



Financial Review

PROFIT AND LOSS ACCOUNT

	(€ million)	2025	2024	2023	Change	% Ch.
Sales from operations		82,151	88,797	93,717	(6,646)	(7.5)
Other income and revenues		1,478	2,417	1,099	(939)	(38.8)
Operating expenses		(70,296)	(74,544)	(77,221)	4,248	5.7
Other operating income (expense)		641	(352)	478	993	..
Depreciation, depletion, amortization		(7,349)	(7,600)	(7,479)	251	3.3
Net impairment reversals (losses) of tangible and intangible and right-of-use assets		(1,582)	(2,900)	(1,802)	1,318	45.4
Write-off of tangible and intangible assets and right-of-use assets		(33)	(580)	(535)	547	94.3
Operating profit (loss)		5,010	5,238	8,257	(228)	(4.4)
Finance income (expense)		(819)	(599)	(473)	(220)	(36.7)
Income (expense) from investments		1,587	1,850	2,444	(263)	(14.2)
Profit (loss) before income taxes		5,778	6,489	10,228	(711)	(11.0)
Income taxes		(3,020)	(3,725)	(5,368)	705	18.9
Tax rate (%)		52.3	57.4	52.5		
Net profit (loss)		2,758	2,764	4,860	(6)	(0.2)
<i>attributable to:</i>						
- Eni's shareholders		2,608	2,624	4,771	(16)	(0.6)
- Non-controlling interest		150	140	89	10	7.1

PERFORMANCE OF THE YEAR

In 2025, market environment adversely affected the Group's economic and financial performance, mainly due to the decline in Brent prices and the appreciation of the EUR/USD. The average Brent price stood at 69 \$/bbl, down by 14.5% compared to 2024, reflecting an uncertain macroeconomic environment, gradually weakening from the second quarter of the year. This was driven by trade commercial disputes triggered by the decision of the US administration to impose import tariffs on its main trading partners and the related risks of an economic slowdown and other geopolitical risks. Moreover, continuous production growth in non-OPEC countries – particularly the United States, Canada, Brazil and Guyana – resulted in an oversupplied market. The resulting downward pressure and oversupply concerns led to a further price decrease through early 2026. From that point onwards, crude oil prices have been improving steadily, recovering to more than 100 \$/bbl by start of March 2026 driven by escalating tensions in the Middle-East.

In the natural gas market, prices at major European hubs recorded a slight increase year on year, although they showed a downward trend driven by rising US production, higher LNG export volumes and increased availability of worldwide supplies. Due to recent developments in Middle East, we expect a high degree of volatility in the European gas market for 2026.

Petrochemical margins were affected by the European economic slowdown and reduced competitiveness in the manufacturing sector, while refining margins recovered in the second half of 2025 due to favorable market trends and the reduction in Russian exports. Biofuel margins also improved compared with the depressed levels of 2024.

Finally, the appreciation of the EUR/USD exchange rate (up by 4.4% compared to 2024) negatively impacted on the translation of the financial statements of subsidiaries with USD functional currency and the Group's consolidated shareholders' equity.



	2025	2024	2023	% Ch.
Average price of Brent dated crude oil in U.S. dollars ^(a)	69.06	80.76	82.62	(14.5)
Average EUR/USD exchange rate ^(b)	1.130	1.082	1.081	4.4
Average price of Brent dated crude oil in euro	61.12	74.64	76.43	(18.1)
Standard Eni Refining Margin (SERM) ^(c)	7.3	5.1	8.1	42.6
PSV ^(d)	39	36	42	6.0
TTF ^(d)	36	34	41	5.2

(a) Price per barrel. Source: S&P Global Energy.

(b) Source: ECB.

(c) In \$/BBL FOB Mediterranean Brent dated crude oil. Source: Eni calculations.

(d) €/MWh.

In 2025, net profit attributable to Eni's shareholders was €2,608 million, reflecting the reduction in operating profit (down by €228 million compared to 2024), partly offset by lower tax rate (down by 5 percentage points compared to 2024) driven by a better geographical mix of profits before taxes in E&P reflecting higher contribution from jurisdictions with lower-than-average tax rates also as result of portfolio rationalization and as several development projects were matured to FID enabling the recognition of the tax benefit associated with previously incurred exploration expenses.

Below the breakdown of the operating profit by business segment:

	(€ million)	2025	2024	2023	Change	% Ch.
Exploration & Production		6,302	6,715	8,693	(413)	(6.2)
Global Gas & LNG Portfolio and Power		1,770	(909)	2,626	2,679	
Enilive and Plenitude		652	1,589	(74)	(937)	(59.0)
Refining and Chemicals		(2,485)	(1,681)	(2,121)	(804)	(47.8)
Corporate and other activities		(1,499)	(371)	(948)	(1,128)	..
Impact of unrealized intragroup profit elimination		270	(105)	81	375	
Operating profit (loss)		5,010	5,238	8,257	(228)	(4.4)

ADJUSTED RESULTS AND BREAKDOWN OF SPECIAL ITEMS

Eni's management determines adjusted results excluding extraordinary gains/charges or special items, in order to improve understanding of the underlying operating performance of our businesses. The main indicator of underlying profitability, adjusted operating profit on a proforma basis (i.e., including the Eni share of the main joint ventures/associates), amounted to €12.2 billion, a decrease of 14.7% compared to 2024 (down by €2.1 billion) mainly due to a negative trading environment reflecting declining crude oil prices y-o-y (down by 15%) and appreciation of the EUR/USD rate (up by 4.4%) which affected the E&P business, offset by oil and gas production growth, an improved production mix due to an increasing contribution of more valuable barrels and cost efficiencies.

The GGP and Power segment reported a proforma adjusted EBIT of €1.39 billion, driven by continued margin improvement from gas and LNG portfolio optimization and asset-backed trading in a weaker market environment. Enilive reported a proforma adjusted EBIT of €0.64 billion, an increase of 18% from the comparative period, following the recovery in biofuel margins. The Refining business benefitted from improved product crack spreads and better plant utilization rates, resulting in a proforma adjusted EBIT of €0.13 billion (up by 29% compared to 2024). Plenitude reported a proforma adjusted EBIT of €0.57 billion, decreasing by 5.5% from the comparative period (€0.60 billion in 2024) following the lower results achieved by the retail business due to the reduced contribution of energy efficiency solutions, as well as increased competitive pressure. The Chemicals business recorded a loss of €0.82 billion due to the continuing weakness of the European industry, thus showing an improvement due to the benefits of the ongoing restructuring plan. Finally, compared with 2024, it should be noted that in the previous year Eni recognized a gain relating to the agreement with an Italian operator for the sharing of environmental costs incurred by Eni at certain decommissioned Italian sites jointly managed in the past.



The main drivers of the changes in proforma adjusted EBIT year-on-year are detailed in the following table:

(€ billion)	2025	2024	Change	of which	Scenario/Price/ Exchange rate	Volume mix	Costs and other effects
Proforma adjusted EBIT	12.2	14.3	(2.1)		(3.2)	0.2	0.9

Below the breakdown of the proforma adjusted EBIT by business segments:

(€ million)	2025	2024	2023	Change	% Ch.
Operating profit (loss)	5,010	5,238	8,257	(228)	(4.4)
Exclusion of inventory holding (gains) losses	745	434	562		
Exclusion of special items	2,589	4,676	4,986		
Adjusted operating profit (loss)	8,344	10,348	13,805	(2,004)	(19.4)
main JV/Associates adjusted EBIT	3,879	3,974	4,004		
Proforma adjusted EBIT	12,223	14,322	17,809	(2,099)	(14.7)
<i>Breakdown by segment:</i>					
Exploration & Production	11,163	13,022	13,538	(1,859)	(14.3)
Global Gas & LNG Portfolio and Power	1,392	1,274	3,599	118	9.3
Enilive and Plenitude	1,208	1,143	1,253	65	5.7
Refining and Chemicals	(689)	(713)	46	24	3.4
Corporate and other activities	(1,067)	(526)	(666)	(541)	..
Impact of unrealized intragroup profit elimination and other consolidation adjustments	216	122	39	94	
Adjusted profit (loss) before taxes	9,233	11,125	15,108	(1,892)	(17.0)
Adjusted net profit (loss)	5,210	5,333	8,400	(123)	(2.3)
Net profit (loss)	2,758	2,764	4,860	(6)	(0.2)
Net profit (loss) attributable to Eni's shareholders	2,608	2,624	4,771	(16)	(0.6)
Exclusion of inventory holding (gains) losses	508	308	402		
Exclusion of special items	1,873	2,325	3,149		
Adjusted net profit (loss) attributable to Eni's shareholders	4,989	5,257	8,322	(268)	(5.1)

For a detailed disclosure on businesses performance, see the paragraph "Results by business segments".

In 2025, the Group reported an adjusted net profit of €4,989 million, a decrease of €268 million compared to 2024, reflecting the trend in the Group adjusted operating profit and partly offset by about 8 percentage points reduction of the adjusted tax rate.

BREAKDOWN OF SPECIAL ITEMS

Adjusted net profit includes special items consisting of net charges of €1,873 million, mainly relating to the following:

- impairment losses of upstream business (€1,081 million) mainly driven by the alignment of disposal groups to their sale prices (€511 million), of which two transactions already closed in the year, as well as downward reserves revisions and price effects at other oil&gas assets (€570 million);
- impairment losses of chemical plants (€198 million) driven by a reduced profitability outlook because of continuing margins deterioration and the write-down of capital expenditures made for compliance and stay-in-business at certain CGUs with expected negative cash flows in the Refining business (€253 million);
- environmental and remediation provision (€560 million), mainly relating to refining plants, storage sites, fuel distribution networks and oil pipelines (€133 million); environmental remediation activities at dismissed Italian plants and costs related to groundwater cleanups (€172 million);



- million), as well as remediation and decommissioning costs of certain industrial sites closed and in hubs under transformation in the Chemical business (€173 million);
- risk provisions (€325 million) mainly relating to a proceeding pending before the Italian Antitrust Authority (AGCM) on the retail fuel sales business in Italy;
 - provision for plant shutdown expenses in the Chemicals business (approximately €77 million);
 - provision for redundancy incentives (€72 million);
 - the accounting effect of certain fair-valued commodity derivatives lacking the formal criteria to be classified as hedges or to be waived from fair value accounting under the own use exemption (net gain of €26 million);
 - the difference between the value of gas inventories accounted for under the weighted-average cost method provided by IFRS and management's own measure of inventories, which moves forward at the time of inventory drawdown, the margins captured on volumes in inventories above normal levels leveraging the seasonal spread in gas prices net of the effects of the associated commodity derivatives (charges of €46 million).

	(€ million)	2025	2023	2022
Special items of operating profit (loss)		2,589	4,676	4,986
- impairment losses (impairments reversal), net		1,582	2,900	1,802
- impairment of exploration projects			140	
- environmental charges		560	31	648
- net gains on disposal of assets		(21)	(38)	(11)
- risk provisions		325	44	39
- provision for redundancy incentives		72	73	158
- commodity derivatives		(26)	1,056	1,255
- exchange rate differences and derivatives		(334)	258	(16)
- other		431	212	1,111
Net finance (income) expense		279	(155)	30
of which:				
- exchange rate differences and derivatives reclassified to operating profit (loss)		334	(258)	16
Net (income) expense from investments		(158)	(319)	(698)
Income taxes		(790)	(1,941)	(1,180)
Total special items of net profit (loss)		1,920	2,261	3,138
Attributable to:				
- non-controlling interest		47	(64)	(11)
- Eni's shareholders		1,873	2,325	3,149



ANALYSIS OF THE LINE ITEMS OF THE PROFIT AND LOSS ACCOUNT

REVENUES

	(€ million)	2025	2024	2023	Change	% Ch.
Exploration & Production		50,367	54,440	55,773	(4,073)	(7.5)
Global Gas & LNG Portfolio and Power		17,120	18,876	24,168	(1,756)	(9.3)
Enilive and Plenitude		29,278	31,301	32,877	(2,023)	(6.5)
Refining and Chemicals		18,179	21,210	23,061	(3,031)	(14.3)
Corporate and other activities		2,073	1,905	1,830	168	8.8
Consolidation adjustments		(34,866)	(38,935)	(43,992)	4,069	
Sales from operations		82,151	88,797	93,717	(6,646)	(7.5)
Other income and revenues		1,478	2,417	1,099	(939)	(38.8)
Total revenues		83,629	91,214	94,816	(7,585)	(8.3)

In 2025 sales from operations amounted to €82,151 million, reporting a decrease of €6,646 million from 2024 (down by 7.5%), reflecting the trend in energy commodities and appreciation of the euro which negatively affected all business segments. The Brent price down by 15% and negatively affected products prices, which were negatively impacted by weak demand, excess capacity, competitive pressure from foreign producers, as well as by lower processed volumes/product availability.

Other income and revenues amounting to €1,478 million decreased by €939 million from 2024, mainly due to the circumstance that in the previous year a gain relating to the agreement with an Italian operator for the sharing of environmental costs incurred by Eni at certain decommissioned Italian sites.

This line item includes also the right of use costs of leased assets billed to partners of the joint operations not incorporated operated by Eni, as well as income from patent fees, licences and royalties.

OPERATING EXPENSES

	(€ million)	2025	2024	2023	Change	% Ch.
Purchases, services and other		67,056	71,114	73,836	(4,058)	(5.7)
Impairment losses (impairment reversals) of trade and other receivables, net		11	168	249	(157)	(93.5)
Payroll and related costs		3,229	3,262	3,136	(33)	(1.0)
		70,296	74,544	77,221	(4,248)	(5.7)

Operating expenses for 2025 (€70,296 million) decreased by €4,248 million from 2024, down by 5.7%.

Purchases, services and other (€67,056 million) decreased by 5.7% compared to 2024 mainly reflecting lower hydrocarbon supply costs (gas from long-term contracts and refinery and chemical feedstocks).

Payroll and related costs (€3,229 million) decreased slightly from 2024 mainly due to divestments activities outside Italy following the portfolio optimizations, partly offset by increases on wages mainly in Italy due to the renewal of collective labor agreements.



DEPRECIATION, DEPLETION, AMORTIZATION, IMPAIRMENT LOSSES (IMPAIRMENT REVERSALS) NET AND WRITE-OFF

	(€ million)	2025	2024	2023	Change	% Ch.
Exploration & Production		6,061	6,353	6,271	(292)	(4.6)
Global Gas & LNG Portfolio and Power		279	267	295	12	4.5
Enilive and Plenitude		745	708	665	37	5.2
Refining and Chemicals		146	161	142	(15)	(9.3)
Corporate and other activities		153	144	140	9	6.3
Impact of unrealized intragroup profit elimination		(35)	(33)	(34)	(2)	
Total depreciation, depletion and amortization		7,349	7,600	7,479	(251)	(3.3)
Impairment losses (impairment reversals) of tangible and intangible and right of use assets, net		1,582	2,900	1,802	(1,318)	(45.4)
Depreciation, depletion, amortization, impairments and reversals, net		8,931	10,500	9,281	(1,569)	(14.9)
Write-off of tangible and intangible assets and right-of-use assets		33	580	535	(547)	(94.3)
		8,964	11,080	9,816	(2,116)	(19.1)

Depreciation, depletion and amortization (€7,349 million) decreased by €251 million from 2024 mainly in the Exploration & Production segment following the appreciation of the EUR vs. USD and the effect of amortization suspension at certain assets that were reclassified as held-for-sale. Those decreases were partly offset by higher charges due to projects start-ups and reserves revisions. Charges increased in the Enilive and Plenitude segment (up by €37 million) due to start-ups of new renewable energy installations.

Impairment losses (impairment reversals) of tangible and intangible and right of use assets, net (€1,582 million) disclosed in the section "special item", follow the breakdown below:

	(€ million)	2025	2024	2023	Change
Exploration & Production		1,081	2,203	1,043	(1,122)
Global Gas & LNG Portfolio and Power		(18)	101	(38)	(119)
Enilive and Plenitude		7	113	45	(106)
Refining and Chemicals		451	455	726	(4)
Corporate and other activities		61	28	26	33
Impairment losses (impairment reversals) of tangible and intangible and right of use assets, net		1,582	2,900	1,802	(1,318)

Write-off of tangible and intangible assets amounted to €33 million and mainly related to the E&P segment as capitalized costs of suspended exploratory wells were expensed through profit due to the negative assessment of recoverable reserves or economic feasibility of exploration projects in Algeria and Oman, as well as, exploration mineral rights, mainly due to the abandonment of certain underlying initiatives.



FINANCE INCOME (EXPENSE)

	(€ million)	2024	2024	2023	Change
Finance income (expense) related to net borrowings		(743)	(656)	(487)	(87)
- Interest expense on corporate bonds		(774)	(827)	(667)	53
- Net income from financial activities held for trading		243	367	250	(124)
- Net income from financial assets measured at fair value through profit or loss		(8)	21	34	(29)
- Interest expense for banks and other financing institutions		(252)	(358)	(207)	106
- Interest expense for lease liabilities		(348)	(314)	(267)	(34)
- Interest from banks		191	294	356	(103)
- Interest and other income from receivables and securities for non-financing operating activities		205	161	14	44
Income (expense) on derivative financial instruments		(80)	278	(61)	(358)
- Derivatives on exchange rate		(86)	310	(63)	(396)
- Derivatives on interest rate		6	(32)	2	38
Exchange differences, net		133	(38)	255	171
Other finance income (expense)		(251)	(405)	(274)	154
- Interest and other income from receivables and securities for financing operating activities		39	44	153	(5)
- Finance expense due to the passage of time (accretion discount)		(250)	(261)	(341)	11
- Other finance income (expense)		(40)	(188)	(86)	148
		(941)	(821)	(567)	(120)
Finance expense capitalized		122	222	94	(100)
		(819)	(599)	(473)	(220)

Net finance expenses were €819 million, €220 million higher than in 2024, as a result of: (i) higher financial expenses related to debt as a result of lower income on securities measured at fair value (€124 million); (ii) higher financial expenses related to the negative change in the fair value of currency derivatives (up by €396 million), whose changes are recognized in the profit and loss as they do not meet the formal criteria to be classified as hedges under IFRS 9, partially offset by the positive change in exchange rate differences (€171 million).

Net income from investments amounted to €1,587 million and related to:

NET INCOME (EXPENSE) FROM INVESTMENTS

2025	(€ million)	Exploration & Production	Global Gas & LNG Portfolio and Power	Enilive and Plenitude	Refining and Chemicals	Corporate and other activities	Group
Share of gains (losses) from equity-accounted investments		1,116	32	(86)	120	(21)	1,161
Dividends		182		6	22	32	242
Net gains (losses) on disposals		32				45	77
Other income (expense), net		92	(18)	6		27	107
		1,422	14	(74)	142	83	1,587

- Eni's share of profit from equity-accounted investments (€1,161 million) mainly relating to Vår Energi, Azule Energy, Ithaca Energy and ADNOC R> as well as Eni's share of the results of the Saipem joint venture;
- dividends of €242 million paid by minority investments in certain entities which were designated at fair value through other comprehensive income under IFRS 9, except for dividends which were recorded through profit. These entities mainly comprised Nigeria LNG (€156 million) and Everen Ltd (€30 million);
- gains on the disposal of assets (€77 million) mainly referred to the divestment of an interest in Ithaca Energy and the sale of a 49.99% stake in Eni CCUS Holding;
- other net gains (€107 million) mainly related to the effects of the acquisition of an additional stake in the Touat production field in Algeria, as well as the capital gain from the fair value measurement of the residual share in the JV with GIP.



	(€ million)	2025	2024	2023	Change
Share of gains (losses) from equity-accounted investments		1,161	866	1,336	295
Dividends		242	227	255	15
Net gains (losses) on disposals		77	562	430	(485)
Other income (expense), net		107	195	423	(88)
Income (expense) from investments		1,587	1,850	2,444	(263)

INCOME TAXES

In 2025, income taxes decreased by €705 million to €3,020 million and included €385 million of deferred tax assets at Italian subsidiaries due to recognition of tax-loss carryforwards relating to an improved profitability outlook. On an adjusted basis, tax rate was about 44% (52% in 2024). The reduction in the Group tax rate was driven by a better geographical mix of profits before taxes in E&P reflecting higher contribution from jurisdictions with lower-than-average tax rates also as result of portfolio rationalization and as several development projects were matured to FID enabling the recognition of the tax benefit associated with previously incurred exploration expenses.

RESULTS BY BUSINESS SEGMENTS¹

EXPLORATION & PRODUCTION

	(€ million)	2025	2024	2023	Change	% Ch.
Sales from operations		50,367	54,440	55,773	(4,073)	(7.5)
of which: Upstream		19,436	23,053	23,957	(3,617)	(16)
Proforma adjusted EBIT		11,163	13,022	13,538	(1,859)	(14.3)
of which: main JV/Associates		3,670	3,802	3,414	(132)	(3)
Operating profit (loss) of subsidiaries		6,302	6,715	8,693	(413)	(6.2)
Exclusion of special items:		1,191	2,505	1,431		
- environmental charges		24	9	81		
- impairment losses (impairment reversals), net		1,081	2,203	1,043		
- impairment of exploration projects			140			
- net gains on disposal of assets		(10)	(25)	2		
- provision for redundancy incentives		23	21	42		
- risk provisions		122	9	7		
- commodity derivatives		(9)	(1)	15		
- exchange rate differences and derivatives		(48)	22	73		
- other		8	127	168		
Adjusted operating profit (loss) of subsidiaries		7,493	9,220	10,124	(1,727)	(18.7)
Adjusted profit (loss) before taxes		8,464	10,247	11,239	(1,783)	(17.4)
Tax rate (%)		42.4	53.4	49.7		
Adjusted net profit (loss)		4,875	4,777	5,648	98	2.1
Results also include:						
Exploration expenses:		211	741	687	(530)	(71.5)
- prospecting, geological and geophysical expenses		174	186	205	(12)	(6.5)
- write-off of unsuccessful wells ^(a)		37	555	482	(518)	(93.3)
Average realizations						
Liquids ^(b)	(\$/bbl)	64.19	74.09	75.28	(9.90)	(13.4)
Natural gas	(\$/kcf)	7.87	7.73	8.14	0.14	1.8
Hydrocarbons	(\$/boe)	53.64	57.56	59.35	(3.92)	(6.8)

(a) Also includes write-off of unproved exploration rights, if any, related to projects with negative outcome.

(b) Includes condensates.

(1) Other alternative performance indicators disclosed are accompanied by explanatory notes and tables in line with the guidance provided by ESMA guidelines on alternative performance measures (ESMA/2015/1415), published on October 5, 2015. For further information, see the section "Alternative performance measures" of this Annual Report at subsequent pages. The results of the business segments reflect their contribution to Eni's consolidated results.



In 2025, Exploration & Production reported a proforma adjusted EBIT of €11,163 million, down by 14.3% versus 2024, due to lower realizations affected by a decrease in crude oil prices in USD (the marker Brent was down by 15% compared to 2024) and the appreciation in the EUR/USD exchange rate (+4.4%) which adversely impacts the euro translation of the results of subsidiaries with the US dollar as their functional currency. These reductions were partially offset by production growth and favorable mix effects, self-help initiatives and lower exploration write-offs.

Adjusted net profit was €4,875 million, increasing year-on-year. Tax rate decreased by around 10 percentage points compared to 2024, mainly driven by a more favorable geographical mix of pretax profit and as several exploration projects were matured to final investment decision during the year, which enabled the Company to reassess the tax deductibility of exploration expenses.

MAIN JV/ASSOCIATES

	(€ million)	2025	2024	2023	Change	% Ch.
Adjusted operating profit (Eni's share)		3,670	3,802	3,414	(132)	(3.5)
<i>of which: Vår Energi</i>		2,169	2,287	2,348	(118)	(5.2)
<i>Azule</i>		817	1,110	876	(293)	(26.4)
Adjusted net profit		1,050	1,198	1,153	(148)	(12.4)
Total dividends		1,206	1,124	1,470	82	7.3

GLOBAL GAS & LNG PORTFOLIO E POWER

	(€ million)	2025	2024	2023	Change	% Ch.
Sales from operations		17,120	18,876	24,168	(1,756)	(9.3)
Proforma adjusted EBIT		1,392	1,274	3,599	118	9.3
- GGP		1,045	1,138	3,433	(93)	(8.2)
<i>of which: main JV/Associates</i>		30	39	186	(9)	(23.1)
- Power		347	136	166	211	155.1
Operating profit (loss) of subsidiaries		1,770	(909)	2,626	2,679	..
Exclusion of special items:		(408)	2,144	787		
- <i>impairment losses (impairment reversals), net</i>		(18)	101	(38)		
- <i>environmental charges</i>		1	(3)	1		
- <i>provision for redundancy incentives</i>		2	1	6		
- <i>commodity derivatives</i>		(377)	1,740	99		
- <i>exchange rate differences and derivatives</i>		(292)	228	(105)		
- <i>other</i>		276	77	824		
Adjusted operating profit (loss) of subsidiaries		1,362	1,235	3,413	127	10.3
Adjusted profit (loss) before taxes		1,378	1,272	3,463	106	8.3
Adjusted net profit (loss)		851	787	2,494	64	8.1

In 2025, the Global Gas & LNG Portfolio segment achieved a proforma adjusted EBIT of €1,045 million, down by 8% from 2024, due to a weaker market scenario, especially in terms of volatility, spreads and overall lower price environment, as well as lower benefits of contractual renegotiations and settlements.

The Power generation from gas-fired plants business reported a proforma adjusted EBIT of €347 million, up by €211 million compared to 2024, benefiting from the effects of a one-off gain relating to contractual renegotiation.

The Global Gas & LNG Portfolio and Power segment achieved an adjusted net profit of €851 million, compared to a profit of €787 million in 2024.



ENILIVE AND PLENITUDE

ENILIVE

	(€ million)	2025	2024	2023	Change	% Ch.
Sales from operations		19,120	21,139	21,780	(2,019)	(9.6)
Proforma adjusted EBITDA		953	852	1,013	101	11.9
Proforma adjusted EBIT		637	539	738	98	18.2
<i>of which: main JV/Associates</i>		(45)	(32)	(4)	(13)	(40.6)
Operating profit (loss) of subsidiaries		499	282	585	217	77.0
Exclusion of inventory holding (gains) losses		115	112	47		
Exclusion of special items:		68	177	110		
- <i>environmental charges</i>		57	38	36		
- <i>impairment losses (impairment reversals), net</i>			117	38		
- <i>risk provisions</i>			2	8		
- <i>provision for redundancy incentives</i>		3	4	15		
- <i>commodity derivatives</i>		(13)				
- <i>exchange rate differences and derivatives</i>		(1)	(1)	2		
- <i>other</i>		22	17	11		
Adjusted operating profit (loss) of subsidiaries		682	571	742	111	19.4
Adjusted profit (loss) before taxes		611	512	720	99	19.3
Adjusted net profit (loss)		456	358	516	98	27

In 2025, Enilive reported a proforma adjusted EBIT of €637 million, up by 18.2% year-on-year, supported by strong results achieved by our Italian biorefineries, leveraging on the recovery in EU bio-margins and higher throughputs.

The proforma adjusted EBITDA amounted to €953 million (€852 million in 2024).

PLENITUDE

	(€ million)	2025	2024	2023	Change	% Ch.
Sales from operations		10,168	10,179	11,102	(11)	(0.1)
Proforma adjusted EBITDA		1,065	1,058	927	7	0.7
Proforma adjusted EBIT		571	604	515	(33)	(5.5)
<i>of which: main JV/Associates</i>		17	(12)		29	..
Operating profit (loss) of subsidiaries		153	1,307	(659)	(1,154)	(88.3)
Exclusion of special items:		401	(691)	1,174		
- <i>impairment losses (impairment reversals), net</i>		7	(4)	7		
- <i>net gains on disposal of assets</i>		1	(1)			
- <i>provision for redundancy incentives</i>		(1)	(6)	7		
- <i>commodity derivatives</i>		381	(682)	1,142		
- <i>other</i>		13	2	18		
Adjusted operating profit (loss) of subsidiaries		554	616	515	(62)	(10.1)
Adjusted profit (loss) before taxes		510	564	466	(54)	(9.6)
Adjusted net profit (loss)		346	366	293	(20)	(5.5)

In 2025, Plenitude reported a proforma adjusted EBIT of €571 million, down by 5.5% year-on-year, due to lower results on the retail business, mainly related to a reduced contribution of energy efficiency solutions and increasing competitive pressure.

Proforma adjusted EBITDA amounted to €1,065 million compared to €1,058 million in 2024, reflecting the higher capacity in operation, partially offset by lower wind in Europe and negative price scenario in some key countries.



REFINING AND CHEMICALS

	(€ million)	2025	2024	2023	Change	% Ch.
Sales from operations		18,179	21,210	23,061	(3,031)	(14.3)
Proforma adjusted EBIT		(689)	(713)	46	24	3.4
- Refining		130	101	660	29	28.7
of which: main JV/Associates		207	177	408	30	16.9
- Chemicals		(819)	(814)	(614)	(5)	(0.6)
Operating profit (loss) of subsidiaries		(2,485)	(1,681)	(2,121)	(804)	(47.8)
Exclusion of inventory holding (gains) losses		684	95	557		
Exclusion of special items:		905	696	1,202		
- environmental charges		306	177	337		
- impairment losses (impairment reversals), net		451	455	726		
- net gains on disposal of assets		(5)	(2)	(9)		
- risk provisions		36	33	11		
- provision for redundancy incentives		11	19	31		
- commodity derivatives		(8)	(1)	(1)		
- exchange rate differences and derivatives		7	6	11		
- other		107	9	96		
Adjusted operating profit (loss)		(896)	(890)	(362)	(6)	(0.7)
Adjusted profit (loss) before taxes		(714)	(755)	47	41	5.4
Adjusted net profit (loss)		(681)	(449)	36	(232)	(51.7)

In 2025, the Refining business delivered a proforma adjusted EBIT of €130 million, an increase of €29 million compared to a profit of €101 million in 2024 thanks to the recovery in the refining margins following improved product crack spreads, supported by increased refineries utilization rates.

In 2025, the Chemicals business reported a proforma adjusted operating loss of €819 million compared to the loss of €814 million incurred in 2024. This result reflected the ongoing contraction of the European chemical sector, driven by macro headwinds affecting commodity demand, as well as comparatively higher production costs in Europe vs. other geographies, which reduced the competitiveness of Versalis productions with respect to the US and Asian players, in a context of oversupply and competitive pressure.

The Refining and Chemical segment reported a net adjusted loss of €681 million, compared to a net adjusted loss of €449 million reported in 2024.



CORPORATE AND OTHER ACTIVITIES

	(€ million)	2025	2024	2023	Change	% Ch.
Sales from operations		2,073	1,905	1,830	168	8.8
Proforma adjusted EBIT		(1,067)	(526)	(666)	(541)	..
Operating profit (loss) of subsidiaries		(1,499)	(371)	(948)	(1,128)	..
Exclusion of special items:		432	(155)	282		
- <i>environmental charges</i>		172	(190)	193		
- <i>impairment losses (impairment reversals), net</i>		61	28	26		
- <i>net gains on disposal of assets</i>		(7)	(10)	(4)		
- <i>risk provisions</i>		167		13		
- <i>provision for redundancy incentives</i>		34	34	57		
- <i>exchange rate differences and derivatives</i>			3	3		
- <i>other</i>		5	(20)	(6)		
Adjusted operating profit (loss)		(1,067)	(526)	(666)	(541)	..
Adjusted profit (loss) before taxes		(1,232)	(837)	(866)	(395)	(47.2)
Adjusted net profit (loss)		(793)	(586)	(613)	(207)	(35)

The results of Corporate and Other Activities mainly include costs of Eni's headquarters net of services charged to operational companies for the provision of general purposes services, administration, finance, information technology, human resources management, legal affairs, international affairs, as well as operational costs of decommissioning activities pertaining to certain businesses which Eni exited, divested or shut down in past years, net of the margins of captive subsidiaries providing specialized services to the business (insurance, financial, recruitment). Furthermore, the results of CCUS and Agribusiness, under development, have been included in the "Corporate and other activities" reporting segment.



SUMMARIZED GROUP BALANCE SHEET^(a)

The summarized Group balance sheet aggregates the amount of assets and liabilities derived from the statutory balance sheet in accordance with functional criteria which considers the enterprise conventionally divided into the three fundamental areas focusing on resource investments, operations and financing. Management believes that this summarized group balance sheet is useful information in assisting investors to assess Eni's capital structure and to analyze its sources of funds and investments in fixed assets and working capital. Management uses the summarized group balance sheet to calculate key ratios such as the return on invested capital and the financial soundness/equilibrium.

	(€ million)	December 31, 2025	December 31, 2024	Change
Fixed assets				
Property, plant and equipment		50,536	59,864	(9,328)
Right of use		5,184	5,822	(638)
Intangible assets		6,022	6,434	(412)
Inventories - Compulsory stock		1,187	1,595	(408)
Equity-accounted investments and other investments		14,484	15,545	(1,061)
Receivables and securities held for operating purposes		974	1,107	(133)
Net payables related to capital expenditure		(1,337)	(1,364)	27
		77,050	89,003	(11,953)
Net working capital				
Inventories		5,143	6,259	(1,116)
Trade receivables		8,986	12,562	(3,576)
Trade payables		(13,901)	(15,170)	1,269
Net tax assets (liabilities)		1,506	144	1,362
Provisions		(14,580)	(15,774)	1,194
Other current assets and liabilities		(1,572)	(2,292)	720
		(14,418)	(14,271)	(147)
Provisions for employee benefits		(596)	(681)	85
Assets held for sale including related liabilities		5,837	225	5,612
CAPITAL EMPLOYED, NET		67,873	74,276	(6,403)
Eni shareholders' equity		47,940	52,785	(4,845)
Non-controlling interest		4,847	2,863	1,984
Shareholders' equity		52,787	55,648	(2,861)
Net borrowings before lease liabilities ex IFRS 16		9,386	12,175	(2,789)
Lease liabilities		5,700	6,453	(753)
Net borrowings post lease liabilities ex IFRS 16		15,086	18,628	(3,542)
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		67,873	74,276	(6,403)
Gearing before lease liabilities ex IFRS 16		0,15	0,18	
Gearing post lease liabilities ex IFRS 16		0,22	0,25	

(a) For a reconciliation to the statutory statement of cash flow see the paragraph "Reconciliation of Summarized Group Balance Sheet and Statement of Cash Flows to Statutory Schemes".

As of December 31, 2025, fixed assets (€77,050 million) decreased by €11,953 million from December 31, 2024, due to negative exchange rate translation differences (the period-end exchange rate of EUR vs. USD was 1.176 up 13% compared to 1.039 as of December 31, 2024), thus decreasing the euro book values of dollar-denominated assets, as well as asset disposals and the reclassification of certain assets as held for sale. Capital expenditures for the period were offset by DD&A.

Assets held for sale were recognized in connection with the proposed business combination of Eni's oil & gas assets in Indonesia with Petronas' properties in Malaysia, as well as the pending disposals of minority interests in certain upstream assets and of renewable assets of Plenitude.

Net working capital (€14,418 million) was substantially unchanged from December 31, 2024. Deferred tax assets increased by €1,362 million in relation to project FID in E&P driving the recognition of the tax benefit associated with previously incurred exploration expenses, as well as recognition of deferred tax assets at Italian subsidiaries due to recognition of tax-loss carryforwards relating to improved profitability outlook.



COMPREHENSIVE INCOME

	(€ million)	2025	2024
Net profit (loss)		2,758	2,764
Items that are not reclassified to profit or loss in later periods		(37)	67
Remeasurements of defined benefit plans		(9)	8
Change in the fair value of minor investments with effects to other comprehensive income		(30)	62
Share of other comprehensive income on equity accounted investments			1
Taxation		2	(4)
Items that may be reclassified to profit or loss in later periods		(5,738)	2,348
Currency translation differences		(6,410)	3,066
Change in the fair value of cash flow hedging derivatives		865	(912)
Share of "Other comprehensive income" on equity accounted investments		65	(69)
Taxation		(258)	263
Total other items of comprehensive income (loss)		(5,775)	2,415
Total comprehensive income (loss)		(3,017)	5,179
attributable to:			
- Eni's shareholders		(2,874)	4,962
- Non-controlling interest		(143)	217

CHANGES IN SHAREHOLDERS' EQUITY

	(€ million)	
Shareholders' equity at January 1, 2024		53,644
Total comprehensive income (loss)	5,179	
Dividends distributed to Eni's shareholders	(3,067)	
Dividends distributed by consolidated subsidiaries	(50)	
Issue of perpetual hybrid bonds	1,848	
Coupon of perpetual subordinated bonds	(138)	
Put option on Plenitude	(387)	
Buy-back program	(2,003)	
Plenitude operation - disposal to EIP	588	
Costs for the issue of perpetual hybrid bonds	(21)	
Taxes on hybrid bond coupon	36	
Other changes	19	
Total changes		2,004
Shareholders' equity at December 31, 2024		55,648
attributable to:		
- Eni's shareholders		52,785
- Non-controlling interest		2,863
Shareholders' equity at January 1, 2025		55,648
Total comprehensive income (loss)	(3,017)	
Dividends paid to Eni's shareholders	(3,081)	
Dividends distributed by consolidated subsidiaries	(275)	
Net purchase of treasury shares	(1,881)	
Issue of perpetual hybrid bonds	1,500	
Repurchase of perpetual hybrid bonds	(1,500)	
Coupon of perpetual subordinated bonds	(310)	
Taxes on disposal of Enilive and Plenitude	(36)	
Taxes on hybrid bond coupon and costs	65	
Plenitude transaction - disposal to EIP	209	
Plenitude transaction - disposal to ARES	2,003	
Put option on Plenitude	(139)	
Enilive transaction - disposal to KKR	3,569	
Other changes	32	
Total changes		(2,861)
Shareholders' equity at December 31, 2025		52,787
attributable to:		
- Eni's shareholders		47,940
- Non-controlling interest		4,847



Shareholders' equity (€47,940 million) decreased by €4,845 million compared to December 31, 2024, due to negative foreign currency translation differences (€6,144 million) reflecting the depreciation of the USD vs. EUR, as well as shareholders remuneration of approximately €4,962 million (dividend distributions and share buy-back). These reductions were partly offset by net profit for the year (€2,608 million) and the recognition through retained earnings of the positive difference between the book value of the non-controlling interests in the subsidiaries Enilive and Plenitude divested to third parties and the consideration received (€3,396 million).

Non-controlling interests² as of December 31, 2025 of €4,847 million included: (i) a minority participating interest acquired by the private equity fund KKR in the share capital of Enilive (€0.9 billion) as well as the EIP and Ares fund's interest in Plenitude of €1.8 billion; (ii) a perpetual subordinated hybrid bond (€1.7 billion) issued by a Group subsidiary in 2024, classified as equity since the Group retains an unconditional right to avoid transferring cash or other financial assets to the bondholders.

NET BORROWINGS AND GEARING

Gearing is a measure used by management to assess the Company's level of indebtedness. It is calculated as the ratio between net borrowings and capital employed net and measures how much capital employed net is financed recurring to third-party funding. Management periodically reviews gearing in order to assess the soundness and efficiency of the Group balance sheet in terms of optimal mix between net borrowings and net capital employed, and to carry out benchmark analysis with industry standards.

	(€ million)	December 31, 2025	December 31, 2024	Change
Total finance debt		28,464	30,348	(1,884)
- Short-term debt		8,363	8,820	(457)
- Long-term debt		20,101	21,528	(1,427)
Cash and cash equivalents ^(a)		(8,242)	(8,183)	(59)
Financial assets measured at fair value through profit or loss		(6,991)	(6,797)	(194)
Financing receivables held for non-operating purposes		(3,845)	(3,193)	(652)
Net borrowings before lease liabilities ex IFRS 16		9,386	12,175	(2,789)
Lease liabilities		5,700	6,453	(753)
Net borrowings post lease liabilities ex IFRS 16		15,086	18,628	(3,542)
Shareholders' equity including non-controlling interest		52,787	55,648	(2,861)
Gearing before lease liability ex IFRS 16		0.15	0.18	
Gearing after lease liability ex IFRS 16		0.22	0.25	

(a) It includes €142 million of cash at held-for-sale subsidiaries provisionally deposited at third-party banks at the end of 2025 and moved to the Group cash pooling at the beginning of 2026.

As of December 31, 2025, net borrowings were €15.086 million decreasing by €3,542 million from December 31, 2024. Total finance debt of €28,464 million included €8,363 million of short-term debt (including the portion of long-term debt due within twelve months of €3,434 million) and €20,101 million of long-term debt.

When excluding the lease liabilities - IFRS 16, net borrowings were redetermined at €9,386 million decreasing by €2,789 million from December 31, 2024.

Gearing³ – the ratio of net borrowings to net capital employed, before lease liabilities both – was 15% on December 31, 2025. Considering the underway disposal transactions, the Group proforma gearing stands at 14%.

(2) Please refer to the notes on consolidated financial statements (note no. 26 - shareholders equity).

(3) Other alternative performance indicators disclosed are accompanied by explanatory notes and tables in line with guidance provided by ESMA guidelines on alternative performance measures (ESMA/2015/1415), published on October 5, 2015. For further information, see the section "Alternative performance measures" of this Annual Report at subsequent pages.



SUMMARIZED GROUP CASH FLOW STATEMENT

Eni's Summarized Group Cash Flow Statement derives from the statutory statement of cash flows. It enables investors to understand the connection existing between changes in cash and cash equivalents (deriving from the statutory cash flows statement) and in net borrowings (deriving from the summarized cash flow statement) that occurred in the reporting period. The measure which links the two statements is represented by the "free cash flow" which is calculated as difference between the cash flow generated from operations and the net cash used in investing activities. Starting from free cash flow it is possible to determine either: (i) changes in cash and cash equivalents for the period by adding/deducting cash flows relating to financing debts/receivables (issuance/repayment of debt and receivables related to financing activities), shareholders' equity (dividends paid, net repurchase of own shares, capital issuance) and the effect of changes in consolidation and of exchange rate differences; and (ii) change in net borrowings for the period by adding/deducting cash flows relating to shareholders' equity and the effect of changes in consolidation and of exchange rate differences.

SUMMARIZED GROUP CASH FLOW STATEMENT^(a)

	(€ million)	2025	2024	2023	Change
Net profit (loss)		2,758	2,764	4,860	(6)
<i>Adjustments to reconcile net profit (loss) to net cash provided by operating activities:</i>					
- depreciation, depletion and amortization and other non monetary items		7,209	9,951	7,781	(2,742)
- net gains on disposal of assets		(99)	(601)	(441)	502
- dividends, interests, taxes and other changes		3,590	4,246	5,596	(656)
Changes in working capital related to operations		2,735	1,286	1,811	1,449
Dividends received by investments		1,785	1,946	2,255	(161)
Taxes paid		(3,737)	(5,826)	(6,283)	2,089
Interests (paid) received		(911)	(674)	(460)	(237)
Net cash provided by operating activities		13,330	13,092	15,119	238
Capital expenditure		(8,647)	(8,485)	(9,215)	(162)
Investments and purchase of consolidated subsidiaries and businesses		(878)	(2,593)	(2,592)	1,715
Disposals of consolidated subsidiaries, businesses, tangible and intangible assets and investments		1,383	2,788	596	(1,405)
Other cash flow related to investing activities		183	(996)	(348)	1,179
Free cash flow		5,371	3,806	3,560	1,565
Net cash inflow (outflow) related to financial activities		(1,339)	(531)	2,194	(808)
Changes in short and long-term financial debt		(2,555)	(1,293)	315	(1,262)
Repayment of lease liabilities		(1,250)	(1,205)	(963)	(45)
Dividends paid and changes in non-controlling interests and reserves		537	(4,522)	(4,882)	5,059
Net issue (repayment) of perpetual hybrid bond		(328)	1,640	(138)	(1,968)
Effect of changes in consolidation and exchange differences of cash and cash equivalent		(198)	83	(62)	(281)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENT		238	(2,022)	24	2,260
Adjusted net cash before changes in working capital at replacement cost		12,496	13,590	16,498	(1,094)

CHANGE IN NET BORROWINGS

	(€ million)	2025	2024	2023	Change
Free cash flow		5,371	3,806	3,560	1,565
Repayment of lease liabilities		(1,250)	(1,205)	(963)	(45)
Net borrowings of acquired companies		(762)	(631)	(234)	(131)
Net borrowings of divested companies		362		(155)	362
Exchange differences on net borrowings and other changes		(1,141)	(364)	(1,061)	(777)
Dividends paid and changes in non-controlling interest and reserves		537	(4,522)	(4,882)	5,059
Net issue (repayment) of perpetual hybrid bond		(328)	1,640	(138)	(1,968)
CHANGE IN NET BORROWINGS BEFORE LEASE LIABILITIES		2,789	(1,276)	(3,873)	4,065
Repayment of lease liabilities		1,250	1,205	963	45
Inception of new leases and other changes		(497)	(2,322)	(1,348)	1,825
Change in lease liabilities		753	(1,117)	(385)	1,870
CHANGE IN NET BORROWINGS AFTER LEASE LIABILITIES		3,542	(2,393)	(4,258)	5,935

(a) For a reconciliation to the statutory statement of cash flow see the paragraph "Reconciliation of Summarized Group Balance Sheet and Statement of Cash Flows to Statutory Schemes".



Net cash provided by operating activities in 2025 amounted to €13,330 million, an increase of €238 million compared to 2024. It included €1,785 million of dividends from investments, mainly Azule Energy and Vår Energi.

Adjusted net cash before changes in working capital at replacement cost was €12,496 million in 2025 and was net of the following items: inventory holding gains or losses relating to oil and products, the reversing of timing difference between gas inventories accounted at weighted average cost and management's own measure of performance leveraging inventories to optimize margins, the fair value of commodity derivatives lacking the formal criteria to be designated as hedges or prorated on an accrual basis, decommissioning provisions related to the reconversion of uncompetitive plants in the transition scenario or to dismantle loss-making activities, non-recurring provisions in connection with certain legal proceedings, as well as in-kind income taxes accrued at PSA petroleum contracts which are assumed to be fully settled in the subsequent quarter.

Net borrowings before IFRS 16 in 2025 decreased by around €2.79 billion. The main inflows comprised the adjusted operating cash flow (€12.5 billion) and transactions with equity owners relating to the divestment of non-controlling interests at Enilive and Plenitude subsidiaries (€5.78 billion). Furthermore, other positive cash inflows regarded asset disposals for €1.38 billion, as well as working capital optimization (€1.1 billion) due to initiatives addressing working capital offsetting the scenario with overall cash initiatives delivering a €4 billion benefit. The main cash outflows comprised capital expenditures of €8.5 billion, dividend payments to Eni's shareholders and share repurchases of €4.98 billion (€3.08 billion of dividend payments and share repurchases of €1.90 billion), the subscription of new supplier financing agreements (€1 billion), the repayment of lease liabilities and hybrid bond interest (€1.58 billion), changes in consolidation and reclassification as asset held for sale (€0.7 billion) as well as other changes of €1 billion.

A reconciliation of cash flow from operations before changes in working capital at replacement cost to net cash provided by operating activities for the full year of 2025, 2024 and 2023 is provided below:

	(€ million)	2025	2024	2023	Change
Net cash provided by operating activities		13,330	13,092	15,119	238
Changes in working capital related to operations		(2,735)	(1,286)	(1,811)	(1,449)
Exclusion of commodity derivatives		(26)	1,056	1,255	(1,082)
Exclusion of inventory holding (gains) losses		745	434	562	311
Provisions for extraordinary credit losses and other charges		1,182	294	1,373	888
Adjusted net cash before changes in working capital at replacement cost		12,496	13,590	16,498	(1,094)



CAPITAL EXPENDITURE AND INVESTMENTS

	(€ million)	2025	2024	2023	Change	% Ch.
Exploration & Production		6,253	6,055	7,135	198	3.3
- acquisition of proved and unproved properties		222			222	
- exploration		391	433	784	(42)	(9.7)
- oil and gas development		5,502	5,564	6,293	(62)	(1.1)
- other expenditure		138	58	58	80	137.9
Global Gas & LNG Portfolio and Power		109	110	119	(1)	(0.9)
- Global Gas & LNG Portfolio		16	20	16	(4)	(20.0)
- Power		93	90	103	3	3.3
Enilive and Plenitude		1,232	1,303	1,064	(71)	(5.4)
- Enilive		468	416	428	52	12.5
- Plenitude		764	887	636	(123)	(13.9)
Refining and Chemicals		663	632	556	31	4.9
- Refining		481	422	369	59	14.0
- Chemicals		182	210	187	(28)	(13.3)
Corporate and other activities		430	408	360	22	5.4
Impact of unrealized intragroup profit elimination		(40)	(23)	(19)		
Capital expenditure^(a)		8,647	8,485	9,215	162	1.9
Investments and purchase of consolidated subsidiaries and businesses		878	2,593	2,592	(1,715)	(66.1)
Total capex and investments and purchase of consolidated subsidiaries and businesses		9,525	11,078	11,807	(1,553)	(14.0)

(a) Expenditures to purchase plant and equipment whose payment terms matched classification as financing payables, have been recognized among other changes of the reclassified cash flow statements and are not reported in the table above (€1,371 million in 2025).

Cash outflows for acquisitions net of divestments were €9,525 million, down by 14% compared to 2024.

Investments and purchase of consolidated subsidiaries and businesses amounted to €878 million and mainly related to the development of Plenitude's renewable capacity, acquisitions of minority interests in upstream assets and investments in agribusiness development. These were partially offset by the sale of a 30% stake in the Baleine project and other non-strategic fields in Congo, as well as the transaction with GIP to develop and enhance our CCUS business.

In 2025, capital expenditure amounted to €8,647 million (€8,485 million in 2024), increasing by 2% and mainly relating to:

- in the Exploration & Production segment, to the development of hydrocarbon fields (€6,253 million) particularly in the United Arab Emirates, Libya, Egypt, Indonesia, Algeria, Congo and Italy;
- in the Enilive and Plenitude segment, Plenitude's capital expenditure (€764 million) mainly related to development activities in the renewable business, acquisition of new customers, as well as development of electric vehicles network, while Enilive capital expenditure (€468 million) were related to marketing activity in the retail network in Italy and in the rest of Europe, biorefineries and biomethane activities, net development investments and food and non-oil activities as well as for regulation compliance and stay-in-business initiatives as well as HSE initiatives;
- in the Refining and Chemicals segment mainly related to traditional refining in Italy (€481 million) relating to the new Livorno biorefinery, maintenance and stay-in-business and in the chemical business (€182 million) to circular economy and asset integrity;
- the Corporate's capital expenditure was mainly addressed to the CCUS and agro-biofeedstock projects (€240 million).



ALTERNATIVE PERFORMANCE INDICATORS (NON-GAAP MEASURES)

Management evaluates underlying business performance on the basis of Non-GAAP financial measures, which are not provided by IFRS ("Alternative performance measures"), such as adjusted operating profit, adjusted net profit, which are arrived at by excluding from reported results certain gains and losses, defined special items, which include, among others, asset impairments, including impairments of deferred tax assets, gains on disposals, risk provisions, restructuring charges, the accounting effect of fair-valued derivatives used to hedge exposure to the commodity, exchange rate and interest rate risks, which lack the formal criteria to be accounted as hedges, and analogously evaluation effects of assets and liabilities utilized in a relation of natural hedge of the above mentioned market risks. Furthermore, in determining the business segments' adjusted results, finance charges on finance debt and interest income are excluded (see below). In determining adjusted results, inventory holding gains or losses are excluded from base business performance, which is the difference between the cost of sales of the volumes sold in the period based on the cost of supplies of the same period and the cost of sales of the volumes sold calculated using the weighted average cost method of inventory accounting as required by IFRS, except in those business segments where inventories are utilized as a lever to optimize margins. Finally, the same special charges/gains are excluded from the Eni's share of results at JVs and other equity accounted entities, including any profit/loss on inventory holding.

Management is disclosing Non-GAAP measures of performance to facilitate a comparison of base business performance across periods, and to allow financial analysts to evaluate Eni's trading performance on the basis of their forecasting models.

Non-GAAP financial measures should be read together with information determined by applying IFRS and do not stand in for them.

Other companies may adopt different methodologies to determine Non-GAAP measures.

Follows the description of the main alternative performance measures adopted by Eni. The measures reported below refer to the performance of the reporting periods disclosed in this report:

Adjusted operating and net profit

Adjusted operating and net profit are determined by excluding inventory holding gains or losses, special items and, in determining the business segments' adjusted results, finance charges on finance debt and interest income. The adjusted operating profit of each business segment reports gains and losses on derivative financial instruments entered into to manage exposure to movements in foreign currency exchange rates, which impact industrial margins and translation of commercial payables and receivables. Accordingly, also currency translation effects recorded through profit and loss are reported within business segments' adjusted operating profit. The taxation effect of the items excluded from adjusted operating or net profit is determined based on the specific rate of taxes applicable to each of them. Finance charges or income related to net borrowings excluded from the adjusted net profit of business segments are comprised of interest charges on finance debt and interest income earned on cash and cash equivalents not related to operations. Therefore, the adjusted net profit of business segments includes finance charges or income deriving from certain segment operated assets, i.e., interest income on certain receivable financing and securities related to operations and finance charge pertaining to the accretion of certain provisions recorded on a discounted basis (as in the case of the asset retirement obligations in the Exploration & Production segment).

Inventory holding gain or loss

This is the difference between the cost of sales of the volumes sold in the period based on the cost of supplies of the same period and the cost of sales of the volumes sold calculated using the weighted average cost method of inventory accounting as required by IFRS.

Special items

These include certain significant income or charges pertaining to either: (i) infrequent or unusual events and transactions, being identified as non-recurring items under such circumstances; (ii) certain events or transactions which are not considered to be representative of the ordinary course of business, as in the case of environmental provisions, restructuring charges, asset impairments or write ups and gains or losses on divestments even though they occurred in past periods or are likely to occur in future ones. Exchange rate differences and derivatives relating to industrial activities and commercial payables and receivables, particularly exchange rate derivatives to manage commodity pricing formulas which are quoted in a currency other than the functional currency are reclassified in operating profit with a corresponding adjustment to net finance charges, notwithstanding the handling of foreign currency exchange risks is made centrally by netting off naturally-occurring opposite positions and then dealing with any residual risk exposure in the derivative market. Finally, special items include the accounting effects of fair-valued commodity derivatives relating to commercial exposures, in addition to those which lack the criteria to be designed as hedges, also those which are not eligible for the own use exemption, including the ineffective portion of cash flow hedges, as well as the accounting effects of commodity and exchange rates derivatives whenever it is deemed that the underlying transaction is expected to occur in future reporting periods.



Correspondently, special charges/gains also include the evaluation effects relating to assets/liabilities utilized in a natural hedge relation to offset a market risk, as in the case of accrued currency differences at finance debt denominated in a currency other than the reporting currency, where the cash outflows for the reimbursement are matched by highly probable cash inflows in the same currency. The deferral of both the unrealized portion of fair-valued commodity and other derivatives and evaluation effects are reversed to future reporting periods when the underlying transaction occurs. As provided for in Decision No. 15519 of July 27, 2006 of the Italian market regulator (CONSOB), non-recurring material income or charges are to be clearly reported in the management's discussion and financial tables.

EBITDA

Earnings Before Interest, Taxes, Depreciation and Amortization, is calculated summing up the operating profit and DD&A. Represents the company's profitability as a result of operations management.

Gearing

Gearing is calculated as the ratio between net borrowings and capital employed net and measures how much of capital employed net is financed recurring to third-party funding.

Cash flow from operations before changes in working capital at replacement cost

This is defined as net cash provided from operating activities before changes in working capital at replacement cost. It also excludes certain non-recurring charges such as extraordinary credit allowances and, considering the high market volatility, changes in the fair value of commodity derivatives lacking the formal criteria to be designed as hedges, including derivatives which were not eligible for the own use exemption, the ineffective portion of cash flow hedges, as well as the effects of certain settled commodity derivatives whenever it is deemed that the underlying transaction is expected to occur in future reporting periods.

Free cash flow

Free cash flow represents the link existing between changes in cash and cash equivalents (deriving from the statutory cash flows statement) and in net borrowings (deriving from the summarized cash flow statement) that occurred from the beginning of the period to the end of period. Free cash flow is the cash in excess of capital expenditure needs. Starting from free cash flow it is possible to determine either: (i) changes in cash and cash equivalents for the period by adding/deducting cash flows relating to financing debts/receivables (issuance/repayment of debt and receivables related to financing activities), shareholders' equity (dividends paid, net repurchase of own shares, capital issuance) and the effect of changes in consolidation and of exchange rate differences; (ii) changes in net borrowings for the period by adding/deducting cash flows relating to shareholders' equity and the effect of changes in consolidation and of exchange rate differences.

Net borrowings

Net borrowings is calculated as total finance debt less cash, cash equivalents and certain very liquid investments not related to operations, including among others non-operating financing receivables and securities not related to operations. Financial activities are qualified as "not related to operations" when these are not strictly related to the business operations.

ROACE Adjusted

Is the return on average capital invested, calculated as the ratio between net income before minority interests, plus net financial charges on net financial debt, less the related tax effect and net average capital employed.

Proforma adjusted EBIT

Is the measure adding the operating margin of the equity accounted entities to the adjusted EBIT, introduced by the management to reflect the increasing contribution from the JV/associates also in connection with the Eni satellite model.

Profit per boe

Measures the return per oil and natural gas barrel produced. It is calculated as the ratio between Results of operations from E&P activities (as defined by FASB Extractive Activities - Oil and Gas Topic 932) and production sold.



Opex per boe

Measures efficiency in the Oil & Gas development activities, calculated as the ratio between operating costs (as defined by FASB Extractive Activities - Oil and Gas Topic 932) and production sold.

Finding & Development cost per boe

Represents Finding & Development cost per boe of new proved or possible reserves. It is calculated as the overall amount of exploration and development expenditure, the consideration for the acquisition of possible and probable reserves as well as additions of proved reserves deriving from improved recovery, extensions, discoveries and revisions of previous estimates (as defined by FASB Extractive Activities - Oil and Gas Topic 932). The following tables report the group operating profit and Group adjusted net profit and their breakdown by segment, as well as is represented the reconciliation with net profit attributable to Eni's shareholders of continuing operations.

Coverage

Financial discipline ratio, calculated as the ratio between operating profit and net finance charges.

Current ratio

Measures the capability of the company to repay short-term debt, calculated as the ratio between current assets and current liabilities.

Debt coverage

Rating companies use the debt coverage ratio to evaluate debt sustainability. It is calculated as the ratio between net cash provided by operating activities and net borrowings, less cash and cash-equivalents, securities held for non-operating purposes and financing receivables for non-operating purposes.

Debt/EBITDA

Net Debt/adjusted EBITDA is the ratio between the profit available to cover the debt before interest, taxes, amortizations and impairment. This index is a measure of the company's ability pay off its debt and gives an indication as to how long a company would need to operate at its current level to pay off all its debt.



RECONCILIATION TABLES OF NON-GAAP RESULTS TO THE MOST COMPARABLE MEASURES OF FINANCIAL PERFORMANCE DETERMINED IN ACCORDANCE TO GAAPs

2024	(€ million)	Exploration & Production	Global Gas & LNG Portfolio and Power	Enlive and Plentitude	Refining and Chemicals	Corporate and other activities	Impact of unrealized intragroup profit elimination	Group
Reported operating profit (loss)		6,715	(909)	1,589	(1,681)	(371)	(105)	5,238
Exclusion of inventory holding (gains) losses				112	95		227	434
Exclusion of special items:								
- environmental charges (expense recovered from third-parties)		9	(3)	38	177	(190)		31
- impairment losses (impairments reversal), net		2,203	101	113	455	28		2,900
- impairment of exploration projects		140						140
- net gains on disposal of assets		(25)		(1)	(2)	(10)		(38)
- risk provisions		9		2	33			44
- provision for redundancy incentives		21	1	(2)	19	34		73
- commodity derivatives		(1)	1,740	(682)	(1)			1,056
- exchange rate differences and derivatives		22	228	(1)	6	3		258
- other		127	77	19	9	(20)		212
Special items of operating profit (loss)		2,505	2,144	(514)	696	(155)		4,676
Adjusted operating profit (loss) of subsidiaries (a)		9,220	1,235	1,187	(890)	(526)	122	10,348
main JV/Associates adjusted EBIT (b)		3,802	39	(44)	177			3,974
Proforma adjusted EBIT (c)=(a)+(b)		13,022	1,274	1,143	(713)	(526)	122	14,322
Finance expenses and dividends of subsidiaries (d)		(171)	(8)	(30)	15	(311)		(505)
Finance expenses and dividends of main JV/associates (e)		(389)	17	(37)	(73)			(482)
Income taxes of main JV/associates (f)		(2,215)	(11)		16			(2,210)
Adjusted net profit (loss) of main JV/associates (g)=(b)+(e)+(f)		1,198	45	(81)	120			1,282
Adjusted profit (loss) before taxes (h)=(a)+(d)+(g)		10,247	1,272	1,076	(755)	(837)	122	11,125
Income taxes (i)		(5,470)	(485)	(352)	306	251	(42)	(5,792)
Tax rate (%)								52.1
Adjusted net profit (loss) (j)=(h)+(i)		4,777	787	724	(449)	(586)	80	5,333
<i>of which:</i>								
- non-controlling interest								76
- Eni's shareholders								5,257
Reported net profit (loss) attributable to Eni's shareholders								2,624
Exclusion of inventory holding (gains) losses								308
Exclusion of special items								2,325
Adjusted net profit (loss) attributable to Eni's shareholders								5,257



RECONCILIATION TABLES OF NON-GAAP RESULTS TO THE MOST COMPARABLE MEASURES OF FINANCIAL PERFORMANCE DETERMINED IN ACCORDANCE TO GAAPs

2023	(€ million)	Exploration & Production	Global Gas & LNG Portfolio and Power	Enlive and Plentitude	Refining and Chemicals	Corporate and other activities	Impact of unrealized intragroup profit elimination	Group
Reported operating profit (loss)		8,693	2,626	(74)	(2,121)	(948)	81	8,257
Exclusion of inventory holding (gains) losses				47	557		(42)	562
Exclusion of special items:								
- environmental charges		81	1	36	337	193		648
- impairment losses (impairments reversal), net		1,043	(38)	45	726	26		1,802
- net gains on disposal of assets		2			(9)	(4)		(11)
- risk provisions		7		8	11	13		39
- provision for redundancy incentives		42	6	22	31	57		158
- commodity derivatives		15	99	1,142	(1)			1,255
- exchange rate differences and derivatives		73	(105)	2	11	3		(16)
- other		168	824	29	96	(6)		1,111
Special items of operating profit (loss)		1,431	787	1,284	1,202	282		4,986
Adjusted operating profit (loss) of subsidiaries (a)		10,124	3,413	1,257	(362)	(666)	39	13,805
main JV/Associates adjusted EBIT (b)		3,414	186	(4)	408			4,004
Proforma adjusted EBIT (c)=(a)+(b)		13,538	3,599	1,253	46	(666)	39	17,809
Finance expenses and dividends of subsidiaries (d)		(38)	1	(65)	9	(200)		(293)
Finance expenses and dividends of main JV/associates (e)		(186)	15	(2)				(173)
Income taxes of main JV/associates (f)		(2,075)	(152)		(8)			(2,235)
Adjusted net profit (loss) of main JV/associates (g)=(b)+(e)+(f)		1,153	49	(6)	400			1,596
Adjusted profit (loss) before taxes (h)=(a)+(d)+(g)		11,239	3,463	1,186	47	(866)	39	15,108
Income taxes (i)		(5,591)	(969)	(377)	(11)	253	(13)	(6,708)
Tax rate (%)								44.4
Adjusted net profit (loss) (j)=(h)+(i)		5,648	2,494	809	36	(613)	26	8,400
<i>of which:</i>								
- non-controlling interest								78
- Eni's shareholders								8,322
Reported net profit (loss) attributable to Eni's shareholders								4,771
Exclusion of inventory holding (gains) losses								402
Exclusion of special items								3,149
Adjusted net profit (loss) attributable to Eni's shareholders								8,322



RECONCILIATION OF SUMMARIZED GROUP BALANCE SHEET AND STATEMENT OF CASH FLOWS TO STATUTORY SCHEMES

SUMMARIZED GROUP BALANCE SHEET

Items of Summarized Group Balance Sheet (where not expressly indicated, the item derives directly from the statutory scheme) (€ million)	Notes to the Consolidated Financial Statement	December 31, 2025		December 31, 2024	
		Amounts from statutory scheme	Amounts of the summarized Group scheme	Amounts from statutory scheme	Amounts of the summarized Group scheme
Fixed assets					
Property, plant and equipment			50,536		59,864
Right of use			5,184		5,822
Intangible assets			6,022		6,434
Inventories - Compulsory stock			1,187		1,595
Equity-accounted investments and other investments			14,484		15,545
Receivables and securities held for operating activities	(see note 17)		974		1,107
Net payables related to capital expenditure, made up of:			(1,337)		(1,364)
- liabilities for current investment assets	(see note 11)	(49)		(56)	
- liabilities for no current investment assets	(see note 11)			(40)	
- receivables related to disposals	(see note 8)	209		527	
- receivables related to disposals non-current	(see note 11)	169		144	
- payables for purchase of non-current assets	(see note 18)	(1,666)		(1,939)	
Total fixed assets			77,050		89,003
Net working capital					
Inventories			5,143		6,259
Trade receivables	(see note 8)		8,986		12,562
Trade payables	(see note 18)		(13,901)		(15,170)
Net tax assets (liabilities), made up of:			1,506		144
- current income tax payables		(343)		(587)	
- non-current income tax payables		(40)		(40)	
- other current tax liabilities	(see note 11)	(1,589)		(1,749)	
- deferred tax liabilities		(4,805)		(5,581)	
- other non-current tax liabilities	(see note 11)	(47)		(48)	
- current income tax receivables		539		695	
- non-current income tax receivables		125		129	
- other current tax assets	(see note 11)	919		850	
- deferred tax assets		6,716		6,322	
- other non-current tax assets	(see note 11)	24		147	
- receivables for Italian consolidated accounts	(see note 8)	9		10	
- payables for Italian consolidated accounts	(see note 18)	(2)		(4)	
Provisions			(14,580)		(15,774)
Other current assets and liabilities, made up of:			(1,572)		(2,292)
- short-term financial receivables for operating purposes	(see note 17)				
- receivables vs. partners for exploration and production activities and other	(see note 8)	3,232		3,802	
- other current assets	(see note 11)	3,024		2,812	
- other receivables and other assets non-current	(see note 11)	2,608		3,678	
- advances, other payables, payables vs. partners for exploration and production activities and other	(see note 18)	(4,692)		(4,979)	
- other current liabilities	(see note 11)	(2,401)		(3,244)	
- other payables and other liabilities non-current	(see note 11)	(3,343)		(4,361)	
Total net working capital			(14,418)		(14,271)
Provisions for employee benefits			(596)		(681)
Assets held for sale including related liabilities			5,837		225
made up of:					
- assets held for sale ^(a)		7,863		420	
- liabilities directly associated with held for sale		(2,026)		(195)	
CAPITAL EMPLOYED, NET			67,873		74,276
Shareholders' equity including non-controlling interest			52,787		55,648
Net borrowings					
Total debt, made up of:			28,464		30,348
- long-term debt		20,139		21,570	
- current portion of long-term debt		3,434		4,582	
- short-term debt		4,929		4,238	
- other non-current assets	(see note 11)	(38)		(42)	
less:					
Cash and cash equivalents ^(a)			(8,242)		(8,183)
Financial assets measured at fair value through profit or loss			(6,991)		(6,797)
Financing receivables held for non-operating purposes	(see note 17)		(3,845)		(3,193)
Net borrowings before lease liabilities ex IFRS 16			9,386		12,175
Lease liabilities, made up of:			5,700		6,453
- long-term lease liabilities		4,437		5,174	
- current portion of long-term lease liabilities		1,263		1,279	
Total net borrowings post lease liabilities ex IFRS 16^(b)			15,086		18,628
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY			67,873		74,276

(a) It includes €142 million of cash at held-for-sale subsidiaries provisionally deposited at third-party banks at the end of 2025 and then moved to the Group cash pooling at the beginning of 2026.

(b) For details on net borrowings see also note 20 to the consolidated financial statements.



SUMMARIZED GROUP CASH FLOW STATEMENT

Items of Summarized Cash Flow Statement and confluence/reclassification of items in the statutory scheme (€ million)	2025		2024	
	Amounts from statutory scheme	Amounts of the summarized Group scheme	Amounts from statutory scheme	Amounts of the summarized Group scheme
Net profit (loss)		2,758		2,764
Adjustments to reconcile net profit (loss) to net cash provided by operating activities:				
Depreciation, depletion and amortization and other non monetary items		7,209		9,951
- depreciation, depletion and amortization	7,349		7,600	
- impairment losses (impairment reversals) of tangible, intangible and right of use, net	1,582		2,900	
- write-off of tangible and intangible assets	33		580	
- share of profit (loss) of equity-accounted investments	(1,161)		(866)	
- other changes	(515)		(158)	
- net change in the provisions for employee benefits	(79)		(105)	
Gains on disposal of assets, net		(99)		(601)
Dividends, interests, income taxes and other changes		3,590		4,246
- dividend income	(242)		(227)	
- interest income	(444)		(497)	
- interest expense	1,256		1,245	
- income taxes	3,020		3,725	
Cash flow from changes in working capital		2,735		1,286
- inventories	916		68	
- trade receivables	3,214		1,145	
- trade payables	(835)		110	
- provisions for contingencies	(554)		(87)	
- other assets and liabilities	(6)		50	
Dividends received		1,785		1,946
Income taxes paid, net of tax receivables received		(3,737)		(5,826)
Interests (paid) received		(911)		(674)
- interest received	358		456	
- interest paid	(1,269)		(1,130)	
Net cash provided by operating activities		13,330		13,092
Investing activities		(8,647)		(8,485)
- tangible assets	(8,702)		(7,999)	
- intangible assets	(527)		(486)	
- other changes	582			
Investments and purchase of consolidated subsidiaries and businesses		(878)		(2,593)
- investments	(682)		(798)	
- consolidated subsidiaries and businesses net of cash and cash equivalent acquired	(196)		(1,795)	
Disposals		1,383		2,788
- tangible assets	1,414		1,354	
- intangible assets	4		21	
- consolidated subsidiaries and businesses net of cash and cash equivalent disposed of	118		887	
- investments	135		526	
- other changes	(288)			
Other cash flow related to capital expenditure, investments and disposals		183		(996)
- prepaid right of use			(5)	
- investment of securities and financing receivables held for operating purposes	(89)		(185)	
- change in payables in relation to investing activities	197		(514)	
- disposal of securities and financing receivables held for operating purposes	98		69	
- change in receivables in relation to disposals	(23)		(361)	
Free cash flow		5,371		3,806



(continued) SUMMARIZED GROUP CASH FLOW STATEMENT

Items of Summarized Cash Flow Statement and confluence/reclassification of items in the statutory scheme (€ million)	2025		2024	
	Amounts from statutory scheme	Amounts of the summarized Group scheme	Amounts from statutory scheme	Amounts of the summarized Group scheme
Free cash flow		5,371		3,806
Borrowings (repayment) of debt related to financing activities		(1,339)		(531)
- net change of securities and financing receivables held for non-operating purposes	(1,339)		(531)	
Changes in short and long-term finance debt		(2,555)		(1,293)
- increase in long-term debt	1,884		3,516	
- repayments of long-term debt	(4,163)		(4,748)	
- increase (decrease) in short-term debt	(276)		(61)	
Repayment of lease liabilities		(1,250)		(1,205)
Dividends paid and changes in non-controlling interest and reserves		537		(4,522)
- capital issuance from non-controlling interest	709		589	
- net purchase of treasury shares	(1,896)		(2,012)	
- sale of additional interests in consolidated subsidiaries	5,072			
- dividends paid to Eni's shareholders	(3,080)		(3,068)	
- dividends paid to non-controlling interest	(277)		(45)	
- other contributions	9		14	
Net issue (repayment) of perpetual subordinated bond		(328)		1,640
- net issuance (repayment) of perpetual subordinated bonds	(18)		1,778	
- coupon of perpetual subordinated bonds	(310)		(138)	
Effect of changes in consolidation, exchange differences and cash and cash equivalent		(198)		83
- effect of exchange rate changes and other changes	(198)		83	
Net increase (decrease) in cash and cash equivalent		238		(2,022)



Risk factors and uncertainties

ENI IS EXPOSED TO THE EFFECTS OF CHANGING COMMODITY PRICES AND MARGINS

Eni is primarily in a commodities business that has a history of price volatility. The most significant factor that affects the Company's results of operations and cash flow is the price of crude oil, which can be influenced by several variables, including general economic conditions and level of economic growth or recessionary conditions; industry production and inventory levels; technology advancements, including those in pursuit of a lower carbon economy; greenhouse gas emissions and climate change; production quotas or other actions that might be imposed by the Organization of Petroleum Exporting Countries ("OPEC") or other producers; weather-related damage and disruptions due to other natural or human causes beyond Eni's control; competing fuel prices; geopolitical risks; the pace of energy transition; customer and consumer preferences and the use of substitutes; and governmental regulations, policies and other actions regarding the development of oil and gas reserves. Eni evaluates the risk of changing commodity prices as a core part of its business planning process and resource allocation. An investment in the Company carries significant exposure to fluctuations in global crude oil prices and, to a lesser extent, in prices of other energy commodities.

In the short-term, crude oil prices are mainly determined by the balance between global oil supply and demand, and the global levels of commercial inventories. A downturn in economic activity normally triggers lower global demand for crude oil, possibly resulting in oversupplies and inventories build-up, because in the short-term producers are unable to quickly adapt to swings in demand. Whenever global supplies of crude oil exceed demand, crude oil prices decrease. In the short-term, global demand for crude oil is influenced by macroeconomic trends in large consuming countries (such as China, India and the United States) as well as any financial crisis, levels of inflation and interest rates, geo-political crisis, local conflicts, wars, strikes, attacks, sabotages (particularly in the crude oil-rich area of Middle East), social and political instability, pandemic diseases, flows of international commerce, trade disputes and governments' fiscal policies, extreme weather events and natural disruptions, among others. Furthermore, trends in the market of crude oil derivatives contracts (futures and options), where material volumes of paper barrels are exchanged daily among financial operators (including commodity trading advisories, hedge funds and commodity specialists), can significantly affect short-term movements in crude oil prices driven by operators' sentiment and expectations about the future direction of price which shape their positioning (long vs. short on the commodity). Considering that volumes exchanged daily in the paper market are several times greater than physical daily exchanges, the role of financial operators, who have been increasingly relying on algorithmic trading amplifying price movements in either direction, can overturn supply and demand fundamentals.

On the supply side, currently there is ample availability of crude oil. Notwithstanding the United States is the main oil producer in the world since the shale oil revolution of 2011, in the short-term global balances are influenced to a considerable extent by the system of production quotas and level of spare capacity held by the Organization of the Petroleum Exporting Countries "OPEC" and its allied countries, among them Russia and Kazakhstan, known as the OPEC+ alliance, which have signed a declaration of cooperation ("DoC") few years ago, designed to stabilize crude oil prices through production ceilings and voluntary production cuts. Therefore, decisions on part of the OPEC+ about production levels can have a significant influence on the price of crude oil in the short-term. For example, in April 2025, the alliance resolved to start returning to the market a portion of the production cuts made in previous years, triggering a correction in the price of crude oil.

In the long-term, demand for crude oil may be negatively affected by development of alternative energy sources (e.g., nuclear and renewables), technological breakthroughs, shifts in consumer preferences, and measures and other initiatives adopted by governments to tackle climate change and to curb carbon dioxide emissions (CO₂ emissions), including stricter regulations and control on production and consumption of crude oil. Eni's management believes the push to reduce worldwide greenhouse gas emissions and the ongoing energy transition towards a low carbon economy could materially affect the worldwide energy mix and may lead to structural lower crude oil demands and prices. See the risk factor titled "Rising concerns about climate change and the effects of the energy transition could lead to a decline in demand for hydrocarbons and potentially lower prices" below.



After a solid start to 2025 with prices in the 75-80 \$/bbl range, the price of the commodity has been gradually declining since the second quarter of the year due to a combination of weakening fundamentals and bearish expectations about future price direction amongst financial operators. Global economic growth has slowed down pressured by the trade disputes commenced by the USA administration against its main partners affecting international commercial flows, in addition to an uncertain recovery path of the Chinese economy, and by high interest rates. Persistent geopolitical tensions in the Middle East, while the armed invasion of Ukraine by Russia has been dragging on without resolution, have also negatively affected investors and consumers' confidence and hence economic activity. Finally, the decision of member countries of the OPEC+ alliance to unwind a significant portion of the voluntary production cuts made in April/November 2023, while U.S. production remained resilient and other areas like Brazil and Guyana showed remarkable growth increased oil supplies at a time when demand growth was moderating. Furthermore, fundamental trends shaping current imbalances have been amplified by the bearish positioning of speculative traders, who for the first time on record have retained a net short position in the future contracts for the U.S. crude benchmark (the West Texas Intermediate "WTI") in August 2025, accelerating an ongoing price downturn. This was a landmark event, because never in the history of the futures market traders have been so negative about future crude oil prices, including the Great Financial Crisis of 2008, the 2015-2016 downturn and the COVID pandemic recession, and occurred notwithstanding the physical balances, albeit on a weakening trend, did not indicate a significantly oversupplied market. This flagged a possible heightened risk for the oil price in relation to the prevalence of speculative trading over physical flows in dictating the price direction in the short-term. Due to those developments, crude oil prices for the Brent benchmark have declined to a range of 60-70 \$/bbl for the rest of the year to close at a yearly average price of 69 \$/bbl (down 14.5% y-o-y), plunging to the lowest level in more than five years at around 60 \$/bbl in early January 2026. Since then, prices have been recovering steadily to over 100 \$/bbl at the start of March 2026, due to escalating tensions in the Middle East that have culminated in acts of war involving the USA, Israel and Iran, as financial operators began discounting risks of possible disruptions to crude oil flows from the Gulf. Considering the uncertainties related to possible evolution of the tensions in Middle East as well as in the military aggression of Ukraine by Russia, based on a review of market fundamentals and assuming moderate growth in the global economy, the management estimates the price of the Brent crude oil at 70 \$/bbl in 2026.

The drivers of prices and demand for natural gas are like those of crude oil. The development of massive liquefaction capacity that has occurred in recent years in countries like the United States, Qatar and Australia has helped to develop a global liquid market of gas, with traders being able to redirect LNG volumes from one geography to another based on price arbitrages. Differently from crude oil, the absolute levels of natural gas prices change from region to region due to specific supply dynamics (e.g. in 2025 the price of natural gas in the United States was one fifth that of Europe, because Europe is a net importer, whilst the United States is currently an oversupplied market due to growing domestic production), while consumption of natural gas is significantly exposed to seasonal patterns and competition from renewables. All those trends may result in a high degree of volatility in natural gas prices. In 2025, natural gas prices in Europe were on average in line compared to 2024 reflecting more pronounced seasonal consumption rather than improving fundamentals as new, significant liquefaction capacity entered into operations in the United States, Canada, where the first LNG exporting project started operations, and production rose in China, which is a net importer of LNG. Against the backdrop of increased supplies, industrial activity, the main driver of gas demand, remained weak in Europe and China, and electricity generation from renewables continued to grow. The outlook for natural gas prices in the short-to-medium-term is compounded by expectations of material additions of LNG production capacity in the United States and Qatar, the emergence of Canada as a new potential large supplier, and rising competition from renewables. In the long-term, demand for natural gas is exposed to the risks of the transition to a low carbon economy.

The volatility of hydrocarbon prices significantly affects the Group's financial performance. Lower hydrocarbon prices negatively affect the Group's consolidated results of operations and cash flow; while the opposite effect is caused by a rise in prices. This is because lower prices translate into lower revenues recognized in the Company's Exploration & Production segment at the time of the price change, whereas expenses in this segment are either fixed or less sensitive to changes in crude oil prices than revenues. The Group is mainly exposed to the price of crude oil as featured by the fact that the same relative change in the crude oil price yields a considerably larger impact at the Group's results of operations and cash flow than the gas price. This is because a significant portion of natural gas production volumes are marketed at fixed prices or are indexed to the price of crude oil.

In 2025, the average Brent crude oil price declined by 14.5% compared to 2024 and that reduced Exploration & Production operating profit by an estimated amount of €1.8 billion and the cash flow by an estimated €1.6 billion.

Considering the massive price volatility of the commodity and the fact that Eni does not hedge its future expected cash flows from the sale of its proved reserves, except for specific market situations or transactions, management is fully committed to retaining efficient operations to



preserve the profitability of its oil & gas business and a healthy balance sheet across the cycle. In case we fail to achieve low breakeven prices at our portfolio of projects, our results of operations and cash flow could be overexposed to the commodity risk.

Finally, movements in hydrocarbon prices significantly affect the reportable amount of production and proved reserves under our production sharing agreements ("PSAs"), which represented 60% of our proved reserves as of end of 2025. The entitlement mechanism of PSAs foresees the Company is entitled to a portion of a field's reserves, the sale of which is intended to cover expenditures incurred by the Company to develop and operate the field. The higher the reference prices for Brent crude oil used to estimate Eni's proved reserves, the lower the number of barrels necessary to recover the same amount of expenditure, and vice versa. In 2025, our reported production and reserves were increased by an estimated amount of respectively around 4 kboe/d and by 12 mboe due to a decreased Brent reference price. Considering the current portfolio of oil & gas assets, the Company estimates its production to vary by up to 1 kboe/d for each one-dollar change in the price of the Brent crude oil.

Eni's Refining and Chemical businesses are in cyclical economic sectors. Their results are impacted by trends in the supply and demand of oil products and commodity plastics, which are influenced by macro-economic variables and by competitive dynamics which ultimately determine the level of product prices. Margins for refined and chemical products depend upon the speed at which products' prices adjust to reflect movements in oil prices.

All these risks may adversely and materially impact the Group's results of operations, cash flow, liquidity, business prospects, financial condition, and shareholder returns, including dividends, the amount of funds available for stock repurchases and the price of Eni's share. There are increasing systemic risks to the macroeconomic outlook, which could trigger a global slowdown negatively affecting demand for hydrocarbons, and hence our results of operations.

There are several risk factors to the macroeconomic outlook in the short-term.

Escalating tensions in the Middle East have culminated in acts of war involving the U.S., Israel and Iran at the end of February/early March 2026 with risks of possible enlargement of the conflict and of ensuing possible disruptions in the flow of crude oil and LNG from the Gulf which could increase volatility in the price of these commodities and trigger a slowdown in the global economy or in the worst of cases a recession with huge implications for global demand of crude oil and other energy commodities.

Russia's military aggression of Ukraine has been dragging on since February 2022, amidst several failed attempts to reach a peaceful solution and recent military threats against neighboring European Countries by Russia. This conflict has negatively impacted the global economy and triggered an energy crisis in Europe as well as a downturn in industrial activity, given the disruption in political and trading relationships between Western Countries and Russia, reverberating through supply chains, the need on part of EU Countries to replace cheap gas supplies from Russia, as well as increased cybersecurity threats. In response to Russia's aggression, the EU nations, the UK, and the United States have adopted severe economic and financial sanctions to curb Russia's ability to fund the war, which are negatively affecting the overall economic activity.

Trade disputes between the USA and its main commercial partners, like China, the EU, India and Japan, and the imposition of import duties could disrupt global supply chains and reduce international commercial flows, which could significantly and negatively affect economic growth and hydrocarbons demand.

High interest rates, particularly over the long-term yield curve, rooted in the need to finance massive state deficit in the USA and in other leading countries could destabilize financial markets and suppress economic activity.

Continuing and escalating tensions in the Middle East including risks of possible large-scale conflict, the protracting of the military aggression of Ukraine by Russia a deterioration of commercial relationships between the USA and other countries, destabilization of financial markets and high interest rates pose risks to the macroeconomic recovery because they can eventually undermine consumers' confidence and deter investment decisions, thus increasing the risks of a worldwide slowdown or, under a worst-case scenario, a global recession. Such developments could negatively and significantly affect hydrocarbons demand, leading to lower commodity prices and adversely impacting our results of operations and cash flow, as well as business prospects, with a possible lower remuneration of our shareholders.

Risks in connection with our presence in Russia and our commercial relationships with Russia's State-owned companies

The most important exposure of Eni to Russia is relating to the existence of long-term gas supply contracts with take-or-pay clauses with Russian state-owned company Gazprom and its affiliates.



In the most recent three-year timeframe, we made no liftings at our current, long-term contracts with Gazprom to serve our customers in European markets or to support our trading activities at European hubs. The year 2022 was the last one when volumes supplied from Russia represented a material amount in our portfolio of gas supplies. This situation was due to the unilateral decision from our Russian supplier to suspend deliveries to Eni in 2023, against the backdrop of a commercial dispute between the two parties. We have substantially replaced Russian-origin gas in our portfolio with volumes coming from other suppliers and geographies, and our objective is to terminate the current supply contracts with our Russian counterparties in the shortest possible timeframe. This may entail operational and financial risks which may be significant.

There is strong competition worldwide, both within the oil industry and with other industries, to supply energy and petroleum products to the industrial, commercial, and residential energy markets

Eni operates in commodity sectors, which feature prices and margin volatility due to their cyclical nature, limited product differentiation, comparatively higher production expenses in Europe vs. other geographies and, in the case of the E&P business, complex relationships with state-owned companies and national agencies of the countries where hydrocarbon reserves are located to obtain mineral rights. Furthermore, competition within commodity industries is significantly influenced by the economic cycle.

Normally an economic downturn negatively affects demand for commodities leading to a more intense price competition. As commodity prices are not within Eni's control, Eni's ability to remain competitive and profitable in this environment requires continuous focus on technological innovation, efficiencies in operating costs, effective management of capital resources and the supply of valuable services to energy buyers. It also depends on Eni's ability to gain access to new investment opportunities. Competitive trends represent a risk to the profitability of all Eni's business segments:

- E&P may be negatively affected by its relatively smaller scale compared to other players in the industry;
- the business of marketing gas in the European wholesale market managed by the GGP segment is exposed to pricing competition and competition from renewables considering anticipated weak demand trends in Europe;
- the businesses of oil refining and production of basic chemical products located mainly in Europe are exposed to ongoing weak demand trends, global overcapacity, lack of technological entry barriers, competition from players with large economies of scale and cost advantages, which are operating in geographies characterized by lower energy expenses and environmental liabilities compared to Europe, and finally growing market penetration by more sustainable products. In 2025, Eni's refining business incurred an operating loss of €1.1 billion affected by inventory valuation, reflecting lower prices and, in part, lower volumes for the main commodities, in a market environment that remains challenging due to weak demand, overcapacity and competitive pressure from other geographical areas. Eni's Chemical business incurred an operating loss for the fourth year in a row (€1.4 billion in 2025) due to the above-mentioned weak business fundamentals which have been exacerbated by the comparatively higher energy inputs of manufacturing activities in Europe with respect to other geographies following the European energy crisis of 2022, which has further reduced the competitiveness of the Eni's chemical activity against the backdrop of macroeconomic headwinds.
- The business of marketing gas and electricity to the retail market managed by our subsidiary Plenitude, is exposed to the competitive trends of the retail market, which is characterized by an almost complete deregulation, an ever-increasing number of suppliers, low entry barriers, and customers' ability to switch readily from one supplier to another. The same applies to retail marketing of fuels which is managed by our subsidiary Enilive, operating in a market characterized by intense price competition and low brand loyalty. Enilive also engages in the manufacturing of biofuels and returns of this activity are exposed to the competition risks in connection with oversupplies and dumping by unregulated operators and an uncertain regulatory framework. In the first part of 2025, the margins on the sale of biofuels were significantly affected by those trends. However, as the year progressed, we observed a gradual rebalancing driven by a surge in demand. Several factors have contributed to this situation, including the concentrated demand due to annual compliance requirements being in the third and fourth quarters of the year. Additionally, scheduled maintenance activities, such as those conducted by Neste, and export restrictions on SAF from China.

The Group has launched a plan intended to recover profitability at its loss-making chemicals business, which comprises significant expenditures for plant upgrading and is subject to an execution risk

In consideration of the structural weaknesses of the European petrochemicals industry, plagued by global overcapacity, competitive pressures, reduced demand and comparatively higher production costs than in other geographies (like energy inputs and environmental obligations), the Company has launched a plan intended to improve the profitability at its petrochemicals arm, which has been incurring operating losses for years (with the sole exception of the year of the COVID). In 2025, the Chemical business reported an adjusted operating loss of €819 million. This plan comprises the shutdown of loss-making plants and a significant capital expenditure program to upgrade and reconvert the business



to manufacture products for the energy transition (like biofuels, batteries to accumulate electricity, among others). This plan is subject to an execution risk in connection with the need to obtain all licenses and permits by relevant administrative authorities to close plants and build new facilities, as well as to the possible incurrence of unforeseen costs and liabilities. In case we fail to execute the plan as designed by the management or in case of cost overruns or other liabilities, our future results of operations and cash flow may be significantly and negatively affected.

Rising concerns about climate change and the effects of the energy transition could lead to a decline in demand for hydrocarbons and potentially lower prices. This risk may also lead to additional legal and/or regulatory measures, resulting in project delays or cancellations, potential additional litigation, operational restrictions, and additional compliance obligations and expenses. Climate change could also have a physical impact on our assets and supply chains.

Societal demand for urgent action on climate change has increased, especially since the Intergovernmental Panel on Climate Change (IPCC) Special Report of 2018 on 1.5°C effectively made the more ambitious goal of the Paris Agreement to limit the rise in global average temperature this century to 1.5 degrees Celsius the default target. This increasing focus on climate change and drive for an energy transition have created a risk environment that is changing rapidly, resulting in a wide range of governmental actions at global, local and company levels, increasing pressure from civil society and the investing and lending community to speed up our decarbonization plans.

The energy transition, as well as increasingly stricter regulations in the field of CO₂ emissions, could entail risks to the Group's financial performance and business prospects, because the Company still relies substantially on the legacy business of Exploration & Production.

Firstly, international initiatives and national, regional, and state legislation and regulations targeting GHG emissions are in various stages of design, adoption, and implementation. These policies and initiatives – some of which support the global net zero emissions ambitions of the Paris Agreement – can change the amount of energy consumed, the rate of energy-demand growth, the energy mix, and the relative economics of one fuel versus another. Laws and regulations whether already in force or under consideration are seeking to limit greenhouse gas (GHG) emissions by taxing them or by imposing operational restrictions and other compliance costs on oil & gas companies. Regulators may seek to limit certain oil and gas projects or make it more difficult to obtain required permits. Additionally, climate activists are challenging the grant of new and existing regulatory permits. We expect that these challenges and protests are likely to continue and could delay or prohibit operations in certain cases. We also expect that actions by customers to reduce their emissions and changing consumers' preferences will continue to lower demand and potentially affect prices for fossil fuels, as will tax incentives in support of electric vehicles and renewables and other low carbon solutions.

The pace and extent of the energy transition could pose a risk to Eni if we decarbonize our operations and the energy we sell at a different speed relative to society. If we are slower than society, customers may prefer a different supplier, which would reduce demand for our products and adversely affect our reputation besides materially affecting our results of operations and cash flow. If we move much faster than society, we risk investing in technologies, markets or low carbon products that are unsuccessful because there is limited demand for them, negatively affecting investment returns.

The physical effects of climate change such as, but not limited to, increases in temperature and sea levels and fluctuations in water levels could also adversely affect our operations and supply chains.

Certain investors have decided to divest from fossil fuel companies, which could undergo growing scrutiny from financial market participants to obtain funds and borrowing facilities. If this were to continue, it could have a material adverse effect on the price of our securities, our ability to access capital markets and hence the cost of capital to the Group. Stakeholder groups are also putting pressure on commercial and investment banks to stop financing fossil fuel companies. Some financial institutions have started to limit or cease altogether their exposure to fossil fuel projects. Accordingly, our ability to use financing for these types of future projects may be adversely affected.

In some Countries, governments, regulators, organizations, and individuals have filed lawsuits seeking to hold oil companies liable for costs associated with climate change or seeking to have oil companies condemned to speed up decarbonization plans based on alleged crimes against the environment or human rights violations. While we believe these lawsuits to be without merit, losing could have a material adverse effect on our business.



In summary, rising climate change concerns, the pace at which we decarbonize our operations relative to society and effects of the energy transition have led and could lead to a decrease in demand and potentially affect prices for fossil fuels. If we are unable to find economically viable, publicly acceptable solutions that reduce our GHG emissions and/or GHG intensity for new and existing projects and for the products we sell, we could experience financial penalties or extra costs, delayed or cancelled projects, potential impairments of our assets, additional provisions and/or reduced production and product sales, negatively affecting future results of operations, cash flow, liquidity, business prospects, financial condition, shareholder returns, including dividends, the amount of funds available for stock repurchases and the price of Eni's shares may be adversely and significantly affected.

The Company will continue to develop oil and gas resources to meet customers' and consumers' demand for energy, targeting to increase the proportion of natural gas in the production mix. At the same time, Eni has been implementing a strategy designed to gradually reduce the weight of hydrocarbons in the Company's portfolio by growing the businesses of renewable energy and manufacturing of biofuels and, as well as developing new technologies in the fields of nuclear energy, plastic recycling, and other energy vectors and solutions, like the geological permanent sequestration of CO₂, to decarbonize hard-to-abate products or processes with the long-term goal of achieving net zero emissions of CO₂ at the whole of its products and processes by 2050. Eni integrates climate change-related issues and the regulatory and other responses to these issues into its strategy and planning, capital investment reviews, and risk management tools and processes, where it believes they are applicable. They are also factored into the Company's long-range supply, demand, and energy price forecasts. These forecasts reflect estimates of long-range effects from climate change-related policy actions, such as electric vehicle and renewable fuel penetration, energy efficiency standards, and demand response to oil and natural gas prices. In case demand for hydrocarbons declines more rapidly than management's planning assumptions and capital programs, our results of operations and business prospects may be significantly and negatively affected.

The above-mentioned risks may emerge in the short, medium and long-term.

a) Regulatory risk: increasing worldwide efforts to tackle climate change may lead to the adoption of stricter regulations to curb carbon emissions and this could lead to increasing expenditures in the short-term and may end up suppressing demands for our products in medium-to-long-term.

It is possible that a growing share of our GHG emissions may be subject to regulation going forward, resulting in increased compliance costs and operational constraints. Regulatory actions intended to reduce greenhouse gas emissions include adoption of cap and trade regimes, carbon taxes, carbon-based import duties or other trade tariffs, minimum renewable usage requirements, restrictive permitting, increased mileage and other efficiency standards, mandates for sales of electric vehicles, mandates for use of specific fuels or technologies, and other incentives or mandates designed to support transitioning to lower-emission energy sources. Depending on how policies and regulations are formulated and applied, such policies and regulations could negatively affect our investment returns, make our hydrocarbon-based products more expensive or less competitive, lengthen project implementation times, and reduce demand for hydrocarbons, as well as shift hydrocarbon demand toward relatively lower carbon alternatives. Current and pending greenhouse gas regulations or policies may also increase our compliance costs, such as for monitoring, tracking or sequestering emissions.

Some governments have already introduced carbon pricing schemes. Eni's operating and compliance expenses could increase in the short-to-medium-term in case of widespread adoption of carbon tax mechanisms. Currently, about half of the direct GHG emissions coming from Eni's operated assets are included in national or supranational Carbon Pricing Mechanisms, such as the European Emissions Trading Scheme (ETS), which provides an obligation to purchase, on the open market, emission allowances in case GHG emissions exceed a pre-set amount of emission allowances allotted for free. In 2025 to comply with this carbon emissions scheme, Eni accrued an expense of around €800 million for allowances corresponding to 11.3 million tons of CO₂ emissions (11.7 million tons in 2024 for a total expense of €850 million). Due to the likelihood of new regulations in this area and expectations of a reduction in free allowances under the European ETS and the likely adoption of similar schemes in other jurisdictions, Eni could incur increased investments and higher operating expenses in case the Company is unable to reduce the carbon footprint of its operations.

It is also possible that new restrictions on oil & gas activities may be introduced in response to the climate emergency. Governments in jurisdictions where we operate may deny permissions to start new oil and gas projects or may impose restrictions on drilling and other field activities. These possible developments could significantly and negatively affect our business's prospects and results of operations.



b) Market/Technological risk: in the long-term demands for hydrocarbons may be materially reduced by the projected mass adoption of electric vehicles, the development of green hydrogen, the deployment of massive investments to grow renewable energies also supported by governments fiscal policies and the development of other technologies to produce clean feedstock, fuels, and energy.

In the long-term, the weight of hydrocarbons in the global energy mix may decline due to an expected growth in the volumes of energy generated by renewable sources, the possible emergence of new products and technologies, as well as changing consumers' preferences. Sales of electric vehicles (EVs) are expected to overcome internal-combustion-engine sales in the future, as is occurring in China, also helped by state tax-incentives and governmental or intergovernmental targets on the production of EVs and in certain instances also proposed restrictions or ban on sales of internal-combustion-engine cars. In the long-term this trend could disrupt the consumption of gasoline which is one of the main drivers of global crude oil demand. For example, the rapid adoption of EVs in China is deemed to have displaced an amount of gasoline corresponding to circa one million barrels of crude oil as per certain market sources. Other potentially disruptive technologies designated to produce clean energy and fuels are emerging, driven by the development of hydrogen-based solutions as an energy vector or the utilization of renewables feedstock to manufacture fuels and other goods replacing oil-based products. Electricity generation from wind power and solar panels has grown materially worldwide, with massive additions in China, and is projected to continue growing at rapid pace in line with the stated targets by several governments and institutions like the EU and the UK to decarbonize the electricity sector, and this could reduce demand for gas-fired electricity generation. Finally, some market forecasters are projecting a resurgence of investments in nuclear capacity due to a changing perception from public opinions and institutions about the role of this form of energy in the global mix and its being carbon neutral. As a matter of fact, the EU has recently upgraded nuclear energy as a net zero emission technology.

These trends could reduce demand for hydrocarbons in the long-term.

A large portion of Eni's business depends on the global demand for oil and natural gas. If existing or future laws, regulations, treaties, or international agreements related to GHG and climate change, including state incentives to conserve energy or use alternative energy sources, technological breakthroughs in the field of renewable energies, hydrogen, production of nuclear energy or mass adoption of electric vehicles trigger a structural decline in worldwide demand for oil and natural gas, Eni's results of operations and business prospects may be materially and adversely affected in case the Company fails to adapt its business model at the same pace of the energy transition as the economy.

c) Legal risk: several lawsuits are pending in various jurisdictions against oil & gas companies based on alleged violations of human rights, damage to the environment and other claims and such legal actions may be brought against us.

In recent years, there has been a marked increase in climate-based litigation. Courts could be more likely to hold companies that have allegedly made the most significant contributions to climate change to account. Cases brought to courts against oil & gas companies in several jurisdictions indicate that there are risks that oil & gas companies may have an individual legal responsibility to reduce emissions to address climate change based on an alleged relationship between climate change and human rights violations. Courts may condemn oil & gas companies to compensate individuals, communities, and states for the economic losses due to global warming because of their alleged responsibility in supporting hydrocarbons and their alleged awareness of knowingly hurting the environment. In some cases, companies' boards have been summoned for having allegedly failed to take effective actions to contrast climate change.

Private individuals, associations and NGOs may also bring legal actions against states or companies to get them condemned to adopt stricter targets of reducing GHG emissions and that could entail more restrictive measures on businesses. For example, in 2023, certain NGOs and several private citizens filed a complaint before an Italian court claiming that Eni is liable for the alleged impact on climate change in connection with its industrial activities and for alleged human rights violations. The plaintiffs requested compensation for economic losses and other damages and requested that Eni revises its decarbonization strategy and immediately stops any harmful conduct.

As such, climate litigation represents a significant risk. In case the Company is condemned to reduce its GHG emissions at a much faster rate than planned by management or to compensate for damage related to climate change due to ongoing or potential lawsuits, we could incur a material adverse effect on our results of operations and business's prospects.

d) Reputational risk: the consideration of oil & gas companies as poorly performing investments from an environmental standpoint by financial market participants, could reduce the attractiveness of their securities or limit their ability to access the capital markets. Activist investors have been seeking to interfere in companies' plans and strategies through matter of shareholders' resolutions and other means.

The reputational risk of oil & gas companies owes to the growing perception by certain governments, financial institutions, and the society that those companies may be allegedly liable for global warming due to GHG emissions across the hydrocarbon value chain, particularly



related to the use of energy products, and may be poorly performing players in the ESG dimensions. This could possibly impair their reputation and make their securities and debt instruments less attractive than other industrial sectors to investors and lenders.

Asset managers, mutual funds, global allocation funds, generalist investors and pension funds have been reducing their exposure to the fossil fuel industry due to the adoption of stricter ESG criteria in selecting investing opportunities. In some cases, these investors have adopted climate change targets in determining their policies of asset allocations. Many of them have announced plans to completely divest from the fossil fuel industry. This trend could reduce the market for our share and negatively affect shareholders' returns. Likewise, banks, financing institutions, lenders and insurance companies are cutting exposure to the fossil fuel industry due to the need to comply with ESG mandate or to reach emission reduction targets in their portfolios and this could limit our ability to access new financing, could drive a rise in borrowing costs to us or increase the costs of insuring our assets. Several large, well established financing institutions have announced their intention to stop financing directly the development of new oil and gas fields, a move that could herald an emerging trend among banks and lenders towards a phase-out of financing the hydrocarbons sector.

As a result of those developments, we could expect the cost of capital to the Company to rise in the future and reduced ability on part of Eni to obtain financing for future projects in the oil & gas business or to obtain it at competitive rates, which may curb our investment opportunities or drive an increase in financing expenses, negatively affecting our results of operations, returns on investments and business prospects.

Shareholders and activist funds may have resolutions passed at annual general meetings of listed oil & gas companies, which could interfere with management's long-term goals, strategies and capital allocation processes leading to unplanned cost increases and sub-optimal investment decisions. Activist investors may also bring lawsuits against oil & gas companies and their boards, claiming their responsibilities for not implementing adequate strategies to manage the transition risk; and we believe that such kind of claims can be brought against us.

e) Climate change adaptation: extreme weather phenomena, which are allegedly caused by climate change, may disrupt our operations

The scientific community has concluded that increasing global average temperature produces significant physical effects, such as the increased frequency and severity of hurricanes, storms, droughts, floods, or other extreme climatic events that could interfere with Eni's operations and damage Eni's facilities. Extreme and unpredictable weather phenomena can result in material disruption to Eni's operations, and consequent loss of or damage to properties and facilities, as well as a loss of output, loss of revenues, increasing maintenance and repair expenses and cash flow shortfall.

As a result of these trends, climate-related risks could have a material and adverse effect on the Group's results of operations, cash flow, liquidity, business prospects, financial condition, and shareholders returns, including dividends and the price of Eni's shares.

INVESTMENTS IN OUR LOW OR ZERO CARBON PRODUCTS AND SERVICES MAY NOT ACHIEVE EXPECTED RETURNS

We are building our portfolio of low or zero carbon products and services such as electricity generated from solar and wind power, manufacturing of biofuels, projects for permanent geological sequestration of CO₂, and a network of chargers for electric vehicles through organic and inorganic growth.

In expanding our offering of these products and services, we expect to undertake acquisitions and form partnerships also in the form of third-party investments in our subsidiaries developing those nascent businesses. The success of these transactions will depend on our ability to realize the synergies from combining our respective resources and capabilities, including the development of new processes, systems and distribution channels. For example, it may take time to develop these areas through retraining our workforce and recruitment for the necessary new skills. It may take longer to realize the expected returns from these transactions.

The operating margins for our lower carbon products and services may not be as high as the margins we have experienced historically in our oil and gas operations. Furthermore, lower carbon products are experiencing increasing competition risks. Biofuels prices can be negatively affected by oversupplies and an uncertain regulatory environment which may negatively affect final users' purchase decisions. Renewable electricity sold at spot markets is exposed to risks of uneconomic pricing or curtailed volumes, due to objective limits of current transmission networks to handle peak production volumes which are a feature of the renewable sector.



Finally, the capital contributions made by third-party investors in our subsidiaries, also in the form of purchase of non-controlling stakes, will entail a growing stream of dividends to non-controlling shareholders, which are expected to affect our cash flow, also considering our projections of improving results of our low or zero carbon businesses.

Therefore, developing our low or zero carbon products and services is subject to challenges which could have a material adverse effect on future results of operations, cash flow, liquidity, business prospects, financial condition, shareholder returns, including dividends, the amount of funds available for stock repurchases and the price of Eni's shares may be adversely and significantly affected.

RISK DERIVING FROM ENI'S EXPOSURE TO WEATHER CONDITIONS

Significant changes in weather conditions in Italy and in the rest of Europe from year to year may affect demand for natural gas and some refined products. In colder years, demand for such products is higher. Accordingly, the results of operations of Eni's businesses engaged in the marketing of natural gas and, to a lesser extent, the Refining business, as well as the comparability of results over different periods may be affected by such changes in weather conditions. Over recent years, this pattern could have been possibly affected by the rising frequency of weather trends like milder winter or extreme weather events like heatwaves or unusually cold snaps.

The Group is exposed to significant operational and economic risks associated with the exploration and production of crude oil and natural gas

The exploration and production of oil and natural gas is a capital-intensive business, which requires high levels of expenditure and is subject to specific operational and economic risks as well as to natural hazards and other uncertainties. The natural hazards and the economic risks described below could have an adverse and significant impact on Eni's future growth prospects, results of operations, cash flows, liquidity, and shareholders' return.

a) Operational risks in connection to drilling and extraction operations

The physical and geological characteristics of oil and gas fields entail natural hazards and other operational risks including risks of eruptions of hydrocarbons, discovery of hydrocarbon pockets with abnormal pressure, crumbling of well openings, oil spills, gas leaks, risks of blowout, fire or explosion and risks of earthquake in connection with drilling and extraction activities. Eni has material offshore operations which are inherently riskier than onshore activities. In 2025, approximately 73% of Eni's total oil and gas production for the year derived from offshore fields, mainly in Norway, Egypt, Libya, Kazakhstan, Indonesia, Angola, Congo and the United Arab Emirates. Offshore accidents and oil spills could cause damage of catastrophic proportions to the ecosystem and to communities' health and security due to the apparent difficulties in handling hydrocarbons containment in the sea, pollution, poisoning of water and organisms, length and complexity of cleaning operations and other factors. Furthermore, offshore operations are subject to marine risks, including storms and other adverse weather conditions and perils of vessel collisions, which may cause material adverse effects on the Group's operations and the ecosystem.

b) Exploratory drilling efforts may be unsuccessful

Exploration activities are mainly subject to the mining risk, i.e. the risk of dry holes or failure to find commercial quantities of hydrocarbons. The costs of drilling and completing wells have margins of uncertainty, and drilling operations may be unsuccessful because of a large variety of factors, including geological failure, unexpected drilling conditions, pressure or heterogeneity in formations, equipment failures, well control (blowouts) and other forms of accidents. A large part of the Company's exploratory drilling operations is located offshore, including in deep and ultra-deep waters, in remote areas and in environmentally sensitive locations (such as the Barents Sea, the Gulf of Mexico, deep water leases off West Africa, Indonesia, the Mediterranean Sea and the Caspian Sea). In these locations, the Company generally experiences higher operational risks and more challenging conditions and incurs higher exploration costs than onshore. Furthermore, deep and ultra-deep water operations require significant time before commercial production of discovered reserves can commence, increasing both the operational and the financial risks associated with these activities.

Because Eni plans to make significant investments in executing exploration projects, it is likely that the Company will incur significant amounts of dry hole expenses in future years. Unsuccessful exploration activities and failure to discover additional commercial reserves could reduce future production of oil and natural gas, which is highly dependent on the rate of success of exploration projects and could have an adverse impact on Eni's future performance, growth prospects and returns.

**c) Development projects bear significant operational risks which may adversely affect actual returns**

Projects to develop and market reserves of crude oil and natural gas normally entail long lead times because of the complexity of the activities required to achieve the production start-up, which comprise:

- appraising a discovery to evaluate the economic and operating viability of a development project;
- finalizing negotiations with joint venture partners, governments and state-owned companies, suppliers and potential customers to define project terms and conditions, including, for example, the fiscal take, the production sharing terms with the first party, or negotiating favorable long-term contracts to market gas reserves;
- obtaining timely issuance of permits and licenses by government agencies, including obtaining all necessary administrative authorizations to drill locations, install producing infrastructures, build pipelines and related equipment to transport and market hydrocarbons;
- effectively carrying out the front-end engineering design in order to prevent the occurrence of technical inconvenience during the execution phase;
- timely manufacturing and delivery of critical plants and equipment by contractors, like platforms and floating production storage and offloading (FPSO) vessels, or market availability for renting such kind of vessels, as well as building transport infrastructures to export production to final markets. For example, in case of a shortage of FPSOs to rent, we may have no other option than to build the facility thus incurring upfront the whole costs of the investment, which could negatively affect a project's return;
- preventing risks associated with the use of new technologies and the inability to develop advanced technologies to maximize the recoverability rate of hydrocarbons or gain access to previously inaccessible reservoirs;
- carefully planning the commissioning and hook-up phase where misstep might lead to delays in achieving first oil and rising expenses;
- changes in operating conditions and cost overruns. Since the post-COVID recovery, the industry has been experiencing higher inflationary pressures than in the past or compared to other sectors of the economy. This has been driven by the fact that suppliers of complex plants and equipment (like floating production vessels) are very concentrated, and providers of oilfield services and drilling rigs have undergone a restructuring process during the oil downturn resulting in reduced investment in new drilling facilities and fewer players; for example oilfield service providers Saipem and Subsea7 are in the process of executing a merger agreement. Therefore, we expect construction costs as well as costs of renting rigs and other drilling vessels and facilities to remain elevated as oil companies compete for a stable amount of supply of this kind of equipment;
- operating risks, including third-party claims, environmental protests and claims, changes to the work scope requested by governmental authorities, contractors' underperformance.

Moreover, projects executed with partners and joint venture partners limit the ability of the Company to manage risks and costs, and Eni may have limited influence over and control of the operations and performance of its partners.

The occurrence of any of these risks may negatively affect the time-to-market of the reserves and may cause cost overruns and start-up delays, lengthening the project pay back period. Those risks would adversely affect the economic returns of Eni's development projects and the achievement of production growth targets, also considering that those projects are exposed to the volatility of oil and gas prices which may be substantially different from those estimated when the investment decision was made, thereby leading to lower return rates.

Finally, if the Company is unable to develop and operate major projects as planned, or in case actual reservoir performance and natural field decline do not meet management's expectations, it could incur significant impairment losses of capitalized costs associated with reduced future cash flows of those projects.

d) Inability to replace produced oil and natural gas reserves could adversely impact results of operations and financial condition, including cash flows

Future oil and gas production depends on the Company's ability to access new reserves through new discoveries, application of improved techniques, success in development activity, negotiations with national oil companies and other owners of known reserves and acquisitions.

An inability to replace produced reserves by discovering, acquiring, and developing additional reserves could adversely impact future production levels and growth prospects. If Eni is unsuccessful in meeting its long-term targets of reserve replacement, Eni's future total proved reserves and production will decline.

**e) Uncertainties in estimates of oil and natural gas reserves**

The accuracy of proved reserve estimates and of projections of future rates of production and timing of development costs depends on several factors, assumptions and variables, including:

- the quality of available geological, technical and economic data and their interpretation and judgment;
- management's assumptions regarding future rates of production and costs and timing of operating and development costs. The projections of higher operating and development costs may impair the ability of the Company to economically produce reserves leading to downward reserve revisions;
- changes in the prevailing tax rules, other government regulations and contractual terms and conditions;
- results of drilling, testing and the actual production performance of Eni's reservoirs after the date of the estimates which may drive substantial upward or downward revisions; and
- changes in oil and natural gas prices which could affect the quantities of Eni'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 may impair the ability of the Company to economically produce reserves leading to downward reserve revisions.

Many of the factors, assumptions and variables underlying the estimation of proved reserves involve management's judgement or are outside management's control (prices, governmental regulations) and may change over time, therefore affecting the estimates of oil and natural gas reserves from year-to-year.

The prices used in calculating Eni's estimated proved reserves are, in accordance with the U.S. Securities and Exchange Commission (the "U.S. SEC") requirements, calculated by determining the unweighted arithmetic average of the first-day-of-the-month commodity prices for the preceding 12 months. For the 12-month ending at December 31, 2025, average prices were based on 70 \$/barrel for the Brent crude oil, 11 \$/barrel lower than the 2024 reference price 81 \$/barrel, resulting in us having to remove 12 million boe of reserves that have become uneconomical at a lower price.

Accordingly, the estimated reserves reported as of the end of 2025 could be significantly different from the quantities of oil and natural gas that will be ultimately recovered. Any downward revision in Eni's estimated quantities of proved reserves would indicate lower future production volumes, which could adversely impact Eni's business prospects, results of operations, cash flows and liquidity.

f) The development of the Group's proved undeveloped reserves "PUD" may take longer and may require higher levels of capital expenditures than it currently anticipates, or the Group's proved undeveloped reserves may not ultimately be developed or produced

As of December 31, 2025, approximately 44% of the Group's total estimated proved reserves (by volume) were undeveloped and may not be ultimately developed or produced. Recovery of PUD requires significant capital expenditures and successful drilling operations. The Group's reserve estimates assume the Group can and will commit these expenditures and conduct these operations successfully. These assumptions may prove to be inaccurate, are subject to the risk of a structural decline in the prices of hydrocarbons, which could reduce available funds to develop PUD, or management can change capital allocation plans or withdraw its commitment to develop certain projects. The Group's reserve report as of December 31, 2025, includes estimates of total future development and decommissioning costs associated with the Group's proved total reserves of approximately €45.3 billion (undiscounted, including consolidated subsidiaries and equity-accounted entities; €41.7 billion in 2024). It is uncertain that estimated costs of the development of these reserves will prove correct, development will occur as scheduled, or the results of such development will be as estimated. In case of change in the Company's plans to develop those reserves, or if it is not otherwise able to successfully develop these reserves as a result of the Group's inability to fund necessary capital expenditures due to a prolonged decline in the price of hydrocarbons or otherwise, it will be required to remove the associated volumes from the Group's reported proved reserves.

g) The oil & gas industry is a capital-intensive business and needs a large amount of funds to find and develop reserves. In case the Group does not have access to sufficient funds its oil & gas business may decline

The oil and gas industry is a capital-intensive business. Eni makes and expects to continue making substantial capital expenditures in its business for the exploration, development and production of oil and natural gas reserves. Historically, Eni's capital expenditures have been financed with cash generated from operations, proceeds from asset disposals, borrowings under its credit facilities and proceeds from the issuance of debt and bonds. The actual amount and timing of future capital expenditures may differ materially from Eni's estimates because of, among other things, changes in commodity prices, changes in cost of oil services and other inputs, available cash flows, lack of access



to capital, actual drilling results, the availability of drilling rigs and other services and equipment, the availability of transportation capacity, and regulatory, technological and competitive developments. Eni's cash flows from operations and access to capital markets are subject to several variables, including but not limited to:

- the amount of Eni's proved reserves;
- the volume of crude oil and natural gas Eni is able to produce and sell from existing wells;
- the prices at which crude oil and natural gas are marketed;
- Eni's ability to acquire, find and produce new reserves; and
- the ability and willingness of Eni's lenders to extend credit or of participants in the capital markets to invest in Eni's bonds considering that adoption of ESG targets by lenders may restrict our access to third-party financing.

If cash generated by operations, cash from asset disposals, or cash available under Eni's liquidity reserves and credit facilities or from issuance of new bonds is not sufficient to meet capital requirements, or in case of otherwise failure to obtain additional financing, due to among other things a decline in oil and gas prices or more stringent ESG criteria adopted by banks and other lenders, we may be forced to curtail our operations relating to the development of Eni's reserves and revise our capital plans, which in turn could adversely affect the Company's results of operations and cash flows and its ability to achieve its growth objectives. We plan to invest a major part of the Group €29 billion gross expenditure budgeted for the next five-year plan 2026-2030 to explore for and develop hydrocarbons reserves. In case of a cash flow shortfall, we may be forced to take on new finance debt from banks and financing institutions to pursue our development plans and that could increase our financial risk profile. Finally, funding Eni's capital expenditures with additional debt will increase its leverage and the issuance of additional debt will require an increasing portion of Eni's cash flows from operations to be used for the payment of interest.

h) Oil & gas activity may be subject to increasingly high levels of income taxes and royalties

Oil and gas operations are subject to the payment of royalties and income taxes, which tend to be higher than those payable in other commercial activities. Management believes that the marginal tax rate in the oil and gas industry tends to increase in correlation with higher oil prices, which could make it more difficult for Eni to translate higher oil prices into increased net profit. However, the Company does not expect that the marginal tax rate will decrease in response to falling oil prices. Adverse changes in the tax rate applicable to the Group's profit before income taxes in its oil & gas operations would have a negative impact on Eni's future results of operations and cash flows.

After the energy crisis of 2022 following Russia's military aggression of Ukraine, the recent events in the Middle East have put again surging hydrocarbon prices on the political agenda as they hit the psychological level of over 100 \$/bbl triggering criticism on part of governments, businesses, and consumers in the Eurozone because high oil prices are perceived to hamper competitiveness of the manufacturing sector and to reduce the purchase power of households. Given rising pressures on public finances due to an ongoing economic slowdown in the EU and the general consideration that oil & gas companies may continue benefiting from the ongoing geopolitical tensions in Ukraine and the Middle East, management cannot rule out the possibility of the introduction of new windfall taxes and other extraordinary levies targeting the hydrocarbons sector, signaling an increased fiscal risk for oil & gas companies and energy manufacturers and traders, which could negatively affect the Group's results of operations and cash flows in case of a recovery in commodity prices.

i) The present value of future net revenues from Eni's proved reserves will not necessarily be the same as the current market value of Eni's estimated crude oil and natural gas reserves

The present value of future net revenues from Eni's proved reserves may differ from the current market value of Eni's estimated crude oil and natural gas reserves. In accordance with the U.S. SEC rules, Eni bases the estimated discounted future net revenues from proved reserves on the 12-month unweighted arithmetic average of the first day of the month commodity prices for the preceding twelve months. Actual future prices may be materially higher or lower than the SEC pricing method in the calculations. Actual future net revenues from crude oil and natural gas properties will be affected by factors such as:

- the actual prices Eni receives for sales of crude oil and natural gas;
- the actual cost and timing of development and production expenditures;
- the timing and amount of actual production; and
- changes in governmental regulations or taxation.

The timing of both Eni's production and its incurrence of expenses in connection with the development and production of crude oil and natural gas properties will affect the timing and amount of actual future net revenues from proved reserves, and thus their actual present value. Additionally,



the 10% discount factor Eni uses when calculating discounted future net revenues may not be the most appropriate discount factor based on interest rates in effect from time to time and risks associated with Eni's reserves or the crude oil and natural gas industry in general.

At December 31, 2025, the net present value of Eni's proved reserves totaled approximately €42.9 billion, representing a decrease of €12.6 billion from the estimated amount at December 31, 2024. The average prices used to estimate Eni's proved reserves and the net present value at December 31, 2025, as calculated in accordance with the SEC rules, were at around 70 \$/barrel for the Brent crude oil. Actual future prices may materially differ from those used in our year-end estimates.

RISKS RELATED TO POLITICAL CONSIDERATIONS

As at December 31, 2025, about 84% of Eni's proved hydrocarbon reserves were located in non-OECD (Organization for Economic Co-operation and Development) Countries, mainly in Africa, Central Asia and Middle East where the socio-political framework, the financial system and the macroeconomic outlook are less stable than in the OECD countries. In those non-OECD countries, Eni is exposed to a wide range of political risks and uncertainties, which may impair Eni's ability to continue operating economically on a temporary or permanent basis, and Eni's ability to access oil and gas reserves. Particularly, Eni faces risks in connection with the following potential issues and risks:

- socio-political instability leading to internal conflicts, revolutions, establishment of non-democratic regimes, protests, attacks, and other forms of civil disorder and unrest, such as strikes, riots, sabotage, blockades, vandalism, and theft of crude oil at pipelines, acts of violence and similar events. These risks could result in disruptions to economic activity, loss of output, plant closures and shutdowns, project delays, loss of assets and threats to the security of personnel. They may disrupt financial and commercial markets, including the supply of and pricing for oil and natural gas, and generate greater political and economic instability in some of the geographical areas in which Eni operates. Additionally, any possible reprisals because of military or other action, such as acts of terrorism in Europe, the USA or elsewhere, could have a material adverse effect on the world economy and hence on the global demand for hydrocarbons;
- lack of well-established and reliable legal systems and uncertainties surrounding the enforcement of contractual rights;
- unfavorable enforcement of laws, regulations and contractual arrangements leading, for example, to expropriation, nationalization or forced divestiture of assets and unilateral cancellation or modification of contractual terms, tax or royalty increases (including retroactive claims) and restrictions on exploration, production, imports and exports;
- sovereign default or financial instability since those Countries rely heavily on petroleum revenues to sustain public finance. Financial difficulties at Country level often translate into failure by state-owned companies and agencies to fulfil their financial obligations towards Eni relating to funding capital commitments in projects operated by Eni or to timely paying for supplies of equity oil and gas volumes;
- difficulties in finding qualified international or local suppliers in critical operating environments;
- risks of international sanctions which could impair our ability to conduct profitable operations or to recover our investments like the U.S. sanctions designated to impact on the oil sector of Venezuela; and
- complex processes of granting authorizations or licenses affecting time-to-market of development projects.

Areas where Eni operates and where the Company is particularly exposed to political risk include, but are not limited to Libya, Venezuela, and Egypt.

Eni's operations in Libya are exposed to geopolitical risks. The social and political instability of the Country dates to the revolution of 2011 that brought a change of regime and a civil war with a material impact on our operations in that year. A divided political landscape emerged from those events, which caused a prolonged period of internal instability which has triggered several acts of internal conflict, armed clashes, civil turmoil, and unrest involving the opposing factions amidst failed attempts to hold general elections and appoint a national government, resulting in several disruptions to Eni's activities in the Country. In the last few years, the situation has improved somewhat, and no significant disruptions have occurred. However, the political landscape of the Country has remained split between the Government of National Unity installed in Tripoli and recognized by the UN and the self-appointed National Stability Government installed in the east of the Country and has resulted in several disputes and reciprocal claims. This constitutes a continuing source of instability. In 2025, Eni production in Libya was 162 kboe/d, equal to about 10% of the Group's total production and was in line with management's plans. Management continues to monitor Libya's geopolitical situation which is recognized as a source of risk and uncertainty to Eni's operations in the Country and related Group's financial results.

Venezuela has experienced a prolonged period of financial and economic crisis due to the U.S. sanction regime intended to block the Country's oil exports and revenues, which in turn have impaired our ability to conduct profitable operations in the Country. At the beginning of 2026, a new government took office, and a legislative process started to amend the Country's Hydrocarbon law with a view



to stimulating investments. Those developments could revive the Country's ailing oil sector, also with involvement of certain international oil companies who have been granted general licenses by the U.S. administration. Currently, after having impaired other projects in past reporting periods, the Company retains one main asset in Venezuela: the 50%-participated Cardón IV joint venture, which is operating an offshore natural gas field and is supplying its production to the national oil company, Petroleos de Venezuela SA ("PDVSA"), under a long-term supply agreement. PDVSA has defaulted on the payments of the receivables for the gas volumes supplied by Cardón IV venture and consequently the Company has recorded a significant amount of overdue trading receivables owed by PDVSA. In 2025, due to the U.S. administration's tightening of the sanction regime against the Venezuela oil sector, we were unable to execute any swap transaction with PDVSA to obtain reimbursement in-kind of our outstanding receivables. As of December 31, 2025, Eni's credit exposure to PDVSA amounted to approximately nominal \$2.3 billion, excluding accrued interest, stated at their estimated realizable value of around \$1.0 billion. The Country's recent developments could make less uncertain the recoverability of our receivables than the previous status of the Country as our Company has been involved in discussions with U.S. relevant authorities about possible involvement of Eni in the relaunch of the Venezuela oil sector.

Egypt has been experiencing financial restraints due to an economic slowdown and a contraction in reserves of foreign currencies as fallout of the conflict situation in Middle East. Eni is currently supplying its equity share of natural gas production to state-owned oil companies that in the past have failed to pay receivables owed to us in a timely manner; in 2025 the situation has improved reducing almost completely the overdue balance.

SANCTION TARGETS

The sanction programs relevant to Eni are those issued by the European Union and the United States and, as of today, the restrictive measures adopted by such authorities in respect of Russia.

As a consequence of Russia's military aggression of Ukraine, the European Union, the United Kingdom, the United States and the G-7 Countries adopted a comprehensive system of sanctions against Russia to weaken its economy and its ability to finance the war. The sanction system is constantly evolving.

The main targets of the sanctions are the Russian Central Bank and the major financial institutions of the Country, as well as Russia's exports of crude oil and refined products to international markets, as well as EU proposed restrictive measures against imports of Russian LNG. Considering the complexity of the sanctions and the fact that Eni engages in trading crude oil, gas, LNG and refined products in international markets and also owing to the Company's current gas supply contracts with Russian counterparts (as described above), the Company is exposed to the risk of possible violations of the sanctions regime.

Eni has adopted the necessary measures to ensure that its activities are carried out in accordance with the applicable rules, ensuring continuous monitoring of the evolution in the sanction framework, to adapt on an ongoing basis its activities to the applicable restrictions.

Furthermore, an escalation of the international crisis, resulting in a tightening of sanctions, could entail a significant disruption of energy supply and trade flows globally, which could have a material adverse effect on the Group's business, financial conditions, results of operations and prospects.

SPECIFIC RISKS OF THE COMPANY'S GAS AND ELECTRICITY BUSINESSES

a) Any negative trends in the competitive environment of the European wholesale gas sector may impair the Company's ability to fulfil its minimum off-take obligations in connection with its take-or-pay, long-term gas supply contracts

Eni is currently party to a number of long-term gas supply contracts with state-owned companies of key producing countries, from where most of the gas supplies directed to Europe are sourced via pipeline (Algeria and Norway). These contracts which were intended to support Eni's sales plan in Italy and in other European markets, provide take-or-pay clauses whereby the Company has an obligation to lift minimum, preset volumes of gas in each year of the contractual term or, in case of failure, to pay the whole price, or a fraction of that price, up to a minimum contractual quantity. Similar considerations apply to ship-or-pay contractual obligations which arise from contracts with transmission system operators or pipeline owners, which the Company has entered into to secure long-term transport capacity. Long-term gas supply contracts with take-or-pay clauses expose the Company to a volume risk, as the Company is obligated to purchase an annual minimum volume of gas, or in case of failure, to pay the underlying price. The structure of the Company's portfolio of gas supply contracts



is a risk to the profitability outlook of Eni's wholesale gas business should these take-or-pay clauses be activated, which the Company does not expect to happen in the coming years. Furthermore, the Company's wholesale business is exposed to volatile spreads between the procurement costs of gas, which are linked to spot prices at European hubs or to the price of crude oil, and the selling prices of gas which are mainly indexed to spot prices at the Italian hub.

Eni's management is planning to continue its strategy of renegotiating the Company's long-term gas supply contracts in order to constantly align pricing terms to current market conditions as they evolve and to obtain greater operational flexibility to better manage the take-or-pay obligations (volumes and delivery points among others), considering the risk factors described above. The revision clauses included in these contracts state the right of each counterparty to renegotiate the economic terms and other contractual conditions periodically, in relation to ongoing changes in the gas scenario. Management believes that the outcome of those renegotiations is uncertain in respect of both the amount of the economic benefits that will be ultimately obtained and the timing of recognition of profit. Furthermore, in case Eni and the gas suppliers fail to agree on revised contractual terms, both parties can start an arbitration procedure to obtain revised contractual conditions. All these possible developments within the renegotiation process could increase the level of risks and uncertainties relating the outcome of those renegotiations.

b) Risks associated with the regulatory powers entrusted to the Italian Regulatory Authority for Energy, Networks and Environment in the matter of pricing to residential customers and other regulatory risks

Eni's wholesale gas and retail gas and power businesses are subject to regulatory risks mainly in Italy's domestic market. The Italian Regulatory Authority for Energy, Networks and Environment (the "Authority") is entrusted with certain powers in the matter of natural gas and power pricing. Specifically, the Authority exercises monitoring and supervisory powers over price trends in the energy markets and sets the economic conditions of supply for specific categories of end customers, such as vulnerable customers, for whom regulated tariff remain in force under the applicable regulatory framework. Developments in the regulatory framework aimed at increasing the level of market liquidity, promoting deregulation or limiting operators' ability to pass supply cost increases onto customers may negatively affect future sales margins of gas and electricity, operating results, and cash flow at our Plenitude subsidiary, which engages in those markets. For example, based on our experience, in case of an upward trend in commodity prices the Authority may enact measures intended to cap the cost of the raw materials in pricing formulae applied by retail companies that market natural gas and electricity to residential customers, thus reducing sales margins.

Our GGP business that engages in the wholesale marketing of gas and the power generation business that sell produced electricity on the spot market could be exposed to a regulatory risk, although on a smaller scale than the retail business due to well-established and liquid spot markets for gas and electricity.

Law Decree No. 162 (the so called "Law Decree Bollette"), adopted by the Council of Ministers and published in the Gazzetta Ufficiale on February 21, 2026, introduces a set of regulatory measures within the Italian energy framework aimed at reducing the cost of electricity and gas supplies for businesses and households end users. This Decree primarily targets to: (i) reduce or eliminate the spread between wholesale gas prices at European markets and Italian prices (the so called PSV-TTF spread); (ii) disincentivize strategic or opportunistic withholding of spare thermoelectric generation capacity; and (iii) to introduce, for the 2026-2027 regulatory period, a voluntary discount on electricity supplies for certain segments of residential customers. In addition, for the same two-year period, the decree introduces a two-percentage point increase in an Italian regional income tax rate for companies operating in the energy sector. These measures have introduced a risk factor for the Group's economic performance, primarily due to the potential reduction of the PSV-TTF spread, which could negatively affect margins on equity gas and marketed gas, and to a lesser extent due to the voluntary discount on residential electricity supplies. Those effects could, however, be offset by lower energy input costs to Eni's refining, biorefining, and petrochemical plants. Assuming a price scenario reflecting the wholesale gas price trend implied by evolution of the forward curves in the days immediately following the issuance of the decree, the overall estimated impact on the Group's consolidated operating results would not be significant. Regarding the increase in the Italian Regional Income tax rate, the effect is negligible, also considering the expected evolution of the taxable base.

ENVIRONMENTAL, HEALTH AND SAFETY RISKS.

a) The Group is exposed to material HSE risks due to the nature of its operations

The Group engages in the exploration and production of crude oil and gas, processing, transportation and refining of crude oil, transport of natural gas by pipeline, transport of LNG by carriers, storage and distribution of petroleum products and the production of base chemicals,



plastics, and elastomers. The Group's operations expose Eni to a wide range of significant health, safety, security, and environmental risks. Flammability and toxicity of hydrocarbons, technical faults, malfunctioning of plants, equipment and facilities, control systems failure, human errors, acts of sabotage, attacks, loss of containment and climate-related hazards can trigger adverse consequences such as explosions, blow-outs, fires, oil and gas spills from wells, pipeline and tankers, release of contaminants and pollutants in the air, ground and water, toxic emissions, and other negative events. The magnitude of these risks is influenced by scale, geographical reach, operational diversity, and technical complexity of Eni's activities. Eni's future results of operations, cash flow and liquidity depend on its ability to identify and address the risks and hazards inherent to operating in those industries.

b) Eni expects to incur material operating expenses and expenditures in future years in relation to compliance with applicable environmental, health and safety regulations, including compliance with any national or international regulation on greenhouse gas (GHG) emissions, as well as to retain high standards of reliability in its industrial operations

Eni's activities are highly regulated. Laws and regulations intended to preserve the environment and to safeguard health and safety of workers and communities impose several obligations, requirements, and prohibitions to the Company's businesses due to their inherent risky nature because of flammability, dangerousness, and toxicity of hydrocarbons and of objective complexities of industrial processes to explore, develop, extract, refine, handle and transport oil, natural gas, liquefied natural gas and products. These laws and regulations require acquisition of a permit before drilling for hydrocarbons may commence, restrict the types, quantities and concentration of various substances that can be released into the environment in connection with exploration, drilling and production activities, including refinery and petrochemical plant operations, limit or prohibit drilling activities in certain protected areas, require to remove and dismantle drilling platforms and other equipment and well plugging once oil and gas operations have terminated, provide for measures to be taken to protect the safety of the workplace, the health of employees, contractors and other Company collaborators and of communities involved by the Company's activities, and impose criminal and civil liabilities for polluting the environment or harming employees' or communities' health and safety as result from the Group's operations. These laws and regulations control the emission of scrap substances and pollutants, discipline the handling of hazardous materials and waste and set limits to or prohibit the discharge of soil, water or groundwater contaminants, emissions of toxic gases and other air pollutants or can impose taxes on carbon dioxide emissions, as in the case of the European Trading Scheme that requires the purchase of an emission allowance for each ton of carbon dioxide emitted in the environment above a pre-set threshold, resulting from the operation of oil and natural gas extraction and processing plants, petrochemical plants, refineries, service stations, vessels, oil carriers, pipeline systems and other facilities owned or operated by Eni.

Breaches of environmental, health and safety laws and regulations as in the case of negligent or willful release of pollutants and contaminants into the atmosphere, the soil, water or groundwater or exceeding the concentration thresholds of contaminants set by the law expose the Company to the incurrence of liabilities associated with compensation for environmental, health or safety damage and expenses for environmental remediation and clean-up, as well as damage to reputation. Furthermore, in the case of violation of certain rules regarding the safeguard of the environment and the health and safety of employees, contractors, and other collaborators of the Company, and of communities, the Company may incur liabilities in connection with the negligent or willful violations of laws by its employees as per Italian Law Decree No. 231/2001.

Management expects that the Group will continue to incur significant amounts of operating expenses and expenditures in the foreseeable future to comply with laws and regulations, to upgrade plants and equipment to improve security standards and to safeguard the environment and the health and safety of employees, contractors and communities involved by the Company activities by retaining reliable industrial operations and by adhering to industry best practices, including:

- costs to prevent, control, eliminate or reduce release of pollutants and other hazardous materials in the soil, groundwater and the marine environment, and of GHG and other toxic gases in the atmosphere, as well as to maintain high standards of efficiency and reliability at its plants and equipment, including offshore platforms, FPSO vessels, oil & gas treatment plants, refineries, petrochemical complexes and pipelines;
- remedial and clean-up measures related to environmental contamination or accidents at various sites, including those owned by thirdparties, as well as decommissioning costs of productive infrastructures and well plugging of industrial hubs and oil and gas fields once production and manufacturing activities are discontinued; and
- damage compensation claimed by individuals and entities, including local, regional, or state administrations in case Eni is found liable of a HSE incident, contamination, pollution of marine or water resources, soil or the atmosphere, or violations of HSE laws.

As a further consequence of any new laws and regulations or other factors, like the actual or alleged occurrence of environmental damage at Eni's plants and facilities, the Company may be forced to curtail, modify, or cease certain operations or implement temporary shutdowns



of facilities. Furthermore, in certain situations where Eni is not the operator, the Company may have limited influence and control over third parties, which may limit its ability to manage and control such risks.

c) The Group is exposed to operational risks in connection with the transportation of hydrocarbons

All of Eni's segments of operations involve, to varying degrees, the transportation of hydrocarbons. Risks in transportation activities depend on several factors and variables, including the hazardous nature of the products transported due to their flammability and toxicity, the transportation methods utilized (pipelines, shipping, river freight, rail, road and gas distribution networks), the volumes involved and the sensitivity of the regions through which the transport passes (quality of infrastructure, population density, environmental considerations). All modes of transportation of hydrocarbons are particularly exposed to risks of blowout, fire, release of toxic agents in the atmosphere, spillover of oil and other pollutants and loss of containment and, given that normally high volumes are involved, could present significant risks to people, environment and property.

d) The Group is not insured against all potential HSE risks

Eni retains worldwide third-party liability insurance coverage, which is designed to hedge part of the liabilities associated with possible incidents occurring at the Group plants and installations resulting in damage to third-parties, loss of value to the Group's assets related to adverse events and in connection with environmental clean-up and remediation. Management believes that its insurance coverage is in line with industry practice and is enough to cover normal risks in its operations. However, the Company is not insured against all potential risks. In the event of a major environmental disaster, such as the incident which occurred at the Macondo well in the Gulf of Mexico several years ago, Eni's third-party liability insurance would not provide any material coverage and thus the Company's liability would far exceed the maximum coverage provided by its insurance. The loss Eni could suffer in case of a disaster of material proportions would depend on all the facts and circumstances of the event and would be subject to a whole range of uncertainties, including legal uncertainty as to the scope of liability for consequential damages, which may include economic damage not directly connected to the disaster. The Company cannot guarantee that it will not suffer any uninsured loss and there can be no guarantee, particularly in the case of a major environmental disaster or industrial accident, that such a loss would not have a material adverse effect on the Company.

The Company has invested and will continue to invest significant financial resources to continuously upgrade the methods and systems for safeguarding the reliability of its plants, production facilities, well execution, vessels, transport and storage infrastructures, the safety and the health of its employees, contractors, local communities, and the environment, to prevent risks, to comply with applicable laws and policies and to respond to and learn from unforeseen incidents. However, these measures may ultimately not be completely successful in preventing and/or altogether eliminating risks of adverse events. Failure to properly manage these risks as well as accidental events like human errors, unexpected system failure, sabotages, cyberattacks or other unexpected factors could cause incidents of any kind of impact and magnitude which could trigger in a worst case scenario serious consequences, including loss of life, damage to properties, environmental pollution, legal liabilities and/or damage claims and consequently a disruption in operations and potential economic losses that could have a material and adverse effect on the Group's results of operations, cash flow, liquidity, business prospects, financial condition, and shareholder returns, including dividends, the amount of funds available for stock repurchases and the price of Eni's shares. For example, in December 2024, a fire occurred at a fuel storage site operated by Eni, which caused the death of five people while working at site operations, several wounded and damage to property. The Group made a loss provision to account for all damage to people and property because insurance coverage was not enough.

LEGAL, IT AND FINANCIAL RISKS

a) Eni is exposed to the risk of material environmental liabilities in connection with pending litigation

Eni has incurred in the past and may incur in the future material environmental liabilities in connection with the alleged breach of environmental laws claimed by administrative bodies and thirdparties at industrial hubs where the Group is currently performing its activities or where the Group has ceased to operate and is performing decommissioning and remediation activities. Eni is also exposed to claims under environmental requirements and, from time to time, such claims have been made against the Company. Furthermore, environmental regulations in Italy and elsewhere typically impose strict liability. Strict liability means that in some situations Eni could be exposed to liability for clean-up and remediation costs, environmental damage, and other damages because of Eni's conduct of operations that was lawful at the time it occurred or of the management of industrial hubs by prior operators or other third parties, who were subsequently taken over by Eni. In addition, plaintiffs may seek to obtain compensation for damage resulting from events of contamination and pollution or in case the Company is found liable for violations of any environmental laws or regulations. Due to the history and development of the Group, Eni is particularly exposed to this kind of risk in Italy.



The Group is performing remediation and cleaning-up activities at several Italian industrial hub where the Group's products were produced, processed, stored, distributed, or sold, such as chemical plants, mineral-metallurgic plants, refineries, and other facilities, which were subsequently disposed of, liquidated, closed, or shut down. Eni has been alleged to be liable for having polluted and contaminated proprietary or concession areas where those dismissed industrial hubs were located.

State or local public administrations have sued Eni for environmental and other damages and for clean-up and remediation measures in addition to those which were performed by the Company, or which the Company has committed to performing, including allegations of violations of criminal laws (for example for alleged environmental crimes such as failure to perform soil or groundwater reclamation, environmental disaster and contamination, illegal discharge of toxic materials, amongst others). Although Eni believes that it may not be held liable for having exceeded in the past pollution thresholds that are unlawful according to current regulations, but were allowed by laws then effective, or because the Group took over operations from third parties, it cannot be excluded that Eni could potentially incur such environmental liabilities. Eni's financial statements account for provisions relating to the expected costs to clean up and remediate contaminated areas and groundwater at Eni's shut-down or operational Italian hubs, where legal or constructive obligations exist and the associated costs can be reasonably estimated in a reliable manner, representing management's best estimates of the Company's existing environmental liabilities.

Although the Company has provided for known environmental obligations that are probable and reasonably estimable, it is likely that the Company will continue to incur additional liabilities in the future. The additional costs are not fully determinable due to such factors as the unknown magnitude of possible contamination, the unknown timing and extent of the remediation actions that may be required, the determination of the company's liability in proportion to other responsible parties, and the extent to which such costs are recoverable from third parties. These future costs may be material to results of operations in the period in which they are recognized, but the Company does not expect these costs will have a material effect on its consolidated financial position or liquidity.

b) Risks related to legal proceedings and compliance with anti-corruption legislation

Eni is the defendant in several civil and criminal actions and administrative proceedings. In future years Eni may incur significant losses due to: (i) uncertainty regarding the final outcome of each proceeding; (ii) the occurrence of new developments that management could not take into consideration when evaluating the likely outcome of each proceeding in order to accrue the risk provisions as of the date of the latest financial statements or to judge a negative outcome only as possible or to conclude that a contingency loss could not be estimated reliably; (iii) the emergence of new evidence and information; and (iv) underestimation of probable future losses due to circumstances that are often inherently difficult to estimate. Certain legal proceedings and investigations in which Eni or its subsidiaries or its officers and employees are defendants might involve allegations of breaching anti-bribery and anti-corruption laws and regulations and other ethical misconduct. Such proceedings are described in the Notes to the Consolidated Financial Statements (note no. 28). Ethical misconduct and non-compliance with applicable laws and regulations, including non-compliance with anti-bribery and anti-corruption laws, by Eni, its officers and employees, its partners, agents or others acting on the Group's behalf, could expose Eni and its employees to criminal and civil penalties and could be damaging to Eni's reputation, business prospects and results of operations.

c) Risks from acquisitions

Eni is constantly monitoring the market in search of opportunities to acquire individual assets or companies with a view of achieving its growth targets or complementing its asset portfolio. Acquisitions entail an execution risk - the risk that the acquirer will not be able to effectively integrate the purchased assets to achieve expected synergies. In addition, acquisitions entail a financial risk - the risk of not being able to recover the purchase costs of acquired assets, in case of a prolonged decline in the market prices of commodities. Eni may also incur unanticipated costs or assume unexpected liabilities and losses in connection with companies or assets it acquires. If the integration and financial risks related to acquisitions materialize, expected synergies from acquisition may fall short of management's targets and Eni's financial performance and shareholders' returns may be adversely affected.

d) Eni's crisis management systems may be ineffective

Eni has developed contingency plans to continue or recover operations following a disruption or incident. An inability to restore or replace critical capacity to an agreed level within an agreed period could prolong the impact of any disruption and could severely affect business, operations and financial results. Eni has crisis management plans and the capability to deal with emergencies at every level of its operations. If Eni does not respond or is not seen to respond in an appropriate manner to either an external or internal crisis, this could adversely impact the Group's reputation, its business prospects and results of operations.



e) Cyberattacks, disruption to or breaches of Eni's critical IT services or digital infrastructure and security systems could adversely affect the Group's business, increase costs and damage Eni's reputation

The Group's activities depend heavily on the reliability and security of its information technology (IT) systems and digital security. The Group's IT systems, some of which are managed by third parties, are susceptible to being compromised, damaged, disrupted or shutdown due to failures during the process of upgrading or replacing software, databases or components, power or network outages, hardware failures, cyberattacks (e.g., viruses, computer intrusions), user errors or natural disasters. Cyber threat is constantly evolving. The oil and gas industry is subject to fast-evolving risks from cyber threat actors, including nation states, criminals, terrorists, hacktivists and insiders. Attacks are becoming more sophisticated with regularly renewed techniques while the digital transformation amplifies exposure to these cyber threats. The adoption of new technologies, such as the Internet of Things (IoT) or the migration to the cloud, as well as the evolution of architectures for increasingly interconnected systems, are all areas where cybersecurity is a very important issue.

The Group and its service providers may not be able to prevent third-parties from breaking into the Group's IT systems, disrupting business operations or communications infrastructure through denial of service, attacks, or gaining access to confidential or sensitive information held in the system. The Group, like many companies, has been and expects to continue to be the target of attempted cybersecurity attacks. While the Group has not experienced any such attack that has had a material impact on its business and results of operations, the Group cannot guarantee that its security measures will be sufficient to prevent a material disruption, breach, or compromise in the future which could negatively and significantly affect the Company, its reputation and results of operations. As a result, the Group's activities and assets could sustain serious damage, services to clients could be interrupted, material intellectual property could be divulged and, in some cases, personal injury, property damage, environmental harm and regulatory violations could occur.

f) Violations of data protection laws carry fines and expose the Company and/or its employees to criminal sanctions and civil suits

Data protection laws and regulations apply to Eni and its joint ventures and associates in most countries in which they do business. The General Data Protection Regulation (EU) 2016/679 (GDPR) came into effect in May 2018 and increased penalties up to a maximum of 4% of global annual turnover for breach of the regulation. The GDPR requires mandatory breach notification, a standard also followed outside the EU (particularly in Asia). Non-compliance with data protection laws could expose Eni to regulatory investigations, which could result in fines and penalties as well as harm the Company's reputation. In addition to imposing fines, regulators may also issue orders to stop processing personal data, which could disrupt operations. The Company could also be subject to litigation from persons or corporations allegedly affected by data protection violations. Violation of data protection laws is a criminal offence in some countries, and individuals can be imprisoned or fined.

If any of the risks set out above materialize, they could adversely impact the Group's results of operations, cash flow, liquidity, business prospects, financial condition, and shareholder returns, including dividends, the amount of funds available for stock repurchases and the price of Eni's shares.

g) Eni is exposed to treasury and trading risks, including liquidity risk, interest rate risk, foreign exchange risk, commodity price risk and credit risk and may incur substantial losses in connection with those risks

Eni's business is exposed to the risk that changes in interest rates, foreign exchange rates or the prices of energy commodities will adversely affect the value of assets, liabilities or expected future cash flows. The Group does not hedge its exposure to volatile hydrocarbons prices in its business of developing and extracting hydrocarbons reserves and other types of commodity exposures (e.g. exposure to the volatility of refining margins and of certain portions of the gas long-term supply portfolio) except for specific markets or business conditions. The Group has established risk management procedures and enters financial derivatives contracts to hedge its exposures to different commodity indexations and to currency and interest rates risks. However, hedging may not function as expected. In addition, Eni undertakes commodity derivatives contracts to optimize commercial margins or with a view of profiting from expected movements in market prices. Those derivatives may or may not be risk-reducing. Although Eni believes it has established sound risk management procedures to monitor and control commodity trading, this activity involves elements of forecasting and Eni is exposed to the risk of incurring significant losses if prices develop contrary to management expectations and to the risk of default of counterparties.

Eni is exposed to the risks of unfavorable movements in the Euro vs. the U.S. dollar exchange rates primarily because Eni's consolidated financial statements are prepared in Euros, whereas Eni's main subsidiaries in the Exploration & Production sector are utilizing the U.S. dollar as their functional currency. This translation risk is unhedged. As a rule of thumb, a depreciation of the U.S. dollar against the euro generally has an adverse impact on Eni's results of operations and liquidity because it reduces booked revenues by an amount greater than



the decrease in U.S. dollar-denominated expenses and may also result in significant translation adjustments that impact Eni's shareholders' equity. In 2025, the Euro appreciated considerably versus the U.S. dollar (the average exchange rate for the year rose by 4.4%) and that trend negatively and significantly affected our reported results of operations and cash flow by an estimated €0.5 billion amount. The appreciation recorded on the last day of the year of the Euro vs. the U.S. dollar exchange rate was even larger than the average (up 15%) and reduced the Group's net equity by an estimated €6.4 billion, negatively affecting balance sheet ratios. Eni's credit ratings are exposed to risk from possible reductions of the sovereign credit rating of Italy. Based on the methodologies used by Standard & Poor's and Moody's, a potential downgrade of Italy's credit rating may have a potential knock-on effect on the credit rating of Italian issuers such as Eni and make it more likely that the credit rating of the debt instruments issued by us could be downgraded.

Eni is exposed to credit risk. Eni's counterparties could default, could be unable to pay the amounts owed to us in a timely manner or meet their performance obligations under contractual arrangements. These events could cause the Company to recognize loss provisions with respect to amounts owed to it by debtors and cashflow shortfall.

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

If any of the risks set out above materialize, this could adversely impact the Group's results of operations, cash flow, liquidity, business prospects, financial condition, and shareholders returns, including dividends, the amount of funds available for stock repurchases and the price of Eni's shares.



Outlook

For the main business and economic-financial evolutions please refer to the following sections: Strategy, Financial Review and Risk factors and uncertainties.