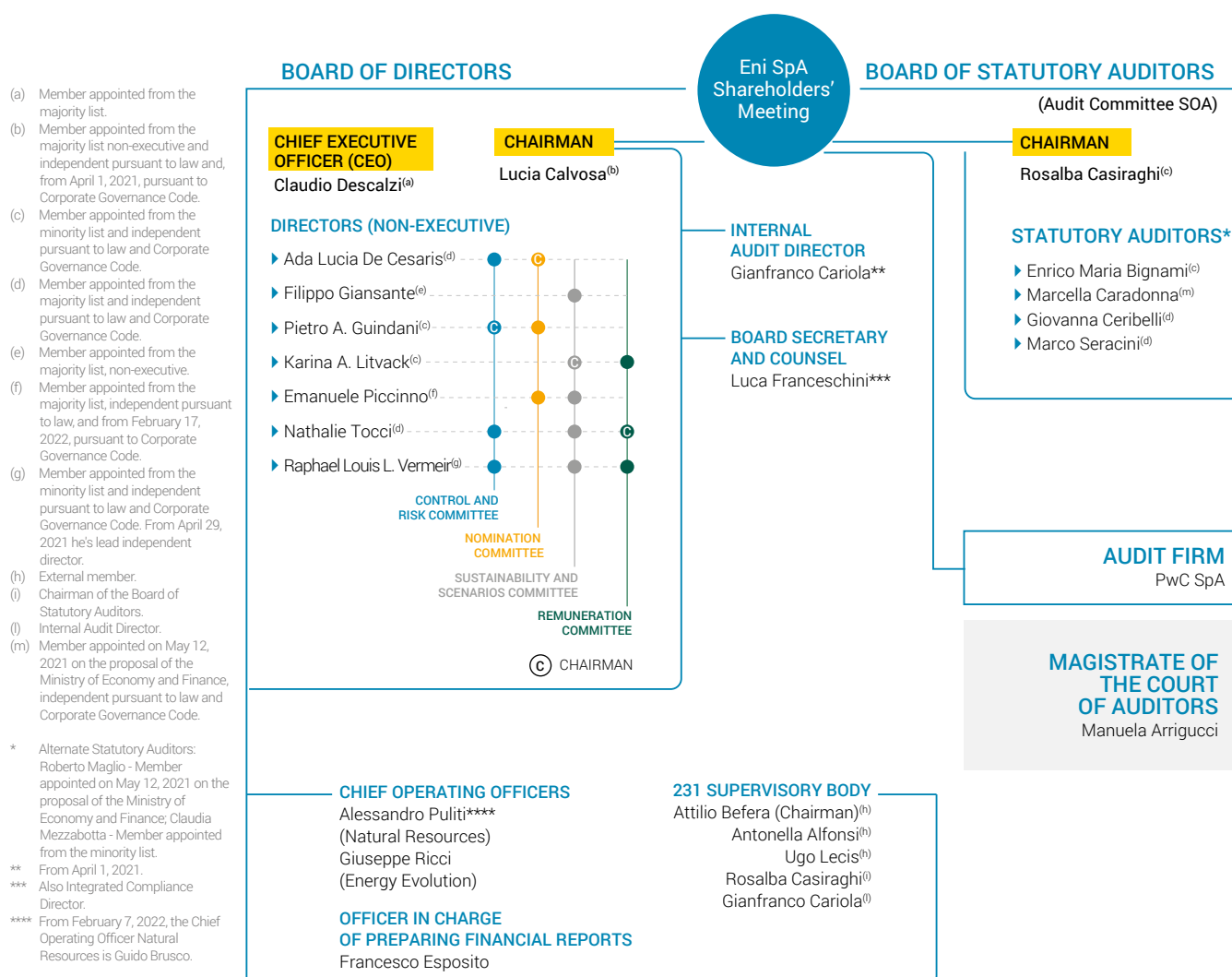
The Board of Directors also retained the Chairman's major role in internal controls, with specific regard to the Internal Audit unit. In agreement with the Chief Executive Officer, the Chairman proposes the

(3) Independence as defined by applicable law, to which the Eni By-laws refer, and by the Corporate Governance Code.
 (4) As regards the composition of the Control and Risk Committee, Eni requires that at least two members shall have appropriate experience with accounting, financial or risk management issues, exceeding the provision of the 2018 Corporate Governance Code, in force at the time of the appointment, confirmed by the new Corporate Governance Code, which recommends only one such member. In this regard, on May 14, 2020 the Eni Board of Directors determined that 2 of the 4 members of the Committee, including the Chairman, have the appropriate experience.
 (5) In line with the Recommendation of the 2018 Corporate Governance Code, in force at the time of the appointment, confirmed by the new Corporate Governance Code, the Rules of the Remuneration Committee require that at least one member shall have adequate expertise and experience in finance or compensation policies. These qualifications are assessed by the Board of Directors at the time of appointment. In this regard, on May 14, 2020 the Eni Board of Directors determined that all three members of the Committee have the appropriate expertise and experience. The level of expertise and experience of the Committee members therefore exceeds that provided for in the Committee Rules and Corporate Governance Code.

appointment, revocation and remuneration of its Head and the resources available to it, without prejudice to the support to the Board of the Control and Risks Committee and the Nomination Committee, to the extent of their competences, and having heard the Board of Statutory Auditors, and also directly manages relations with the unit on behalf of the Board of Directors (without prejudice to the unit's functional reporting to the Control and Risk Committee and the Chief Executive Officer, as the director in charge of the internal control and risk management system). The Chairman is also involved in the appointment of the primary Eni officers responsible for internal controls and risk management, including the officer in charge of preparing financial reports, the members of the Watch Structure, the Head of Integrated Risk Management and the Head of Integrated Compliance.

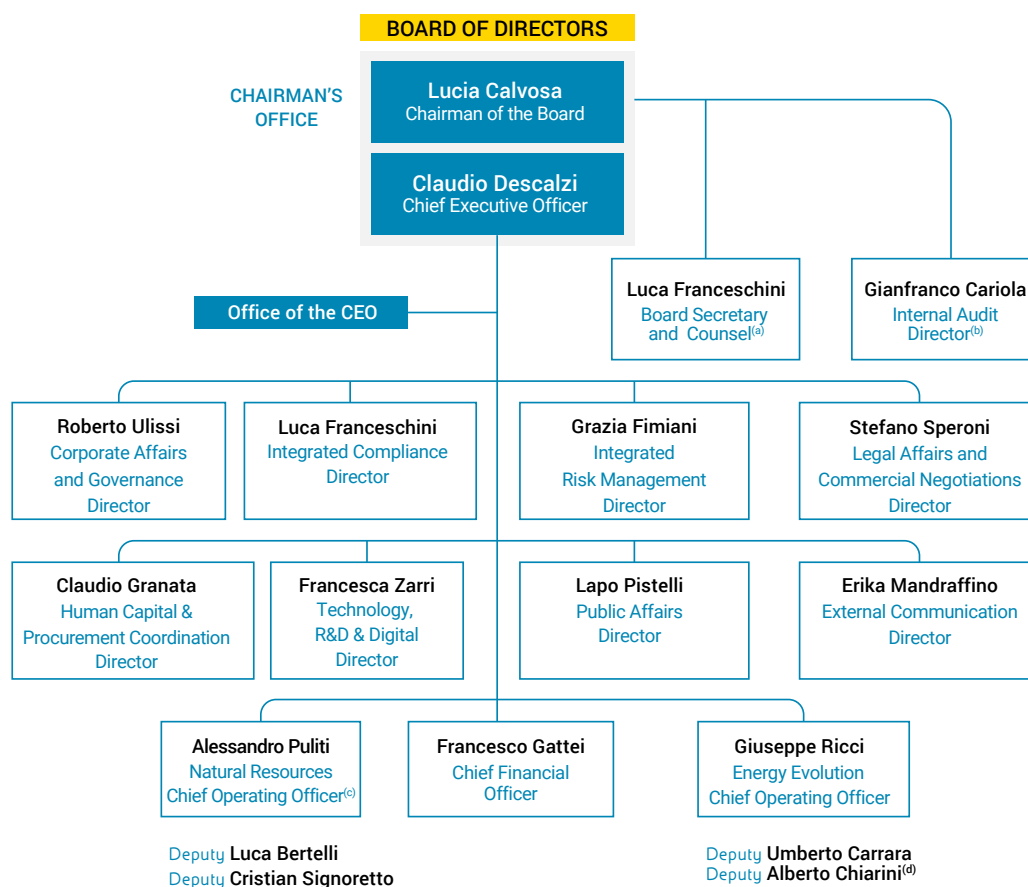
Finally, the Board of Directors, acting on a recommendation of the Chairman, appoints the Secretary, charged with providing assistance and advice to the Chairman, the Board of Directors and the individual directors⁶. In view of this role, the Secretary, who reports to the Board of Directors and, on its behalf, to the Chairman, must also meet professional requirements, as provided for in the Corporate Governance Code, while the Chairman oversees his independence.

The following chart summarises the Company's Corporate Governance structure as at December 31, 2021:



(6) The Charter of the Board Secretary and Board Counsel, attached to the Rules of the Board of Directors, is available on the Eni website, in the Governance section.

The following is a chart setting out the current macro-organizational structure of Eni SpA as at December 31, 2021:



- (a) The Board Secretary and Counsel reports hierarchically and functionally to the Board of Directors and, on its behalf, to the Chairman.
- (b) The Internal Audit Director reports hierarchically to the Board and, on its behalf, to the Chairman, without prejudice to its functional reporting to the Control and Risk Committee and to the CEO, in his capacity as director in charge of establishing and maintaining the Internal Control and Risk Management System. From April 1, 2021 the Internal Audit Director is Gianfranco Cariola; until March 31, 2021 the Internal Audit Director was Marco Petracchini.
- (c) From February 7, 2022 the Natural Resources Chief Operating Officer is Guido Brusco.
- (d) Until March 4, 2022.

Decision making

The Board of Directors entrusts the management of the Company to the Chief Executive Officer, while retaining key strategic, operational and organizational powers for itself, especially as regards governance, sustainability⁷, internal control and risk management.

Organizational arrangements

In recent years, the Board of Directors has devoted special attention to the Company's organizational arrangements, including a number of important measures being taken with regard to the internal control and risk management system and compliance.

More specifically, the Board decided that the Integrated Risk Management function reports directly to the Chief Executive Officer and created an Integrated Compliance function, also reporting to the Chief Executive Officer, separate from the Legal unit. Furthermore, in June 2020, the Board redefined the organizational structure of the Company with the establishment of two General Departments (Energy Evolution and Natural Resources), launching a new structure consistent with the corporate mission and functional to the achievement of strategic objectives.

Among the Board of Directors' most important duties is the appointment of people to key management and control positions in the Company, such as the officer in charge of preparing financial reports, the Head of Internal Audit, the members of the Watch Structure. In performing these duties, the Board of Directors is supported by the Nomination Committee.

(7) For more information concerning non-financial disclosures, please see the section of the Report on the Consolidated Disclosure of Non-Financial Information (NFI), pursuant to Legislative Decree No. 254/2016.

Reporting flows

In order for the Board of Directors to perform its duties as effectively as possible, the Directors must be in a position to assess the decisions they are called upon to make, possessing appropriate expertise and information. The current members of the Board of Directors, who have a diversified range of skills and experience, including on the international stage, are well qualified to conduct comprehensive assessments of the variety of issues they face from multiple perspectives. The directors also receive timely complete briefings on the issues on the agenda of the meetings of the Board of Directors. To ensure this operates smoothly, Board meetings are governed by specific procedures that establish deadlines for providing members with documentation and the Chairman ensures that each Director can contribute effectively to Board discussions. The same documentation is provided to the Statutory Auditors. In addition to meeting to perform the duties assigned to the Board of Statutory Auditors by Italian law, including in its capacity as the "Internal Control and Audit Committee", and by US law in its capacity as the "Audit Committee", the Statutory Auditors also participate in the meetings of the Board of Directors and, also through individual members, at meetings of the Control and Risk Committee thus ensuring the timely exchange of key information for the performance of their respective duties.

The adequacy and timeliness of reporting flows towards the Board of Directors is subject to periodic review by the same Board as part of the annual self-assessment process (see next section).

Ongoing training and self-assessment

On an annual basis, the Board of Directors conducts a self-assessment (the Board Review)⁸, for which benchmarking against national and international best practices and an examination of Board dynamics are essential elements, also with a view to provide shareholders with guidance on the most appropriate professional profiles for members of the Board. Following the Board Review, the Board of Directors develops an action plan, if necessary, to improve the functioning of the Board and its Committees.

In 2020, the self-assessment exercise – as reported in last year's Report – was concluded at the meeting of May 27, 2021, with the presentation of the results of the self-assessment process, as illustrated by the consultant, identifying, through the use of questionnaires and individual interviews, role characteristics, responsibility, size, composition and functioning of the Board and its Committees. In this meeting, based on the results of the self-assessment, an action plan was approved with some evaluations and proposals for improving the Board activities.

In 2021, the self-assessment was carried out in continuity with the previous financial year, taking inspiration from the results of the 2020 board review, as well as from the evaluations and proposals for improvement of the Board activity included in the action plan. In the year 2021 it was decided not to carry out the peer review.

The self-assessment process was carried out through questionnaires and interviews which concerned in particular: (i) the size, functioning and composition of the Board and the Committees, also taking into account elements such as professional characteristics, experience, including in management, and diversity, including gender, of its members, as well as their seniority in office; (ii) the strategic and Plan monitoring role, including ESG issues and the internal control and risk management system. The self-assessment activity carried out for 2021 ended in the meeting of February 17, 2022, with the presentation of the results of the process, as illustrated by the consultant, confirming both the positive elements, already emerged from the previous 2020 board review, and the realization of the improvement initiatives expressed in the action plan, and a further, very positive evolution of all the issues subject to analysis and evaluation.

In addition, in determining the procedures for the performance of the Board Review, the Eni Board also assesses whether to perform a Peer Review of the Directors, in which each director expresses

(8) For more information on the Board Review process, see the section devoted to that process in the 2021 Corporate Governance and Shareholding Structure Report.

his or her view of the contribution made by the other Directors to the work of the Board. The Peer Review, which has been completed five times in the last nine years and was completed, most recently, in conjunction with the Board Review 2020, is best practice among Italian listed companies. Eni was among the first Italian companies to perform one, starting in 2012. The peer review carried out in 2020 highlighted the main dynamics that influence the functioning of the team, also identifying several strengths as well as areas needing improvement. The Board of Statutory Auditors also conducted its own self-assessment in 2021.

For a number of years now, Eni has supported the Board of Directors and the Board of Statutory Auditors with an induction programme, which involves the presentation of the activities and organization of Eni by top management. Following the appointment of the Board of Directors and the Board of Statutory Auditors, numerous induction sessions were held open to Directors and Statutory Auditors, in the context of meetings of both the Board and the Board of Statutory Auditors and the Board Committees, on issues under the remit of the Committees themselves. During 2020 and 2021, the training activity continued through ongoing training and induction activities. In particular, the issues addressed include those relating to the corporate structure and its business model, Eni's mission and decarbonization path, sustainability, governance, compliance, the internal control and risk management system, accounting and tax issues, remuneration policy and human capital, as well as internal regulations on transactions with related parties, cybersecurity and business strategies pursued by the Company in the most important sectors.

The governance of sustainability

Eni's governance structure reflects the Company's willingness to integrate sustainability, including in the form of "sustainable success" as outlined in the Corporate Governance Code, into its business model. The Board of Directors has a central role in defining sustainability policies and strategies, acting upon proposal of the CEO, in the identification of annual, four-year and long-term objectives shared between functions and subsidiaries and in verifying the related results, which are also presented to the Shareholders' Meeting. In detail, a central theme in which the Board of Directors plays a key role is challenge related to the process of energy transition to a low carbon future⁹.

In this regard, it should be noted that the self-assessment process relating to 2021, carried out with the support of an independent external consultant and completed in February 2022¹⁰, provided the Directors with the opportunity to reflect specifically on ESG issues and their implementation in internal policies, the energy transition plan and strategy, climate change, and sustainability in general, issues on which the Board expressed extremely positive opinions. Furthermore, it should be noted that even in the self-assessment process relating to 2020, which ended on May 27, 2021, ESG issues had represented a specific point of attention, and, in particular, there was a positive opinion by the Board on the understanding and attention to these themes, which will be continuously deepened and detailed.

Furthermore, with a view to pursuing sustainable success, Eni's Board of Directors, in line with the 2020 Corporate Governance Code, promotes dialogue with shareholders and other stakeholders relevant to the Company. In particular, as already indicated, the Board, upon proposal of the Chairman in agreement with the Chief Executive Officer, has adopted the policy for managing dialogue with shareholders, also in order to ensure an orderly and consistent communication.

(9) For further information on the role of the Board of Directors in the process of energy transition and the pursuit of sustainable success, see the section of this Report relating to the Consolidated Non-Financial Statement, pursuant to Legislative Decree no. 254/2016.

(10) On the basis of the results of the self-assessment process on the last year of term of the outgoing Board, also in relation to the issue of climate change and the role of the Board in facing this future challenge, the outgoing Board prepared its advice to the Shareholders on the composition of the future Board which highlighted the advisability of including members with, among other things, skills and experience to fully understand the decarbonization process as well as, with specific reference to the issue of the energy transition and its centrality in Eni's strategic plan, the importance of professionalism with experience in contexts of strategic change of similar complexity on a global scale, and "Soft skills" such as the ability to integrate sustainability issues into the business vision.

Another central issue of interest for the Board of Directors is respect for Human Rights: in 2021 Eni continued the path undertaken, that led to the approval of the Eni Declaration on respect for human rights by Eni's Board of Directors in December 2018, also implementing a management model aimed at ensuring the performance of the due diligence process according to the United Nations Guiding Principles on Business and Human Rights (UNGP).

Furthermore, continuing on the path of transformation, in September 2019 Eni's Board of Directors approved a new corporate mission, which takes inspiration from the 17 United Nations Sustainable Development Goals (SDGs) and highlights Eni's values related to climate, the environment, access to energy, cooperation and partnerships for development, respect for people and human rights. The mission highlights the principles that underpin the Company's business model aimed at integrating sustainability into all Company's activities, having regard not only for climate and environment but also for the development, enhancement and training of human resources, considering diversity as an opportunity.

THE MAIN SUSTAINABILITY ISSUES ADDRESSED BY THE BOARD IN 2021

- ▶ 2021 Financial sustainability strategy and sustainability reporting
- ▶ 2020 Sustainability Report: "Eni For"
- ▶ Update of the UK Modern Slavery Act and Australian "Modern Slavery Act" statement
- ▶ 2020 Financial Statements, including the consolidated Non-Financial Statement
- ▶ The Remuneration Report, including sustainability targets in the definition of performance plans
- ▶ 2020 HSE Report
- ▶ Four-year and long-term Plan (including non-financial targets)

Thanks to the growing commitment to transparency and to the business model built by Eni in recent years to create long-term sustainable value, Eni's stock has achieved the top positions in the most popular ESG ratings and confirmed its presence in the main ESG indices¹¹. In particular, in 2021 Eni was included in the MIB® ESG index, the new Borsa Italiana index dedicated to blue chips that excel in ESG performance.

The Sustainability and Scenarios Committee

In performing its duties in the field of sustainability, the Board is supported by the Sustainability and Scenarios Committee, established for the first time in 2014 by the Board itself, which provides advice and recommendations on scenario and sustainability issues. The Committee plays a key role in addressing the sustainability issues integrated into the Company's business model¹².

(11) For timely updates on ESG indices and ratings of relevance to the financial markets, please refer to the Shareholder Relations page of the 2021 Corporate Governance Report and to the Investor Relations page of the site.

(12) For more information on the Committee activities in 2020, please see the relevant section in the 2021 Corporate Governance Report.

Remuneration Policy

Eni's Remuneration Policy for its Directors and top management contributes to the Company's strategy, through incentive plans which is linked to the achievement of results in terms of economic-financial profitability, social and environmental sustainability and energy transition, defined with a long-term view, taking into account the stakeholder's perspectives.

Eni's Remuneration Policy is also consistent with the corporate governance model adopted and with the recommendations of the Corporate Governance Code, providing in particular that the remuneration of Directors, members of the Board of Statutory Auditors, General Managers and Managers with strategic responsibilities is functional to the pursuit of sustainable success of the Company and consider the need to dispose, retain and motivate people with competence and professionalism required from the position held in the company (Principe XV of the Corporate Governance Code).

For this purpose, the remuneration of Eni's top management is established on the basis of the position and the responsibilities assigned, with due consideration given to market benchmarks for similar positions in national and international companies similar to Eni in business features, also in relation to the reference sector and company size, through specific pay comparison carried out with the support of international suppliers.

As part of Eni Remuneration Policy, considerable importance is given to the variable component, also on a per-share basis, which is linked to the achievement of certain results, through incentive plans connected to the fulfilment of preset, measurable and complementary targets which represent the main Company's priorities in line with the Company's Strategic Plan and the expectations of shareholders and stakeholders, in order to promote a strong focus on results and combine the operating, economic and financial soundness with social and environmental sustainability, coherently with the long-term nature of the business and the related risk profiles.

The Policy defined for the next term 2020-2023 provides the confirmation, in the Short-Term Plan of Incentive of Short Term with deferral, of a target related to environmental sustainability and human capital (weight 25%), focused on safety and reduction of GHG emission intensity (Scope 1 + Scope 2), as well as, from 2021, a specific target related to the increase of renewables installed capacity (weight 12.5%).

The 2020-2022 Long-Term Equity Incentive Plan includes a target related to environmental sustainability and energy transition (overall weight 35%), articulated on a series of goals linked to the processes of decarbonization and energy transition and to the circular economy.

The Remuneration Policy is described in the first section of the Remuneration Report, available on the Company's website (www.eni.com) and is presented for a binding vote at the Shareholders' Meeting, with the cadence required by its duration and in any case at least every three years or in the event of changes to it¹³.

(13) In accordance with Art. 123 ter, paragraph 3 bis of the Italian Decree Law No. 58/98.

The internal control and risk management system¹⁴

Eni has adopted an integrated and comprehensive internal control and risk management system at different levels of the organizational and corporate structure, based on a set of rules, procedures and organizational structures aimed at allowing an effective identification, measurement, management and monitoring of the main risks, in order to contribute to the sustainable success of the Company.

The internal control and risk management system is also based on Eni's Code of Ethics, which sets out the rules of conduct for the appropriate management of the Company's business and which must be complied with by all the members of the Board, as well as of the other corporate bodies and all other third parties working with or in name or for the interest of Eni. Eni has adopted rules for the integrated governance of the internal control and risk management system, the guidelines of which were approved by the Board.

Furthermore, on adopting the new Corporate Governance Code, Eni's Board of Directors established various actions and application and improvement methods to comply with the recommendations on the internal control and risk management system (ICRMS), already generally accepted as in line with the best practices of corporate governance¹⁵.

In this respect, in order to strengthen the integration between strategic planning and internal controls and risk management, upon the proposal of the Chief Executive Officer and with the support of the Control and Risks Committee, the Board of Directors has called for the definition of "operational" guidelines for the ICRMS, that exceed the ICRMS model contained in internal regulations, as part of the Strategic plan, in line with the strategies of the company.

It was also envisaged that the implementation of the operational guidelines of the ICRMS is subject to periodic monitoring on the basis of a report by the Chief Executive Officer.

Eni has also equipped itself with a reference model for Integrated Compliance, which together with Model 231 and the Code of Ethics, is aimed at ensuring that all Eni personnel who are contributing to the achievement of business objectives operate in full compliance with the rules of integrity and applicable laws and regulations in an increasingly complex national and international regulatory framework, defining a comprehensive process, developed using a risk-based approach, for managing activities to prevent non-compliance.

With this in mind, risk assessment methodologies were developed aimed at modulating controls, calibrating monitoring activities and planning training and communication activities based on the compliance risk underlying the various cases, to maximize their effectiveness and efficiency. The Integrated Compliance process was designed to stimulate integration between those who work in the business activities and the corporate functions that oversee the various compliance risks, both internal or external to the Integrated Compliance unit.

Furthermore, acting on the proposal of the Chief Executive Officer, having obtained a favourable opinion from the Control and Risk Committee, the Board of Directors of Eni approved the internal rules concerning the Market Information Abuse (Issuers). These, by updating the previous Eni rules for the aspects relating to "issuers", incorporate the amendments introduced by Regulation No. 596/2014/EU of April 16, 2014 and the associated implementing rules, as well as the national regulations, taking account of Italian and foreign institutional guidelines on the matter.

The updated internal rules lay down principles of conduct for the protection of confidentiality of corporate information in general, to promote maximum compliance, as also required by Eni's Code of Ethics and corporate security measures. Eni recognizes that information is a strategic asset to be managed in such a way as to ensure the protection of the interests of the Company, shareholders and the market.

(14) For more information, please see the 2021 Corporate Governance Report.

(15) For more information, please see the 2021 Corporate Governance Report.

In order to ensure the protection of corporate assets, of the interests of shareholders and the market, as well as the transparency and integrity of conduct, Eni has adopted – in compliance with Consob regulatory provisions – internal rules on transactions involving the interests of directors and statutory auditors and transactions with related parties. These rules were most recently updated in 2021 by the Board of Directors, with the unanimous and favourable opinion of the Control and Risks Committee, with the aim of ensuring regulatory compliance, but also taking into account the experience gained, as well as the indications of the Board Committees and supervisory bodies.

An integral part of the Eni internal control system is the internal control system for financial reporting, the objective of which is to provide reasonable certainty of the reliability of financial reporting and the ability of the financial report preparation process to generate such reporting in compliance with generally accepted international accounting standards.

Eni's CEO, Chief Financial Officer (CFO) and Head of Accounting and Financial Statements and budget manager, in his capacity as officer in charge of preparing financial reports, are responsible for planning, establishing and maintaining the internal control system for financial reporting. A central role in the Company's internal control and risk management system is played by the Board of Statutory Auditors, which in addition to the supervisory and control functions provided for in the Consolidated Law on Financial Intermediation, also monitors the financial reporting process and the effectiveness of the internal control and risk management systems, consistent with the provisions of the Corporate Governance Code, including in its capacity as the "Internal Control and Audit Committee" pursuant to Italian law and as the "Audit Committee" under US law.