Eni in 2022

Summary annual report

Mission

We are an energy company.
13 15 We concretely support a just energy transition,
with the objective of preserving our planet
7 12 and promoting an efficient and sustainable access to energy for all.
9 Our work is based on passion and innovation,
on our unique strengths and skills,
5 10 on the equal dignity of each person,
recognizing diversity as a key value for human development,
on the responsibility, integrity and transparency of our actions.
17 We believe in the value of long-term partnerships with the Countries
and communities where we operate, bringing long-lasting prosperity for all.

Global goals for a sustainable development

The 2030 Agenda for Sustainable Development, presented in September 2015, identifies the 17 Sustainable Development Goals (SDGs) which represent the common targets of sustainable development on the current complex social problems. These goals are an important reference for the international community and Eni in managing activities in those Countries in which it operates.

ENI IN 2022

SUMMARY ANNUAL REPORT

BUSINESS REVIEW

FINANCIAL REVIEW

SUPPLEMENTARY INFORMATION

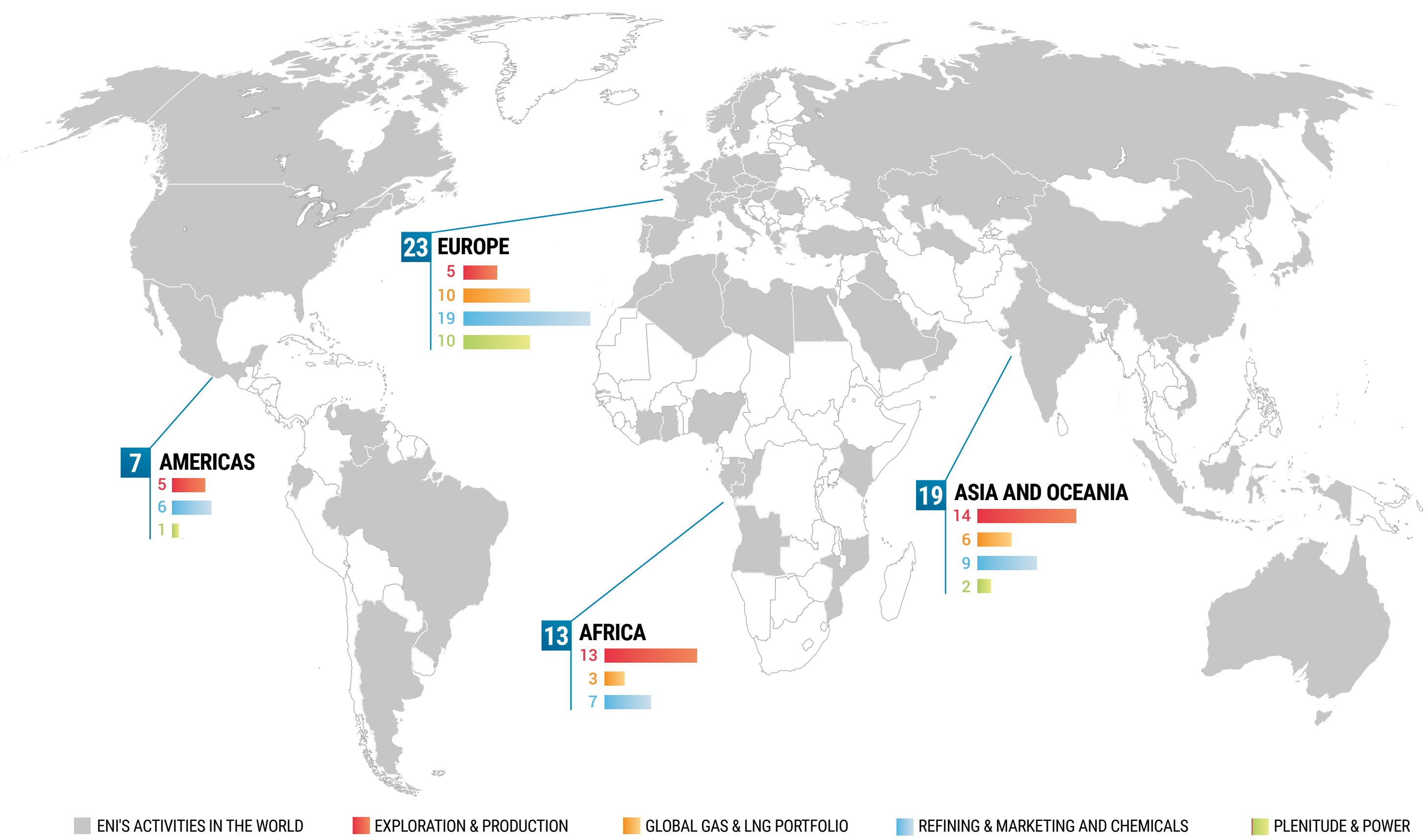
Information about this report

This summary review comprises an extract of the description of the businesses, the management's discussion and analysis of financial condition and results of operations and certain other Company information from Eni's Annual Report for the year ended December 31, 2022.
It does not contain suffcient information to allow as full an understanding of financial results, operating performance and business developments of Eni as "Eni 2022 Annual Report" and "Annual Report on Form 20-F 2022". It is not deemed to be filed or submitted with any Italian or US market or other regulatory authorities. You may obtain a copy of "Summary Annual Report - Eni in 2022", "Annual Report 2022", "Annual Report on Form 20-F 2022" and "Fact Book 2022" on request, free of charge, through an e-mail request addressed to the mailbox: request@eni.com. These reports may be downloaded from Eni's website under the section "Publications". Financial data presented in this report is based on consolidated financial statements prepared in accordance with the IFRS endorsed by the EU. This report contains certain forward-looking statements particularly those regarding capital expenditure, development and management of Oil & Gas resources, dividends and share repurchases, allocation of future cash flow from operations, future operating performance, gearing, targets of production and sale growth, new markets and the progress and timing of projects. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that will or may occur in the future. Actual results may differ from those expressed in such statements, depending on a variety of factors, including the impact of the pandemic disease; the timing of bringing new fields on stream; management's ability in carrying out industrial plans and in succeeding in commercial transactions; future levels of industry product supply; demand and pricing; operational problems; general economic conditions; political stability and economic growth in relevant areas of the world; changes in laws and regulations; development and use of new technologies; changes in public expectations and other changes in business conditions; the actions of competitors and other factors discussed elsewhere in this document. As Eni shares, in the form of ADRs, are listed on the New York Stock Exchange (NYSE), an Annual Report on Form 20-F has been filed with the US Securities and Exchange Commission in accordance with the US Securities Exchange Act of 1934. Eni discloses on its Annual Report on Form 20-F significant ways in which its corporate governance practices differ from those mandated for US companies under NYSE listing standards. The term "shareholders" in this report means, unless the context otherwise requires, investors in the equity capital of Eni SpA, both direct and/or indirect. Eni shares are traded on the Italian Stock Exchange (Mercato Telematico Azionario) and on the New York Stock Exchange (NYSE) under the ticker symbol "E".

Our activities

Eni is a global energy company engaged in all stages of the value chain: from the exploration, development and extraction of oil and natural gas, to the generation of electricity from cogeneration and renewable sources, traditional and biorefining and chemical, and the development of circular economy processes. Eni extends its reach to end markets, marketing gas, power and products to local markets and to retail and business customers also offering services of energy efficiency and sustainable mobility. Consolidated expertise, a strong R&D franchise and geographical diversification of energy sources, alliances for development, as well as new business models are Eni levers to meet the energy trilemma, achieving environmental sustainability side-by-side with energy security and affordability, while also maintaining a strong focus on value creation for shareholders. Along this path, Eni is committed to become a leading company in the production and sale of decarbonized energy products, increasingly customer-oriented. Eni's strategy to reach Carbon Neutrality by 2050 leverages on an industrial transformation to be implemented by strengthening available and economically sustainable technologies.
Residual emissions, i.e. those that cannot be reduced due to technical and economic constraints, will be offset through high quality carbon offsets, mainly deriving from our portfolio of Carbon Capture Storage projects and nature-based Solutions.

WHERE WE OPERATE



62 countries where we operate

32,188 our employees

BIOFUELS
An effective, already available tool to reduce emissions, which will grow significantly leveraging our integrated agribio-feedstock production chain not in competition with food production.

Progressive increase in the production of **NEW ENERGY CARRIERS**, like hydrogen and bioethanol from 2nd generation sugars.

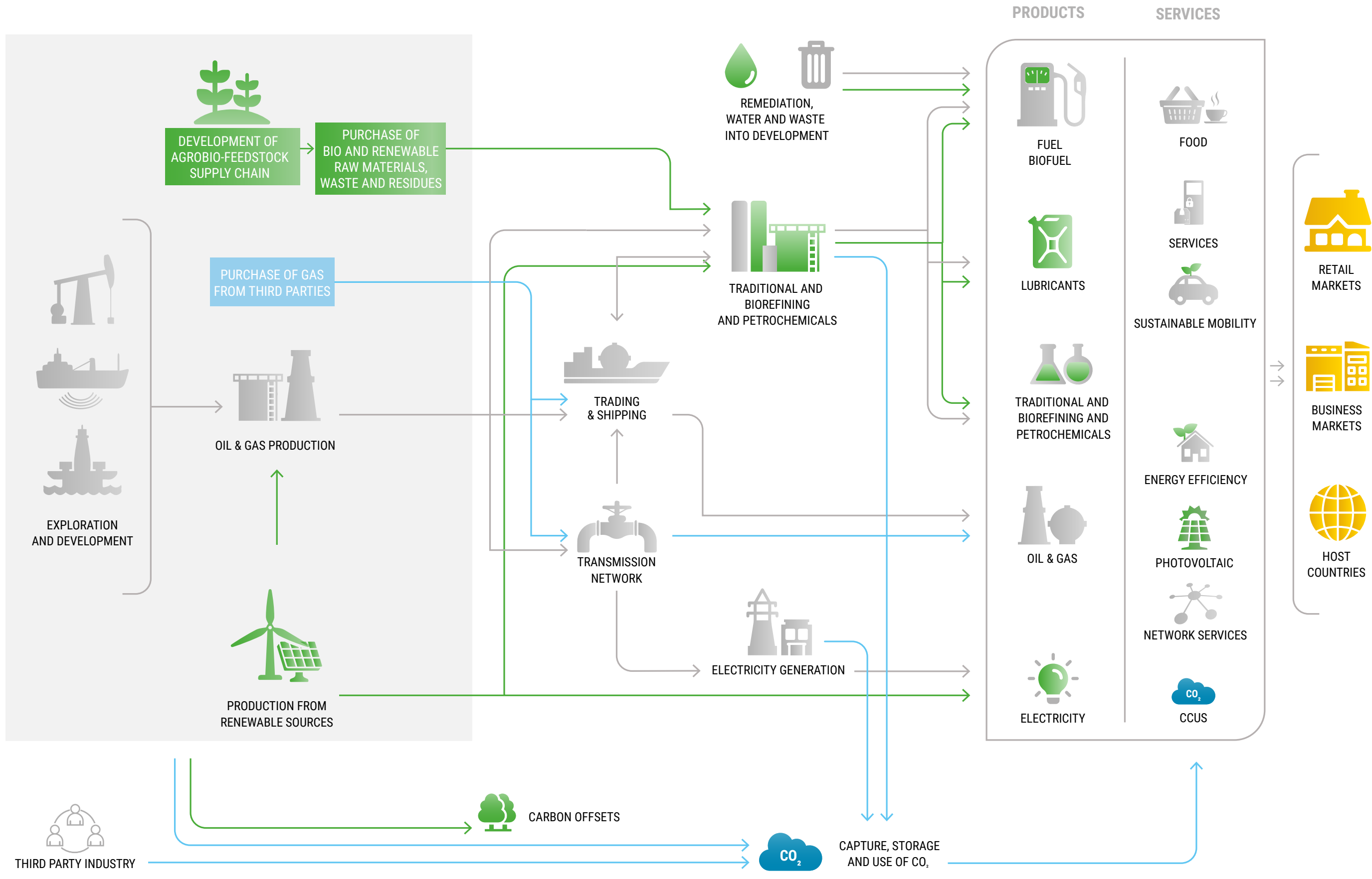
BREAKTHROUGH TECHNOLOGIES,
such as magnetic confinement fusion, can support the evolution of the energy sector.

CARBON CAPTURE AND STORAGE (CCS) through the development of hubs for the storage of the CO_2 from hard-to-abate emissions generated by Eni's and third parties' industrial plants.

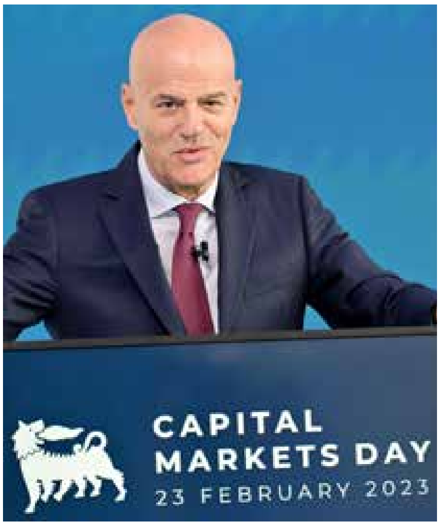
Progressive growth of the **GAS** component as a bridge energy source in the transition, underpinned by investments to reduce emissions.

RENEWABLES through increased capacity and integration with the retail business.

OUR VALUE CHAIN



2022 at a glance



"In 2022, Eni was not only engaged in progressing its sustainable energy transition goals, but also in ensuring the security and stability of energy supplies to Italy and Europe, building up a diversified geographic mix of energy sources. The Company delivered excellent financial and operating results while contributing to the stability of energy supplies to Italy and Europe and progressing its decarbonization plans. During the year, we were able to finalize agreements and activities to fully replace Russian gas by 2025, leveraging our strong relationships with producing states and fast-track development approach to ramp-up volumes from Algeria, Egypt, Mozambique, Congo and Qatar. The recently signed deal with Libya's NOC on the A&E Structures development and exploration successes off Cyprus, Egypt and Norway will further strengthen our integrated supply diversification. This prompt reaction to the gas crisis and the integration with the E&P activities were important driver of the performance of our GGP business, which was able to ensure its supply commitments through different sources."

Claudio Descalzi CEO Eni

PROFILE OF THE YEAR

In 2022 the Group delivered strong results with an adjusted EBIT of **€20.4 billion**, doubling the amount of the FY 2021, driven by an excellent performance of the E&P, GGP and R&M businesses.

FY 2022 adjusted net profit attributable to Eni shareholders was **€13.3 billion** and, compared with FY 2021, was **€9 billion** higher due to a strong operating performance and higher results of equity-accounted entities.

Shareholders remuneration: in September and November, Eni paid the first and the second quarterly instalments of the 2022 dividend of €0.22 per share each, **amounting to €1.47 billion**. The third and fourth instalments of €0.22 per share each will be paid to shareholders in March and May, respectively. For 2023, Eni is planning to distribute €0.94 per share, up by 7% from 2022.

In November, Eni completed the announced buy-back program of €2.4 billion, **repurchasing 195.55 million** shares (equal to 5.48% of the share capital). A new repurchasing programme of €2.2 billion will be launched in 2023.

Net borrowings ex-IFRS 16 as of December 31, 2022, were **€7 billion**, down by €2 billion compared to December 31, 2021, and Group leverage stood at 0.13, versus 0.20 as of December 31, 2021.

In January 2023, Eni successfully placed the first sustainability-linked bond among the retail public in Italy for a total amount of €2 billion. Orders for **over €10 billion** were received compared to €1 billion initially offered. The offering was closed in advance in just 5 days.

ADVANCING SATELLITE MODEL

In 2022 significant progresses were made in the development of **our distinctive satellite model**, through the set-up of dedicated entities focused on specific businesses, capable of independently accessing capital markets to fund their growth and to unlock the intrinsic value of each business. These entities will continue to benefit from Eni's technologies, know-how and services, while allowing the Group to optimize its financial structure: **Plenitude** and **Sustainable Mobility** in the Energy Evolution business Group. **Azule Energy** and **Vår Energi** in the Natural Resources business Group were established with the aim of developing new hydrocarbon reserves to support energy security, remunerating shareholders with stable dividend flows and independently financing the related investments, allowing the Group to have additional resources for the optimization of investments in the decarbonized energy portfolio.

OPERATIONAL MILESTONES

In FY 2022 **around 750 million boe** of new resources were added to the reserve base continuing the delivery of outstanding exploration performance. Several discoveries were made close to existing assets and facilities as part of our fast-track development model in Algeria, Egypt and Abu Dhabi.

Eni signed relevant agreements for the development of **Carbon Capture and Storage projects**: with Snam to jointly develop and manage the Ravenna Carbon Capture and Storage (CCS) Project, with the National Oil Corporation of Libya (NOC) for the development of the large gas reserves of A&E Structures, offshore Tripoli, comprising the construction of an onshore Carbon Capture and Storage (CCS) hub.

As part of the development of the biorefining business, Eni signed definitive agreements with PBF to partner in a **50-50 joint venture**, St. Bernard Renewables LLC (SBR), for the biorefinery currently under construction in Louisiana (US). The biorefinery start-up is expected in the first half of 2023, with a target processing capacity of about **1.1 million tonnes/year** of raw materials to produce mainly HVO Diesel.

Signed significant agreements with strategic partners for the development of joint initiatives in the field of **sustainability and innovation**, to foster the **energy transition process** and **decarbonisation** of its activities, also leveraging joint development innovative initiatives in the fields of agriculture, the protection of forest ecosystems, health and technologies, promoting both agricultural initiatives for the cultivation of oil plants to feed Eni's biorefineries for the production of biofuels and initiatives for the generation of carbon credits and supporting the development of infrastructure and services for health and education of local communities.

2022 RESULTS

NATURAL RESOURCES

Growing volumes and value while reducing breakeven and emissions

O&G PRODUCTION
1.61 MBOED

RESOURCES DISCOVERED
~750 MBOE

NET CARBON FOOTPRINT UPSTREAM
-33% vs. 2018
SCOPE 1+2

ENERGY EVOLUTION

Growing profitable new energy businesses

PLENITUDE
2.2 GW installed capacity
13 K charging point
10 MLN customers

BIOREFINING CAPACITY
1.1 MTPA

FINANCIAL

Financial strength enabling flexibility and delivering return to our investors

CASH FLOW FROM OPERATIONS
€20.4 BLN
BEFORE WORKING CAPITAL

CAPITAL DISCIPLINE
€8.2 BLN
NET CAPEX

STRONG BALANCE SHEET
13% Leverage

DIVIDEND AND BUY-BACK

2022 DIVIDEND
€0.88 Dividend per share

2022 BUY-BACK
€2.4 BLN

ACHIEVED MILESTONES

UPSTREAM/GGP

50% Russian gas replacement mainly North & West Africa
Côte d'Ivoire Baleine FID
Algeria Berkine South start-up
LNG Mozambique Coral start-up Congo LNG FID

EXPLORATION

~750 mboe discovered resources mainly in Côte d'Ivoire, Cyprus, UAE and Algeria
<2 $/boe Unit Exploration Cost

DOWNSTREAM

Refining optimization & flexibility
Achieved the target of **"palm oil free"**
SAF production started
Porto Marghera transformation
Increased share in Novamont

AGRI-HUB

First **biofeedstock** cargoes from Kenya
Marked the **agro-industrial presence**

PORTFOLIO

Norway Vår Energi IPO
Algeria aquisition of bp assets
Congo Tango FLNG acquisition
Angola Azule operational
SPAC NEOA IPO

PLENITUDE

Renewable 2x installed capacity
Retail Resilient in a challenging environment
E-mobility Fast growing network, ongoing expansion in EU

CCS

Second CCS Project in UK to decarbonize the Bacton and Thames Estuary area
Ravenna CCS Project FID for PHASE 1 Eni and Snam JV formed

DECARBONIZATION TARGETS

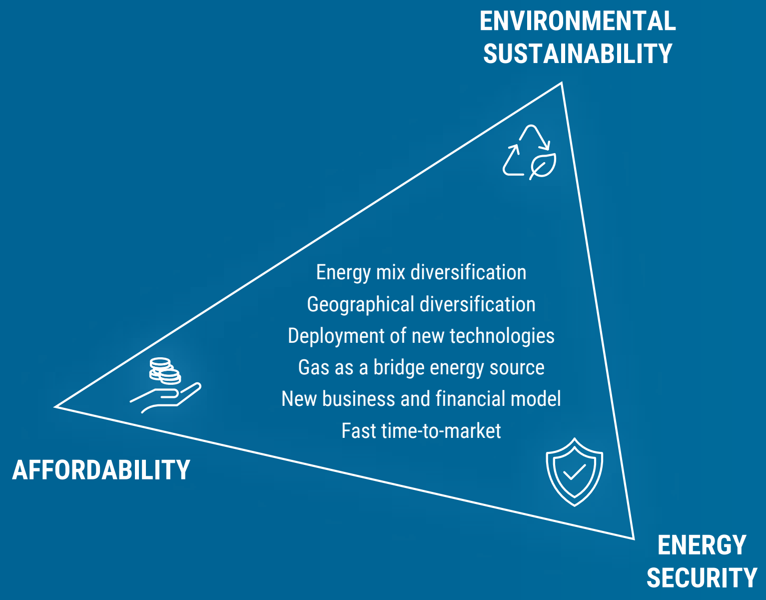
Methane emission intensity was **0.08%**, in line with the commitment to keep **below 0.2%**
-35% by **2030** and **-80%** by **2040** in **Eni Net GHG Lifecycle Emissions** (Scope 1+2+3) vs. 2018
-33% 2022 vs. 2018 in **Net Carbon Footprint Upstream Scope 1+2**

Our Strategy

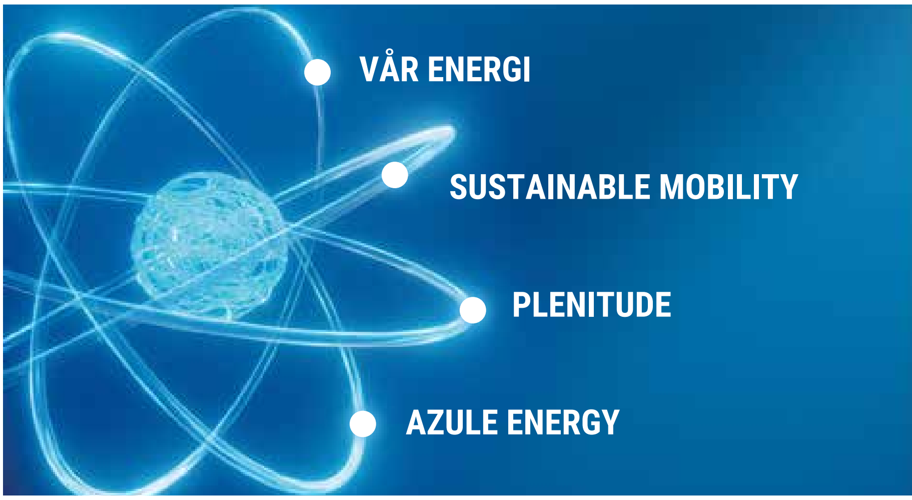
"In 2014 we undertook an industrial and financial transformation path which progressively enabled us to create value even in difficult scenarios, delivering security of supplies and environmental sustainability. We have been focussing our exploration and production strategy mainly on gas, leveraging our own production and diversifying our investments across different countries. This has enabled us to put in place our Plan aimed at replacing 20 billion cubic meters of Russian gas by 2025. We have been transforming our downstream platform and invested in technology to create and grow our transition businesses aiming at net zero Scope 1, 2 and 3 emissions. This enables us today to fully confirm our decarbonization targets despite the current energy security scenario and the need to respond to a strong demand for traditional sources. Today we can clearly outline how the Company will be in 2030: our Upstream operations will no longer produce net emissions; our hydrocarbon production will be composed mainly by gas; our biofuel capacity will exceed 5 million tonnes per year; our renewable energy capacity will be more than 15 GW. And our investments in the most revolutionary technology linked to the energy transition - the magnetic confinement fusion - will be about to result in the first industrial plant.
Finally, we have deeply strengthened the Company from a financial point of view through optimization and rationalization of expenditures, and this allows us today to present our strong financial goals: a significant CFFO generated both from our traditional activities and with the contribution of transition-related businesses; a satellite business model which allows us to enhance the value of our businesses while freeing up additional resources for investment in transition; and a very low debt level. Our financial robustness enables us today to create increasing value for our shareholders and to enhance the remuneration policy."

Claudio Descalzi CEO Eni

OUR APPROACH TO THE ENERGY TRILEMMA



THE SATELLITE MODEL



STRIKING THE RIGHT BALANCE BETWEEN **INVESTMENTS** AND **RETURNS** THROUGH:

- Access to specialized capital
- Financial optimization
- Governance tailored to access Eni's technologies, know-how and services

Eni's strategy aims to meet each of the pillars of the energy trilemma, achieving environmental sustainability side-by-side with energy security and affordability. This means geographical and technological diversification of energy sources, creating a different energy mix while also maintaining a strong focus on value creation for shareholders.

The Company is pursuing these objectives by continuing:

- to develop new gas resources, diversifying geographical presence, leveraging on Eni high performing exploration and fast-track development approach, improving returns and reducing emissions;
- to focus on new technologies and their fast-track development, both to create a diversified energy mix for the energy transition and to support the energy security, continuing to create value, while also pursuing breakthrough opportunities;
- to remain agile and innovative, for example in the development of the satellite model with dedicated entities capable of independently accessing capital markets to fund their growth and reveal the real value of each business (Plenitude, Sustainable Mobility, Vår Energi, Azule Energy).

OUTLOOK TO 2030

GHG REDUCTION

- Net Zero Upstream (Scope 1+2) by 2030
- -35% vs. 2018 by 2030 Scope 1+2+3
- Keeping upstream methane intensity well below 0.2%

ENERGY PRODUCED

- + 4-5 % CAGR (2022-2026)
- Continuing to grow with optionality across multiple technologies to 2030

UPSTREAM

Production plateauing by 2030 gas share at **60%** by then

BIOENERGY

Capacity to reach **>5 MTPA** by 2030

>20% CAGR (2022-2030)

RENEWABLES

Capacity to reach **>15 GW** by 2030

~30% CAGR (2022-2030)

CCS

CO_2 volumes stored to reach **30 MTPA** by 2030

FUSION

SPARC net energy pilot plant in 2025;

ARC first industrial fusion power plant by **early 30**s

NATURAL RESOURCES

Eni Natural Resources division will deliver superior returns, accretive growth and falling emissions, driven by the Company's leading exploration and integrated fast-track projects. Eni mid stream gas has proved its resilience and will increasingly benefit from its re-shaped business with higher levels of equity gas supply.

Eni continues to meet the emissions reduction challenge in its own operations, building a new carbon capture business and integrating with its biorefining by developing its innovative agri-hub network.

- Production: growing at average of 3-4% over the 4-year Plan period and then plateau to 2030; progressively increasing the share of gas in the portfolio to 60% by 2030.
- Upstream net carbon footprint (Scope 1+2): -65% by 2025 vs. 2018, confirming on track for Net Zero by 2030.
- Methane emissions: remain committed to keeping Upstream intensity well below 0.2% and will set a new emissions reduction target after completing a measurement campaign on operated assets later this year.
- Exploration: 2.2 billion boe of new resources in the 4-year Plan, of which 60% gas; UEC of around 1.5 $/boe.
- Upstream Capex: €6-6.5 billion on average per year during the Plan period.
- Upstream organic FCF per barrel will growth by 20% in 2026 vs. 2023 at constant scenario.
- Cumulative GGP Ebit at over €4 billion in the Plan and between €1.7- €2.2 billion in 2023.
- CCS: 30 MPTA of carbon gross volume stored by 2030.
- Agri-feedstock: over 700,000 tonnes in 2026 supplying Eni's biorefineries.

OIL & GAS PRODUCTION CAGR
3-4 %
CAGR 2022-2026

EXPLORATION DISCOVERIES
2.2 BLN BOE
IN THE PLAN

LNG GROWTH
>18 MTPA
AT 2026

NET CARBON FOOTPRINT UPSTREAM SCOPE 1+2
-65%
BY 2025 (VS. 2018)

2050: TOWARDS A NET ZERO ENERGY BUSINESS

DECARBONIZATION TARGETS

GHG EMISSIONS

NET ZERO
GHG LIFECYCLE EMISSIONS SCOPE 1+2+3

CCS

~50 MTON CO_2/Y
CARBON CAPTURE & STORAGE CO_2

OFFSET

<25 MTON CO_2/Y
NATURAL CLIMATE SOLUTIONS

BUSINESS TARGETS

RETAIL
>20 MLN
CUSTOMERS

BIO REFINING
>5 MTPA
CAPACITY BY 2030

RENEWABLES
60 GW
INSTALLED CAPACITY

OIL & GAS
>90%
NATURAL GAS PRODUCTION % ON PORTFOLIO

E-MOBILITY
~160 K
EV CHARGING POINTS

FINANCIAL STRATEGY

Eni's financial strength enable the execution of its business strategy, provides flexibility across the cycle and delivers return to its investors.

Based on Eni's scenario assumption:

- 2023 EBIT of €13 billion, the second best in 10 years after the record of 2022, confirming the quality of the business that Eni is building;
- 2023 CFFO before working capital at replacement cost of over €17 billion, and over €69 billion along the plan period. At a constant scenario, 2026 CFFO will be over 25% above 2023, driven by E&P and positive contributions from all the sectors and growth from the main transition businesses of Plenitude and Sustainable Mobility;
- 13% average ROACE over 2023-2026 at a constant 2023 scenario, +7 percentage points vs 2010-2019 average, confirming the profitability of Eni's capital;
- 2023 Capex will be around €9.5 billion and €37 billion over the Plan. This represents +15% in USD terms versus the outlook provided last year adjusted for inflation, reflecting new, high quality opportunities and acceleration or increase in scale of existing projects in the Upstream. These projects deliver significant value and continue to do so well after the end of the

ENERGY EVOLUTION

Eni continues the transformation of its legacy businesses and the growth in its new activities unlocking value and supporting its customers in reducing their emissions.
- EBIT will progressively increase over the 4 year Plan, doubling in 2026 versus 2023.
- CFFO before working capital will account for more than 20% of the overall Group in 2026.

Refining and Marketing, having generated record results in 2022, is expected to continue to benefit from the structural improvements delivered with 2026 pro-forma EBIT of around €1.4 billion, well above historic levels of profitability notwithstanding the Plan's assumption of normalizing refining margins. An important contributor to this better outlook is the growth of Eni Sustainable Mobility, incorporated at the beginning of this year, combining biorefining, biomethane and the sale of mobility products and targeted to evolve into a multi-service, multi-energy company, generating and unlocking new value.
- Accelerating targeted biorefining capacity: over 3 MTPA by 2025 versus 2 MTPA previously, and more than 5 MTPA by 2030, supported by recently announced initiatives in Italy, Malaysia and the US.
- Vertical integration with Upstream as a unique element of biorefining strategy: 700,000 tonnes of feedstock by 2026.
- A network of over 5,000 sales points in Europe to market and distribute new energy carriers, as electricity and, in perspective, hydrogen. Eni plans to add around 300 new stations over the plan period.
- Sustainable Mobility EBITDA of €1.5 billion by 2026, growing at average of 20% CAGR versus 2023, contributing to the raised expectations for the Downstream.

Plenitude is maturing in its pipeline of Renewable projects and delivered its 2022 target of more than 2 GW of installed capacity. Plenitude expects to deliver over 7 GW of installed capacity by the end of 2026, and more than double its network of EV charging points to 30,000 by the end of the plan.
Having delivered its target of over €600 million in pro forma EBITDA in 2022, the Company expect to triple this figure to €1.8 billion by 2026. The integration of retail, with over 11 million customers by 2026, renewables and e-mobility has significant operational synergistic benefits while also providing diversification and financial resilience. As Plenitude expands its offer of decarbonised products and services, its growth is expected to continue to be impressive and supported by a strong pipeline of over 11 GW of projects and opportunities.

Versalis will recover profitability by evolving into a structurally sustainable and competitive business. It will move the products mix towards specialties and biochemistry. The Company will seek to grow in target markets with investments in its compounding platform and in new technologies. Versalis is developing complementary recycling processes, improving energy efficiency, and developing breakthrough technologies.

PLENITUDE

>7 GW
INSTALLED CAPACITY AT 2026

>11 MLN
CUSTOMERS AT 2026

>30 K
CHARGING POINTS AT 2026

SUSTAINABLE MOBILITY

BIOREFINING CAPACITY

>3 MTPA
BY 2025

+300
SERVICE STATIONS IN THE 4YP

GREEN VALUE CHAIN

€6.5 BLN
CAPEX IN 4YP

€3.3 BLN
ADJ. EBITDA BY 2026

Plan. Low and zero carbon spending will be around 25% of the total;
- leverage in the range of 10-20% over the plan period confirming Eni capital and cost discipline, and the quality of the Company portfolio.

Eni's excellent financial results in 2022 came while contributing to the stability of energy supplies for its customers and progressing its decarbonization plan confirming the quality of the business the Company is building.

ADJUSTED EBIT
€47 BLN
OVER THE PLAN

FREE CASH FLOW
>€32 BLN
4YP CUMULATIVE
(BEFORE WORKING CAPITAL)

ROACE
~13%
PLAN AVERAGE

STRONG BALANCE SHEET
10-20%
LEVERAGE RANGE

Exploration & Production

Our strategic guidelines in the E&P segment are to maximize cash generation by focusing on highly profitable projects, to deploy our fast-track model of reserves development and to reduce direct emissions.

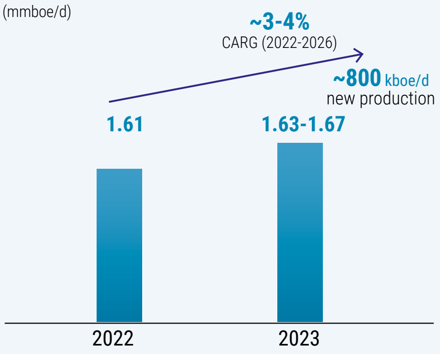
UPSTREAM RESILIENCE AND PROFITABILITY

Our upstream commitments are grounded on enhancing the sustainability and value of the portfolio and reducing its cash neutrality and carbon footprint while continuing to capture new business opportunities. Our competitive advantages are the ability to reduce the time-to-market of reserves, which together with efficient exploration helps to ensure a resilient asset portfolio, as well as to manage the upstreamer risks. We intend to focus on capital and cost discipline on shortening the projects cycle and on reducing the time-to-market of our reserves as levers to maintain our development projects profitable also at lower crude oil prices. We forecast to carefully select our development projects against our pricing assumptions and minimum requirements of internal rates of return. We plan to invest €6-6.5 billion on average in the next four-year plan 2023-2026 to explore for and develop hydrocarbons reserves. Those cash outlays do not include expected expenditures that will be incurred by our participated joint ventures and associates, like the expenditures that will be incurred by Vår Energi and by Azule Energy, this latter commenced operation in the third quarter of 2022.

EXPLORATION WILL CONTINUE FUELLING FUTURE DEVELOPMENTS

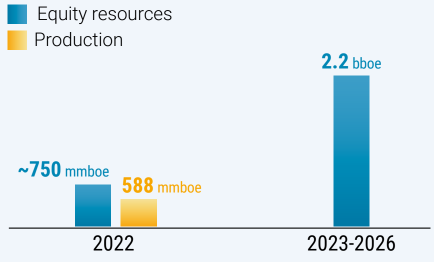
Exploration will seek to ensure cost-effective replacement of produced reserves, supporting cash generation and evolving our reserve portfolio towards the planned mix of resources featuring a bigger proportion of natural gas. Our exploration initiatives will comprise two clusters: (i) proven/mature areas and targeting near-field, infrastructure lead opportunities, where we can leverage existing infrastructures to readily develop the discovered resources, attaining fast contribution to cash flows and production levels with minimum impact on expenditures; and (ii) selected initiatives in high-risk/high-rewards plays, where we retain high working interests and the operatorship, which will enable us to apply our dual exploration model in case of material discoveries. In 2022 leveraging on this approach, we added around 750 million boe of new resources to the reserve base continuing the delivery of outstanding exploration performance. In the four-year plan 2023-2026, we will invest around €2 billion in exploration activities.

PRODUCTION GROWTH



We forecast hydrocarbons production to grow at a compounded average growth rate "CAGR" of 3-4% in the four-year plan, driven by new projects start-ups and ramp-ups, and then to plateau to 2030, with a gradual increase of the proportion of natural gas in the production mix till achieving 60% by 2030. By 2026 the Company is expected to add around 800 kboe/d of new production from start-ups and ramp-ups; according to our plans all these developments will feature high returns compared to our cost of capital, short payback periods and efficient unitary costs.

EXPLORATION IS CONSISTENTLY HIGH PERFORMING

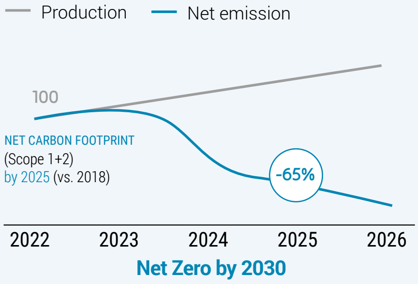


Exploration confirmed its streak of excellent performances. We discovered resources equivalent to 125% of our production at competitive cost of lower than 2 $/boe. In the context of the transition, we continue to target near-field exploration and 60% of discoveries to be gas, supporting the evolution of our production portfolio towards lower emissions. With the same purpose and through the same strategy, we target in the next four-years plan 2.2 billion boe at around 1.5 $/boe of exploration cost.

GROWING CASH GENERATION

Upstream growth will continue to add higher margin barrels and to generate substantial cash flows as well as to reduce emissions. Our hydrocarbons production is projected to increase at a compounded average of 3-4% in the four-year plan, driven by new projects start-ups and ramp-ups, and then to plateau to 2030, with a gradual increase of the proportion of natural gas in the production mix till achieving 60% by 2030. The main planned developments comprise the gas initiatives in Congo, Libya, Egypt, Italy, and the Middle East, as well as the giant Baleine oil discovery off the Ivory Coast and we expect also to achieve several high-quality FIDs. We plan to increase the cash generation and returns leveraging on profitable production growth, capital discipline, fast time-to-market, strict control of operating expenses and working capital needs. As a result of this, our upstream free cash flow organic per barrel in the plan will increase 20% in 2026 compared to 2023, at constant scenario. Phased project development and strict integration between exploration and development have improved the overall project execution and cost efficiency. Finally, all our projects undergo a thorough HSE assessment leading to the definition of an integrated plan to reduce blowout and other well and operational risks and costs.

UPSTREAM NET GHG SCOPE 1+2 EMISSIONS VS. PRODUCTION



Levers to reach the target: the development of underground permanent geological storage of CO_2, operational efficiency to minimize direct upstream CO_2 emissions and nature-based solutions initiatives, such as through our participation to projects for preserving forests (REDD+), and the application of technological solutions in various areas, with the goal of progressively maximizing the component of carbon removal.

DECARBONIZING UPSTREAM

Our upstream decarbonization plan is going on: we plan to reduce by 65% the net carbon footprint (Scope 1+2) by 2025 vs. 2018 baseline, and we confirm the goal of Net Zero by 2030 (Scope 1+2). Our decarbonization objectives are based on an industrial transformation plan that will be implemented on time according to market dynamics and in line with society's needs and which is based on solutions and technologies already available. CCS projects also will contribute to cutting our own net emissions and by providing a solution for other hard-to-abate emitters. We have material projects under development using depleted reservoirs, existing infrastructures, and well-defined economics. Furthermore, we plan to offset residual emissions by leveraging on the nature-based solutions initiatives and the technological applications.

CCS FLAGSHIP PROJECT

UK
HyNet
100% wi

Start-up
2025 Ph 1 (storage injection: 4.5 mmtons/y)
2030 Ph 2 (storage injection: 10 mmtons/y)
Total storage capacity 200 mmtons CO_2

ITALY
Ravenna
50% wi

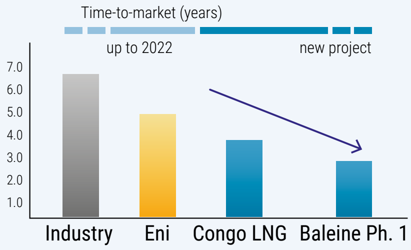
Start-up
2024 Ph 1 (storage injection: 25 ktons/y)
End 2026 Ph. 2 (industrial scale storage injection: 4 mmtons/y)
Total storage capacity >500 mmtons CO_2

LIBYA
BES CO_2 management
50% wi

Start-up
2027 (storage injection 2.5 mmton/y)
Total storage capacity 50 mmtons CO_2

30 mmtons/y carbon gross volume stored @2030

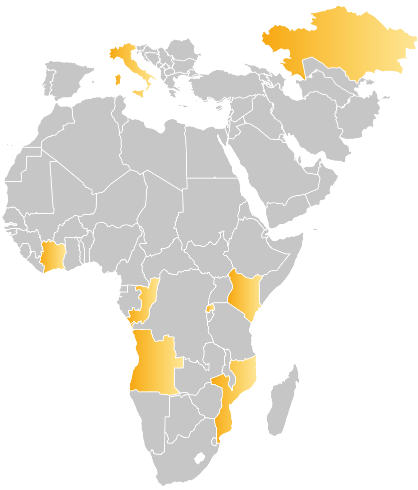
REDUCING TIME-TO-MARKET AS A CORPORATE CAPABILITY



The reduction of reserves' time-to-market is the other great driver for the upstream value creation. Time-to-market of our projects is 3.5 years, twice as fast as the industry averaged benchmark, leveraging on our efficient and original development model. We perform project activities in accordance with a so-called parallel approach as opposed to a sequential approach, for example the discovery appraisal and pre-fid activities, and by deploying a phased project approach to achieve early start-up and then ramping up production, thus reducing the time-to-market; examples of this approach are the Baleine project and the Congo LNG project.

Proprietary technologies matured within our traditional businesses are one of the drivers in our decarbonization path. Gas reservoir and storage technologies are being used to develop, in synergy with depleted fields, effective solutions for CO_2 underground storage. A first deployment is planned in UK to build the HyNet storage hub, which will leverage Eni's depleted Liverpool Bay fields, to start storing CO_2 in 2025. In 2024, a CCS pilot project is expected to start-up off Ravenna, Italy, in JV with Snam, that will leverage Eni's depleted fields and infrastructures in the area. We are also advancing a second UK project, potentially ready by 2027, as well as pursuing opportunities in North Africa and in the Middle East.

AGRI-HUBS – a new upstream



E&P segment is also supporting our biorefining activities, by addressing the potential bottleneck of feedstocks availability and cost. In July 2022, we started our agricultural business in Kenya, the first one on this field. We are vertically integrating via agricultural hubs in Africa. Our agri-feedstock supply chain is certified, not in competition with food production and helps to diversify economies and create new employment opportunities in the communities where we operate. Overall target production is expected to subsequently reach an agri-feedstock volume of over 700 thousand tons by 2026 leveraging on planned initiatives.

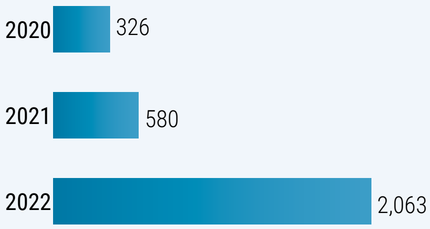
Agri-feedstock >700 ktons @2026

Global Gas & LNG Portfolio

RESILIENT RESULTS

In 2022, the Global Gas & LNG Portfolio segment reported an adjusted operating profit of €2,063 million, a robust growth compared to 2021 (up by €1,483 million, almost quadrupled from 2021). The positive performance was achieved despite the anticipated reversal in market trends and lower Russian supplies, as well as higher expenses for contract revisions.

ADJUSTED OPERATING PROFIT (€ mln)



Robust growth achieved replacing Russian flows with equity gas or supplies from countries where we operate, and ensuring optimization of the gas and LNG portfolio in a tight market.

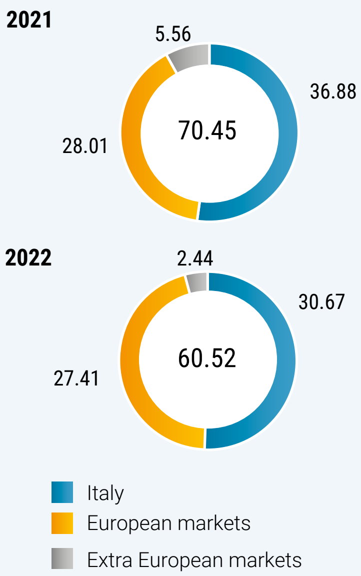
NATURAL GAS SUPPLY

Eni's consolidated subsidiaries supplied 60.59 bcm of natural gas, decreased by 10.39 bcm or by 14.6% vs. 2021. Gas volumes supplied outside Italy from consolidated subsidiaries (57.19 bcm), imported in Italy or sold outside Italy, represented approximately 94% of total supplies, decreased by 10.20 bcm or by 15.1% from 2021.
The GGP segment replaced Russian flows with equity gas or supplies from countries where we operate and ensuring optimization of the gas and LNG portfolio in a tight market, while ensuring stable and secure supplies to its customers and managing financial risks.

NATURAL GAS SALES

Natural gas sales amounted to 60.52 bcm (including Eni's own consumption, Eni's share of sales made by equity-accounted entities) and decreased by 9.93 bcm or 14.1% from 2021 due to lower sales in Italy and outside Europe. Sales in Italy (30.67 bcm) decreased by 16.8% vs. 2021 mainly due to lower sales to hub, to industrial and wholesalers segments. Sales to importers in Italy (2.43 bcm) decreased by 15.9% from 2021 due to the lower availability of Libyan gas. Sales in the European markets amounted to 24.98 bcm, substantially in line compared to 2021.

WORLDWIDE GAS SALES (bcm)

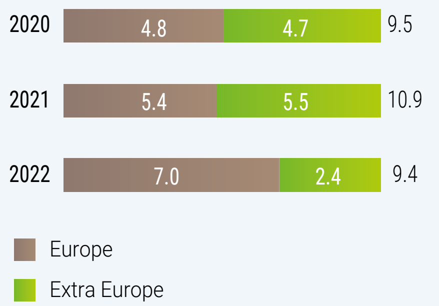


European gas market was characterized by consumption reduction due to mild weather conditions as well as to lower demand in price sensitive sector such as the industrial due to higher prices. In this scenario, demand decreased by approximately 10% and 13% in Italy and in the European Union, respectively, compared to 2021.

DEVELOPMENT IN THE LNG BUSINESS

In June, Eni entered in the North Field East LNG project in Qatar, the world's largest, expanding its presence in the Middle East and gaining access to a leading country in the LNG production. In August, Eni acquired the Tango FLNG floating liquefaction plant, that will be used in the Republic of Congo, as part of the activities of the natural gas development project Marine Block XII. The plant has an LNG production capacity of approximately 0.6 mmtons/year (about 1 bscm/y). Furthermore, in December among the same project, a turnkey contract for construction, installation and commissioning activities of a FLNG floating unit with a capacity of 2.4 mmtons/y was signed. This plant, together with the Tango FLNG ship, acquired earlier, will accelerate the Eni development plan in the area. LNG production is expected to reach plateau capacity of 3 mmtons/y in 2025.

LNG SALES (bcm)



In 2022, LNG sales (9.4 bcm, included in the worldwide gas sales) decreased by 13.8% from 2021. In 2022 the main sources of LNG supply were Qatar, Egypt, Nigeria and Indonesia.

PORTFOLIO OPTIMIZATION

In January 2023, Eni finalized the sale to Snam of the 49.9% interest (directly and indirectly held) in the companies operating the international gas pipelines connecting Algeria to Italy, in particular the onshore pipelines that extend from the border between Algeria and Tunisia to the Tunisian coast (TTPC) and the offshore pipelines connecting the Tunisian coast to Italy (TMPC). These interests were transferred by Eni to SeaCorridor Srl held by Snam (49.9% interest) and Eni (50.1% interest). Eni and Snam exercise joint control over SeaCorridor.

ENERGY SECURITY

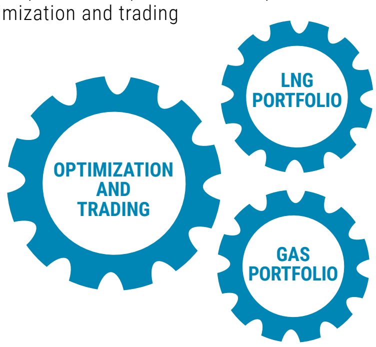
In 2022, in order to increase gas production and import to Italy, Eni signed: (i) an agreement with the Republic of Congo with the aim of developing a liquefied natural gas project with start-up expected in 2023 and capacity of over 4.5 billion cubic meters/year; (ii) an agreement in Algeria, to gradually increase volumes of gas imported to

STRATEGY

We plan to retain stable profitability and cash generation in this business in the plan period, although we believe that the level of 2022 profitability benefitted from exceptional market conditions.
Our priority going forward is to complete our stated goal of fully replacing Russian natural gas supplies with other flows by 2025, leveraging the integration between the E&P and the GGP segments. We are planning to step up purchase from our longstanding suppliers and to increase equity production by leveraging the fast time-to-market and ramp-up of natural gas volumes from our E&P projects in Algeria, Egypt, Mozambique, Congo and Qatar.
Against this scenario, the Company's priority in its GGP business is to retain stable profitability and cash generation based on the following drivers: (i) to continuously renegotiate our long-term gas supply and sale contracts to align pricing terms and delivery quantities to current market conditions and dynamics as they evolve; (ii) to effectively manage our portfolio of assets (supply and sales contracts, their flexibilities and optionality and logistics availability) in order to extract value from portfolio flexibilities through continuing optimizations; (iii) to grow the LNG marketing business leveraging on the integration with the E&P segment with the aim of maximizing the profitability along the entire gas value-chain. We plan to increase contracted supplies of LNG to achieve a robust portfolio of reselling opportunities. Contractual LNG volumes are expected to reach 18 MTPA by 2026.

A NEW BUSINESS MODEL

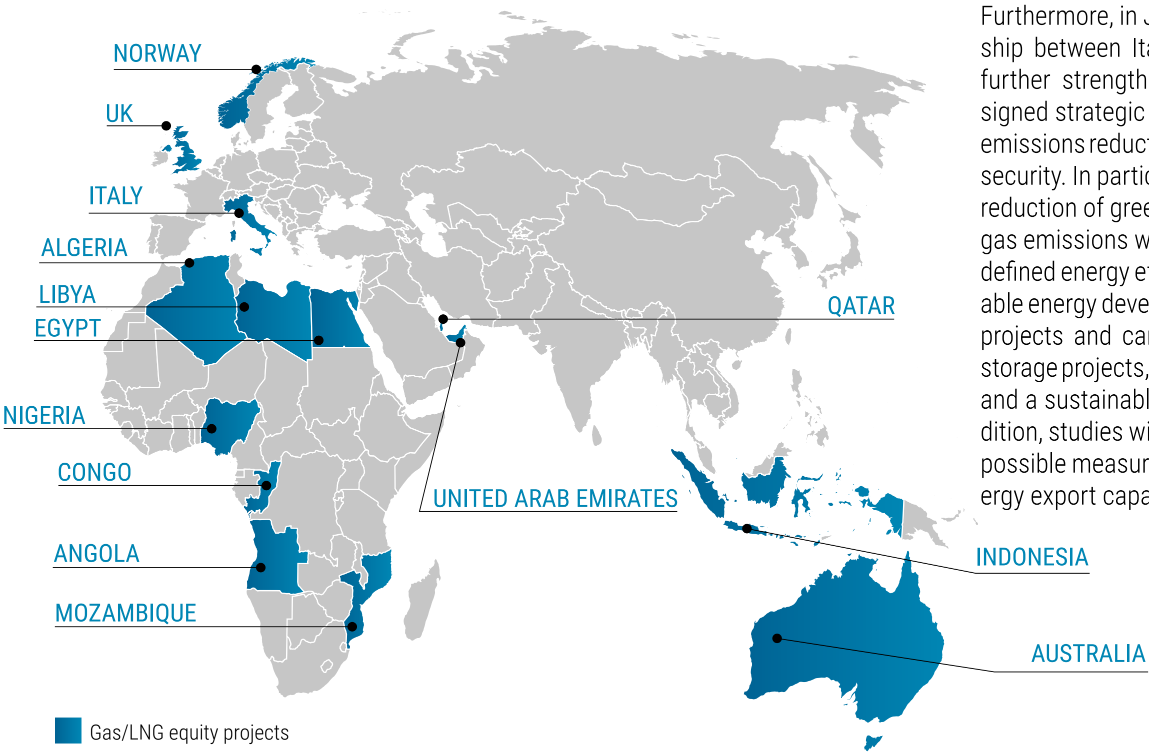
Re-shaped around portfolio development, continuous optimization and trading



CAPABILITIES
Negotiation/origination
Market access/trading
Risk management/optimization
Market intelligence/design
Digitalization/automation

Italy through the Transmed pipeline as part of the existing long-term supply contracts with Sonatrach, with additional gas deliveries starting from the next heating season and a progressive ramp-up to 9 billion cubic meters/year in 2024; (iii) an agreement in Egypt with the state-owned company "EGAS" to valorize local gas reserves by increasing activities in jointly managed concessions and through near-field exploration, with the target to increase in the next years the production and the exports of gas towards Italy, through the Damietta liquefaction plant, up to approximately 3 billion cubic meters.
Furthermore, in January 2023, the partnership between Italy and Algeria has been further strengthened. Eni and Sonatrach signed strategic agreements to accelerate emissions reduction and strengthen energy security. In particular, opportunities for the reduction of greenhouse gas and methane gas emissions will be identified and will be defined energy efficiency initiatives, renewable energy developments, green hydrogen projects and carbon dioxide capture and storage projects, to support energy security and a sustainable energy transition. In addition, studies will be conducted to identify possible measures to improve Algerian energy export capacity to Europe.

CONTRIBUTING TO SECURITY OF SUPPLY WHILE STEPPING UP VALUE DELIVERY

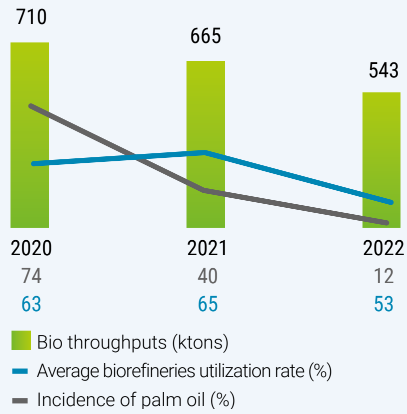


Refining & Marketing and Chemicals

BIOREFINING SYSTEM

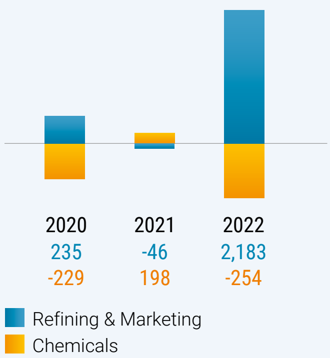
In 2022 production of biofuels (HVO) amounted to approximately 428 ktons (down by 27%). The proportion of palm oil supplies was reduced by approximately 28 p.p. vs. 2021, leveraging on the start-up of a new Biomass Treatment Unit (BTU) at the Gela biorefinery, which allows the use up to 100% of biomass not in competition with the food chain. Finally, in October, Eni has definitively ended the supply of palm oil at its operated Venice and Gela biorefineries. Biorefining expansion initiatives included: (i) an economic feasibility study of the construction and management of a biorefinery in Livorno; the project involves a biogenic feedstock pre-treatment unit, a 500 ktons/y Ecofining™ plant and a plant for the production of hydrogen from methane gas; (ii) an agreement with Euglena and Petronas for the construction and management of a biorefinery in Malaysia in the Pengerang Integrated Complex (PIC). The expected capacity of the biorefinery is about 650 ktons/y with an expected production capacity, by 2025, up to 12.5 kbbl/d of biofuel (SAF, HVO and bionaphtha); (iii) a collaboration agreement with the refining company PBF relating to the St. Bernard Renewables LLC (SBR) biorefining project, under construction in Louisiana (USA) through a joint venture. The start-up of the plant is expected in the first half of 2023 with the target of a processing capacity of about 1.1 mmtons/year, mainly for the production of HVO Diesel.

BIOREFINING SYSTEM



The volumes of biofuels processed from vegetable oil were 543 mmtonnes down by 18.3% from the previous year (down by 122 ktons), as a result of the increased standstills at Gela biorefinery, partly offset by higher volumes processed at the Venice biorefinery (up by 33 ktons).

ADJUSTED OPERATING PROFIT (€ mln)



In 2022, R&M reported an adjusted operating profit of €2,183 million in 2022, compared to a loss of €46 million in 2021, due to significantly higher refining margins, optimization measures and initiatives to reduce energy costs. The Chemical business reported an adjusted operating loss of €254 million vs. a profit of €198 million reported in 2021, which reflected unusual market conditions in 2021 due to the pandemic.

TOWARDS DECARBONIZED SOLUTIONS

During 2022, Eni progressed in the development of increasingly decarbonized solutions/products to people on the move, by setting-up Sustainable Mobility business and signing a number of agreements: (i) Iveco, to develop a sustainable mobility platform for commercial fleets by offering innovative vehicles powered by biofuels and other sustainable energy vectors, such as HVO (Hydrotreated Vegetable Oil); (ii) DHL Express Italy and SEA Group, which manages Milan Malpensa and Milan Linate airports to test Eni Biojet, a Sustainable Aviation Fuel (SAF) 20% blended with JetA1 and produced exclusively from waste raw materials, animal fat and used vegetable oils. In 2022, some flights departing from Malpensa were be powered also by SAF produced by Eni in its Livorno refinery in partnership with Eni's biorefinery in Gela; (iii) Saipem, to boost biofuels on Saipem's drilling and construction naval vessels; (iv) Fercam and Spinelli, two of Italy's largest transport and logistics companies, in April 2023, in order to supply them biofuels.

To strengthen smart mobility business, Eni signed a cooperation agreement with XEV to develop the electric city car sector jointly, in particular to implement XEV's battery swapping technology and for the possible assembly of XEV vehicles or parts of them in Italy and for the management of the car battery life cycle from production to installation, maintenance and end-of-life through recycling.

During 2022, Eni's car sharing service has been expanded through the introduction of the XEV YOYO in Turin, Bologna, Florence and Milan.

CIRCULAR ECONOMY, GREEN CHEMICALS AND TECHNOLOGY

In June 2022, Versalis started using packaging made from recycled raw materials from post-consumer industrial packaging. To achieve this goal, two projects have been implemented, "Bag to Bag" and "Liner to Liner", in order to recover and recycle industrial polyethylene packaging bags and putting them back into the system. The two projects will help to reduce the consumption of virgin raw materials by 50% respectively with a consequent reduction in terms of CO_2.

Relating to the transformation of the Porto Marghera site, Versalis signed a new agreement with Forever Plast, which involves the acquisition of an exclusive licence to build an advanced mechanical recycling unit for selected post-consumer plastics from waste sorting, in particular polystyrene and high-density polyethylene. The plant, which is scheduled to go onstream in 2024 will have a transformation capacity of 50 ktons/y and will produce recycled polymer compounds.

In December 2022, Versalis acquired from DSM a technology to produce enzymes for second-generation ethanol to be employed at the Crescentino plant to integrate the proprietary Proesa® technology to deliver sustainable bioethanol and chemical products from lignocellulosic biomass.

STRATEGY

Refining & Marketing

The Group plans to grow significantly the manufacturing capacity of biofuels with the goal of reaching more than 3 mmtons of installed capacity by the end of 2025 through the upgrading of the Gela and Venice plants and by restructuring another traditional plant. Furthermore, a joint venture with a US refining operator is expected to start-up in the first half 2023, which is progressing the upgrading of a refinery to a biorefinery. The environmental footprint of our biorefineries will be improved. As part of our plans to establish a sustainable supply-chain for our biorefineries, we are developing a vertically-integrated business model, which contemplates establishing a network of agricultural hubs in many of the countries of E&P operations, in Africa and in other geographies. This business model has seen the first development in 2022 with a first cargo of vegetable oil produced in Kenya, which was delivered to our biorefineries in Italy. In Marketing activities, where we expect a very competitive environment, we are seeking to retain steady and robust profitability mainly by focusing on innovation of products and services anticipating customer needs, strengthening our line of premium products, as well as efficiency in the marketing and distribution activities. Further value will be extracted by the development of our initiatives in the segment of sustainable mobility and new fuels (for example the service of recharging electric vehicles, the supply of compressed natural gas and of LNG, as well as the start of the supply of hydrogen) and developing non-fuel products and services.

Chemicals

The Company is focused on executing an industrial plan intended to recover profitability and to transform the business to a structurally more sustainable and competitive products mix, by reducing the exposure to the competitive trends in the most commoditized market segments. The main levers of the industrial plan comprise: i) to increase the weight in the business mix of differentiated products with higher added, also leveraging on growing our market share in the compounding and specialized formulations through Finproject that we acquired in 2021; ii) to develop the business of the circular economy by increasing production of polymers made from the mechanical recycling of waste plastics; iii) to develop the chemicals from renewables feedstocks to address end-markets with big potential; iv) to improve integration and efficiency, balancing the cracking capacity with the internal needs for manufacturing polymers and lowering trade sales of intermediates which are exposed to the volatility of the cycle. A key driver of our strategy will be our proprietary technologies which can expand our presence in new markets.

SIGNIFICANT DEVELOPMENTS IN 2022

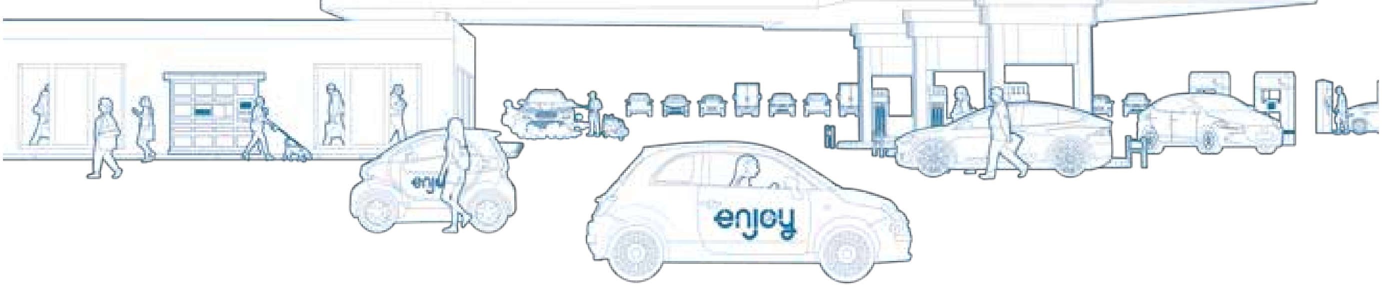
PORTFOLIO OPTIMIZATION IN THE CHEMICAL BUSINESS

In line with the energy transition path, in 2022 the development of green chemistry business progressed through the strengthening of the partnership with Novamont. The commitment to Matrìca – the joint venture set up between Versalis and Novamont at Porto Torres specializing in manufacturing bioproducts from renewable sources – has been reaffirmed aiming at enhancing technologies and productive assets in order to fully develop its products, also within supply chains integrated with the two partners, by focusing on growth in the previously referenced markets. In this context, shareholder agreements have also been redefined: Versalis has increased its interest in Novamont from 25% to 35%.
In addition, in April 2023, Versalis finalized an agreement to purchase the remaining participating interest in Novamont retained by the other shareholder Mater-Bi. The closing of the transaction is subject to the customary conditions.

A NEW SUSTAINABLE MOBILITY COMPANY

In January 2023, as a part of the Group's satellite strategy to set-up new dedicated entities to accelerate the decarbonization of its customer portfolio (Scope 3 emission), Eni established the new entity Eni Sustainable Mobility. The company is vertically integrated and will support Eni's energy transition by combining the offer of increasingly sustainable fuel with advanced services for drivers in Italy and Europe, leveraging on a network of 5,000 service stations, that will be also enhanced to support electric and hydrogen-based mobility. Eni Sustainable Mobility will manage Eni's biorefining and biomethane assets and will continue the development of new projects, including those at Livorno and Pengerang in Malaysia, which are currently under evaluation.

Eni Live Station



FOOD

EniCafè 600+ locations 100% made in Italy
Emporium convenience stores with products of best italian brands
ALT Stazione del gusto

SERVICES

Amazon Hub Lockers 800+ lockers
PosteItaliane postal services and cash withdrawal
TelePass point
Eni Wash

CARSHARING

Battery Swapping
EniParking & Smart Parking Urban locations
Enjoy Efficient car sharing

ALTERNATIVE FUELS

HVOlution
Bio-CNG
Bio-LNG
Hydrogen

Plenitude & Power

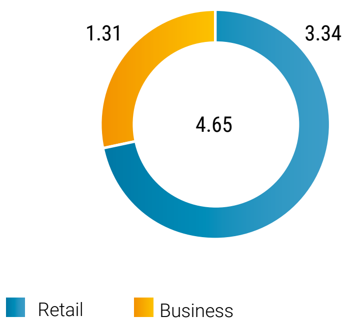
OPERATING PERFORMANCE

In 2022, the Plenitude & Power segment reported an adjusted operating profit of €615 million, up by €139 million vs. 2021, in particular, Plenitude reported an adjusted operating profit of €345 million, down 5% compared to 2021, due to the challenging market scenario, while the Power generation business from gas fired plants reported an adjusted operating profit of €270 million in 2022, more than doubled from 2021, due to a favorable price scenario.

GAS AND POWER SALES

In 2022, retail gas sales in Italy and in the rest of Europe amounted to 6.84 bcm, down by 1.01 bcm or 12.9% from the previous year. Sales in Italy amounted to 4.65 bcm down by 9.5% from 2021, as a result of lower sales to the retail segment. Sales on the European markets of 2,19 bcm decreased by 19.2% (down by 0.52 bcm) compared to 2021. Lower sales were recorded in France and Greece.
Retail power sales to end customers amounted to 18.77 TWh, managed by Plenitude and the subsidiaries in France, Greece and Spain increased by 13.8% from 2021, due to the development of activities in Italy and abroad.

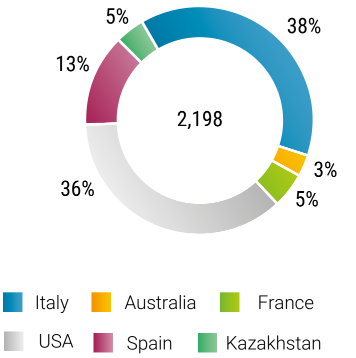
RETAIL GAS SALES IN ITALY (bcm)



NEW CAPACITY IN 2022

In line with the strategy of energy transition and decarbonization of products and processes, Plenitude inaugurated: (i) the Badamsha 2 wind farm located in the Aktobe region, Kazakhstan, the second wind installation in the region, allowing to double the installed capacity of Badamsha 1 project (48 MW, for a total amount of 96 MW installed in the Country); (ii) the 104.5 MW El Monte wind farm, located in the Spanish region of Castilla La Mancha, built in collaboration with the strategic partner Azora Capital. The plant will produce about 300 GWh/year, equivalent to the domestic consumption of 100,000 households; (iii) the 263 MW "Golden Buckle Solar Project" solar farm in Brazoria County, Texas (USA), in January 2023. The plant was built in just over a year and will produce a yearly average of 400 to 500 GWh of solar energy. The plant development was carried out with the support of Novis Renewables, LLC.

RENEWABLE INSTALLED CAPACITY (MW)



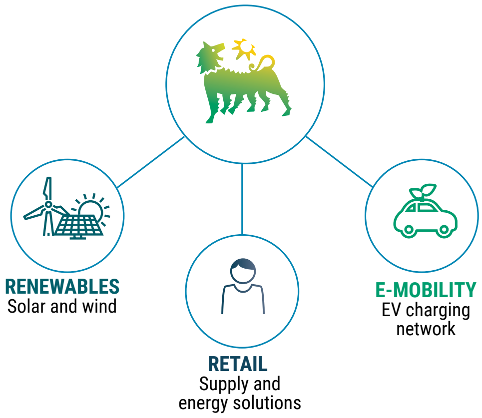
E-MOBILITY

Plenitude, thanks to the acquisition of Be Charge, can count on one of the largest and most widespread network of public charging infrastructure for electric vehicles, and represents the first operator in Italy for public fast charging points >100 kW. As of December 31, 2022, there are about 13,000 charging points distributed throughout the Country.
As a recognition of Eni's commitment to sustainable infrastructure development, the European Climate, Infrastructure and Environment Executive Agency (CINEA) has selected a project of Be Charge, the Plenitude integrated operator for electric mobility, to build, by 2025, one of the largest high-speed charging networks in Europe for EVs along key European transport corridors (TEN-T) and at parking areas and in major cities in 8 Countries: Italy, Spain, France, Austria, Germany, Portugal, Slovenia and Greece.

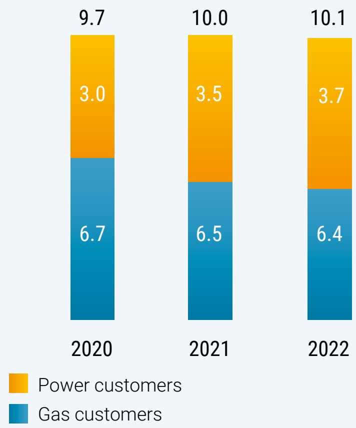
STRATEGY

PLENITUDE

An integrated Business Model

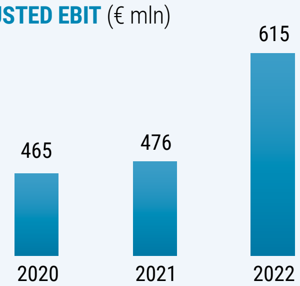


RETAIL AND BUSINESS CUSTOMERS
(mln of POD)



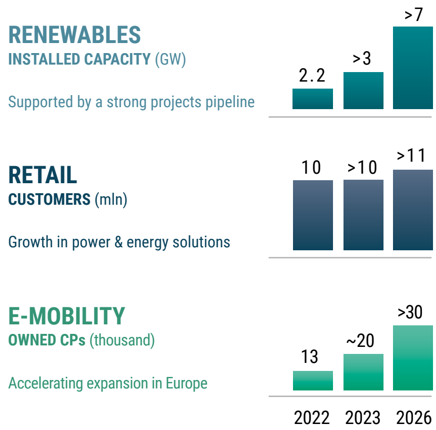
Overall Plenitude supplies 10 million retail and business clients (gas and electricity) in Italy and Europe. In particular, clients located all over Italy are 8.1 million.

ADJUSTED EBIT (€ mln)



The solid performance benefitted from the result achieved by the Power generation business, which leveraged on a favourable scenario (the adjusted operating profit amounted to €270 million, more than doubled vs. 2021).

Plenitude will leverage on the synergies among those businesses to improve its profitability going forward. We plan to accelerate the development of the installed capacity to produce renewable power to reach more than 7 GW of installed capacity by the end of the plan. Our network of charging points for electric vehicles will be expanded with the objective of reaching over 30 thousand points by 2026. We plan to selectively grow our customer base, with the target to reach 11 million customers by 2026 and to boost profitability by extracting more value from the customer portfolio, by supplying an increasing share of equity renewable energy and bio-methane, as well as by expanding the offer of new products and services other than the commodity and by continuing innovation in marketing processes including the deployment of digitalization in the acquisition of new customers, a reduction in the cost to serve and effective management of working capital.



SIGNIFICANT DEVELOPMENTS IN 2022-2023

SPAIN ITALY

Started a new partnership with Infrastrutture SpA to develop solar and wind power projects, by acquiring a 65% stake in Hergo Renewables SpA, a company holding a portfolio of projects in Italy and Spain, with a total capacity of approximately 1.5 GW; in addition Plenitude acquired 100% of PLT (PLT Energia Srl and SEF Srl and their respective subsidiaries and affiliates), an integrated Italian group engaged in producing renewable electricity and in supplying energy to the retail segment. The acquired company includes 90,000 retail customers in Italy and a portfolio capacity of 1.6 GW. The agreement allows Plenitude to strengthen its presence in the two countries, consolidating a vertically integrated platform.

USA

Plenitude, through its US subsidiary Eni New Energy US Inc., acquired the 81 MW Kellam photovoltaic plant, located in North Texas. This acquisition has been finalized in January 2023. The plant, sold by Hanwha Qcells USA Corp., joins the other assets within Texas and the rest of the United States in Plenitude's portfolio, which reaches, with this transaction, an installed capacity of 878 MW in the US market. The operation was carried out with the support of Novis Renewables, LLC, a partnership between Eni New Energy US, Inc. and Renantis North America, Inc., which is exclusive for the US and dedicated to the development of solar, wind and storage projects. The plant stands on over 150 hectares of land and the produced energy will be sold to a local power company.

NORWAY

In order to strengthen the presence in the offshore wind sector and contribute to the expansion of the Norwegian joint venture Vårgrønn, Plenitude and HitecVision, in October 2022, have signed an agreement which involved the transfer to the JV of the 20% stake held by Plenitude in the Dogger Bank (UK) offshore wind projects. As a result of this transaction, HitecVision increased its stake in Vårgrønn from 30.4% to 35% through a capital injection. This operation laid the foundations for the establishment of a financially independent entity focused on the development in the offshore wind sector, expanding the existing industrial collaboration with HitecVision and accelerating its growth path.

SPAIN

Plenitude in 2022 invested in innovative technological solutions, in particular in EnerOcean S.L., a Spanish developer of the W2Power technology for floating wind power. The agreement is structured as a long-term partnership focused on the deployment of the W2Power technology as a lead solution for floating wind power developments worldwide. Plenitude will contribute to the development program of EnerOcean S.L. with capital and expertise and will initially retain a 25% stake in the Company, which will continue to operate independently.

ITALY

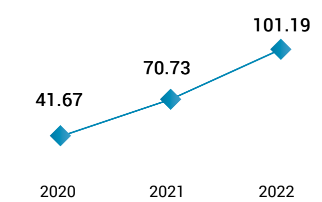
GreenIT, a joint venture with the Italian agency CDP Equity, acquired the entire portfolio of Fortore Energia Group, consisting of four onshore wind farms operating in Italy with a total capacity of 110 MW (56 MW Eni's share); furthermore the JV signed an additional agreement with the equity fund Copenhagen Infrastructure Partners (CIP) to build and operate two floating offshore wind farms in Sicily and Sardinia, with an expected total capacity of approximately 750 MW. In January 2023, Plenitude signed an agreement with Simply Blue Group for the joint development of floating offshore wind projects in Italy. The first two floating offshore wind projects, "Messapia" in Apulia and "Krimisa" in Calabria, have already been submitted to the relevant authorities. The Messapia project, located about 30 km off the Otranto coast, will have a total capacity of 1.3 GW and will be able to provide annual power generation of about 3.8 TWh. The Krimisa project, located about 45 km off the coast of Crotone, will have a total capacity of 1.1 GW and will be able to provide annual energy production of up to 3.5 TWh.

Group results for the year

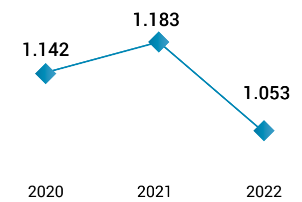
OVERVIEW

The 2022 trading environment was very complex and volatile due to market imbalances in the energy sector at the start of the year, which were greatly compounded by Russia's military aggression of Ukraine in February 2022. Fears of possible disruptions in the flows of Russian hydrocarbons towards Western markets coupled with ongoing pent-up demand and lack of supply responsiveness triggered a rally in the price of crude oil and natural gas and derivatives.
While rising commodity prices were a net positive for the Company and supported the performance of the E&P business, the unprecedented level of volatility recorded in European energy markets and elsewhere posed significant financial risks to the Company, which could have negatively and significantly affected the Group performance and its financial condition absent adequate risk management activities.
The Company's performance in 2022 was very positive due to financial discipline, cost and margin optimization across all business lines, a supportive commodity price environment, management of the market risk and availability of refining capacity and natural gas supplies, as well as the Company's ability to maintain significant hydrocarbons production volumes at 1,610 kboe/d despite unplanned downtime and force majeure events and reduced levels of investing activities as a result of the cuts implemented during the COVID-19 pandemic crisis.
The Company directed its efforts to secure the continuity of natural gas supplies to its customers and to address market needs, while Russia began reducing its natural gas exports to Europe in retaliation for economic sanctions imposed by Western countries. In a context of great uncertainty and volatility, we took several steps to lessen our dependency on Russian natural gas in agreement with Italian authorities by seeking to diversify the geographic reach of our natural gas supplies leveraging on equity reserves and long-term partnerships with producing countries, particularly those bordering the Mediterranean Sea. Overall, based on our planning projections and assumption we target to completely replace Russian supplies with supplies from other geographies by 2025.
Management of the market risks was achieved by increasing our financial headroom to cope with significantly higher cash requirements in connection with the margin calls from our commodity derivatives counterparts, by reducing part of the hedging activities, by finding alternative trading venues and finally by reducing sales commitments to account for a growing risk of unilateral disruptions in Russian supplies.
Brent prices reached almost 140 $/bbl, in the first half of the year, the highest value recorded from 2008. The first half of 2022 recorded an average price of 108 $/bbl.However, in the second half the Brent price retraced to below 80 $/bbl, driven by tightened monetary conditions, perceived risks of an imminent macroeconomic slowdown, the USD appreciation against other currencies and steady Russian supplies contrary to market expectations of a fall in Russian oil production. On annual average, the Brent price was 101 $/bbl with an increase of 40% compared to the 2021 average of about 70 $/bbl.
Natural gas prices experienced even greater volatility than oil prices, especially in Europe due to its dependence on pipeline supplies from Russia. Compared to the 2021 average of about 15 $/mmBTU for the European spot reference Title Transfer Facility (TTF) which already represented a historical record, in 2022 values recorded 80-90 $/mmBTU due to fears of shortage for the following winter season in relation to the progressive downsizing of Russian export flows via pipeline, in the context of a continuous deterioration of political relations with the EU. In the final part of 2022 and early 2023, natural gas prices, thanks to a particularly mild winter season and significant exports of LNG from the USA, corrected substantially, closing at year end at values equal to or lower than those recorded before the outbreak of the conflict and averaging 37 $/mmBTU for the year.
Refining margins were supported by a recovery in fuel demand in all sectors, including civil aviation, and substantial diesel shortages mainly due to lower supplies from Russia.
The movement of the USD vs. the Euro positively and significantly affected results of operation and cash flow in 2022, as the USD appreciated by about 10% on average year-on-year.

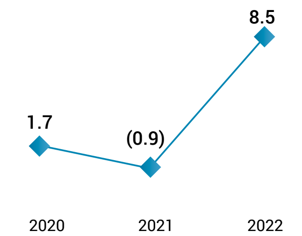
Average Brent dated price ($/BBL)



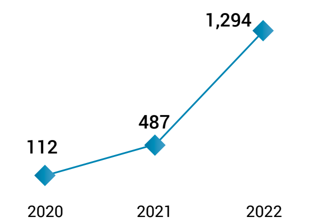
Average EUR/USD exchange rate



SERM ($/BBL)



PSV gas price (€/kcm)



2022 FINANCIAL RESULTS

In 2022, Eni reported a net profit attributable to its shareholders of €13,887 million, driven by an operating profit of €17,510 million (against an operating profit of €12,341 million in 2021) and better results of investments (up by around €6,300 million) due to the capital gain recognized at the closing of the transaction involving the establishment of Azule Energy Holdings and increased results of equity-accounted entities. Those positives were partly offset by higher income taxes, which were negatively affected by the recognition of €2.4 billion of windfall taxes, including extraordinary solidarity tax contributions enacted in Italy (€2 billion) and Germany (€0.2 billion) as well as the UK Energy profit levy (€0.2 billion).

PROFIT AND LOSS ACCOUNT (€ million)	2022	2021	2020	Change	% Ch.
Sales from operations	132,512	76,575	43,987	55,937	73.0
Other income and revenues	1,175	1,196	960	(21)	(1.8)
Operating expenses	(105,497)	(58,716)	(36,640)	(46,781)	(79.7)
Other operating income (expense)	(1,736)	903	(766)	(2,639)	..
Depreciation, depletion, amortization	(7,205)	(7,063)	(7,304)	(142)	(2.0)
Net impairment reversals (losses) of tangible and intangible and right-of-use assets	(1,140)	(167)	(3,183)	(973)	..
Write-off of tangible and intangible assets	(599)	(387)	(329)	(212)	(54.8)
Operating profit (loss)	17,510	12,341	(3,275)	5,169	41.9
Finance income (expense)	(925)	(788)	(1,045)	(137)	(17.4)
Income (expense) from investments	5,464	(868)	(1,658)	6,332	..
Profit (loss) before income taxes	22,049	10,685	(5,978)	11,364	..
Income taxes	(8,088)	(4,845)	(2,650)	(3,243)	(66.9)
Tax rate (%)	*36.7*	*45.3*	..		
Net profit (loss)	13,961	5,840	(8,628)	8,121	..
attributable to:					
- Eni's shareholders	13,887	5,821	(8,635)	8,066	..
- Non-controlling interest	74	19	7	55	..

Adjusted operating profit (loss) and adjusted net profit (loss) are determined by excluding from the reported results inventory holding gains or losses and identified gains and losses (pre and post-tax, respectively) that in our view do not reflect business base performance.
Adjusted operating profit (or loss) and adjusted net profit (or loss) provide management with an understanding of the results from our underlying operations and are used to evaluate our period-over-period operating performance, as management believes these provide more comparable measures as they adjust for disposals and special charges or gains not reflective of the underlying trends in our business. These Non-GAAP performance measures may also be useful to an investor in evaluating the underlying operating performance of our business and in comparing it with the performance of other Oil & Gas companies, because the items excluded from the calculation of such measures can vary substantially from company to company depending upon accounting methods, management's judgment, book value of assets, capital structure and the method by which assets were acquired, among other factors. Nevertheless, other companies may adopt different criteria in identifying underlying results and therefore our measure of adjusted operating profit (loss) and adjusted net profit (loss) may not be comparable to the adjusted measures presented by other companies.
In 2022, special items included environmental and remediation provision of €2 billion, including a decommissioning provision €0.3 billion taken at a refinery line that was shut down indefinitely, impairment charges of €1.1 billion for oil & gas assets and chemicals plants, and windfall taxes on energy profits of €2.2 billion, of which €1 billion was paid in 2022. These charges were offset by a gain of €2.5 billion on the contribution of Eni's subsidiaries to a newly established venture jointly controlled with another partner, Azule Energy Holdings, a gain of €0.4 billion on the divestment of an interest in the Vår Energi associate and by the recognition of deferred taxes of €2.2 billion.
All these special items amounted to a total negative adjustment of €185 million in net profit and of €3,440 million in operating profit, including an inventory pre-tax profit of €564 million (€401 million post-tax).

The table below sets forth details of the identified gains and losses included in the net results during the period presented.

BREAKDOWN OF SPECIAL ITEMS (€ million)	2022	2021	2020
Special items of operating profit (loss)	3,440	(1,186)	3,855
- environmental charges	*2,056*	*271*	*(25)*
- impairment losses (impairments reversal), net	*1,140*	*167*	*3,183*
- impairment of exploration projects	*2*	*247*	
- net gains on disposal of assets	*(41)*	*(100)*	*(9)*
- risk provisions	*87*	*142*	*149*
- provision for redundancy incentives	*202*	*193*	*123*
- commodity derivatives	*(389)*	*(2,139)*	*440*
- exchange rate differences and derivatives	*149*	*183*	*(160)*
- other	*234*	*(150)*	*154*
Net finance (income) expense	(127)	(115)	152
of which:			
- exchange rate differences and derivatives reclassified to operating profit (loss)	*(149)*	*(183)*	*160*
Net (income) expense from investments	(2,834)	851	1,655
of which:			
- impairments / revaluation of equity investments		*851*	*1,207*
- gain on the divestment of Vår Energi	*(448)*		
- net gains on the divestment of Angolan assets	*(2.542)*		
Income taxes	(683)	19	1,278
Total special items of net profit (loss)	(204)	(431)	6,940
Attributable to:			
- non-controlling interest	(19)		
- Eni's shareholders	(185)	(431)	6,940

The Group adjusted operating profit of €20,386 million compared to €9,664 million in 2021, up by approximately 111% or €10.7 billion was driven by the E&P segment (up by €7.12 billion) due to a strong recovery in commodity prices that fueled significantly higher realizations on equity production. The Global Gas and LNG portfolio segment (up by €1.48 billion) benefitted from portfolio optimizations and contract renegotiations; the Refining & Marketing and Chemical segment (up by €1.78 billion) reflected the improved performance of the R&M segment reaching its best performance ever (up by €2.2 billion, compared to break even in 2021), due to plant availability and cost and output optimization allowing to capture the upside of a strong refining environment, partly offset by weaker results of the Chemical business (down by €0.45 billion), negatively affected by competitive pressures, weakening demand and higher plant expenses which were indexed to the price of natural gas.
In summary the main drivers of the Group underlying improvements were:

- price and margin effects due to favorable market trends for hydrocarbons prices and refining margins and the 10% appreciation of the US dollar vs. the euro amounting to €10.3 billion, net of unfavorable margin compression in the Chemicals business of -€0.73 billion;
- a positive effect of €0.54 billion of contractual renegotiations in the GGP segment resulting in more favorable indexation of selling prices vs. purchase prices also due to lowered hedging activities, partly offset by higher risk provisions in connection with contractual disputes;
- cost efficiencies and margin optimizations in the R&M and Chemicals businesses for €0.48 billion;
- lower production volumes and unfavorable production mix impacts in E&P due to unplanned downtime and force majeure events dragging down production volumes and the value of production, for -€0.94 billion.

Excluding special items and the inventory evaluation profit, adjusted net profit for 2022 was €13,301 million, a €8,971 million increase compared to 2021. The result was driven by a significantly higher operating performance and by improved results from equity accounted entities.

ADJUSTED RESULTS (€ million)	2022	2021	2020	Change	% Ch.
Operating profit (loss)	17,510	12,341	(3,275)	5,169	41.9
Exclusion of inventory holding (gains) losses	(564)	(1,491)	1,318		
Exclusion of special items	3,440	(1,186)	3,855		
Adjusted operating profit (loss)	20,386	9,664	1,898	10,722	110.9
Breakdown by segment:					
Exploration & Production	*16,411*	*9,293*	*1,547*	*7,118*	*76.6*
Global Gas & LNG Portfolio	*2,063*	*580*	*326*	*1,483*	*255.7*
Refining & Marketing and Chemicals	*1,929*	*152*	*6*	*1,777*	*..*
Plenitude & Power	*615*	*476*	*465*	*139*	*29.2*
Corporate and other activities	*(622)*	*(593)*	*(507)*	*(29)*	*(4.9)*
Impact of unrealized intragroup profit elimination and other consolidation adjustments	*(10)*	*(244)*	*61*	*234*	
Net profit (loss) attributable to Eni's shareholders	13,887	5,821	(8,635)	8,066	..
Exclusion of inventory holding (gains) losses	(401)	(1,060)	937		
Exclusion of special items	(185)	(431)	6,940		
Adjusted net profit (loss) attributable to Eni's shareholders	13,301	4,330	(758)	8,971	..

SUMMARIZED GROUP CASH FLOW STATEMENT

(€ million)	2022	2021	2020	Change
Net profit (loss)	13,961	5,840	(8,628)	8,121
Adjustments to reconcile net profit (loss) to net cash provided by operating activities:				
- depreciation, depletion and amortization and other non monetary items	4,369	8,568	12,641	(4,199)
- net gains on disposal of assets	(524)	(102)	(9)	(422)
- dividends, interests, taxes and other changes	8,611	5,334	3,251	3,277
Changes in working capital related to operations	(1,279)	(3,146)	(18)	1,867
Dividends received by investments	1,545	857	509	688
Taxes paid	(8,488)	(3,726)	(2,049)	(4,762)
Interests (paid) received	(735)	(764)	(875)	29
Net cash provided by operating activities	17,460	12,861	4,822	4,599
Capital expenditure	(8,056)	(5,234)	(4,644)	(2,822)
Investments and purchase of consolidated subsidiaries and businesses	(3,311)	(2,738)	(392)	(573)
Disposals of consolidated subsidiaries, businesses, tangible and intagible assets and investments	1,202	404	28	798
Other cash flow related to investing activities	2,361	289	(735)	2,072
Free cash flow	9,656	5,582	(921)	4,074
Net cash inflow (outflow) related to financial activities	786	(4,743)	1,156	5,529
Changes in short and long-term financial debt	(2,569)	(244)	3,115	(2,325)
Repayment of lease liabilities	(994)	(939)	(869)	(55)
Dividends paid and changes in non-controlling interests and reserves	(4,841)	(2,780)	(1,968)	(2,061)
Net issue (repayment) of perpetual hybrid bond	(138)	1,924	2,975	(2,062)
Effect of changes in consolidation and exchange differences of cash and cash equivalent	16	52	(69)	(36)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENT	1,916	(1,148)	3,419	3,064
Adjusted net cash before changes in working capital at replacement cost	20,380	12,711	6,726	7,669

Change in net borrowings

(€ million)	2022	2021	2020	Change
Free cash flow	9,656	5,582	(921)	4,074
Repayment of lease liabilities	(994)	(939)	(869)	(55)
Net borrowings of acquired companies	(512)	(777)	(67)	265
Net borrowings of divested companies	142			142
Exchange differences on net borrowings and other changes	(1,352)	(429)	759	(923)
Dividends paid and changes in non-controlling interest and reserves	(4,841)	(2,780)	(1,968)	(2,061)
Net issue (repayment) of perpetual hybrid bond	(138)	1,924	2,975	(2,062)
CHANGE IN NET BORROWINGS BEFORE LEASE LIABILITIES	1,961	2,581	(91)	(620)
Repayment of lease liabilities	994	939	869	55
Inception of new leases and other changes	(608)	(1,258)	(239)	650
Change in lease liabilities	386	(319)	630	705
CHANGE IN NET BORROWINGS AFTER LEASE LIABILITIES	2,347	2,262	539	85

Net cash provided by operating activities in 2022 was €17,460 million, an increase of €4,599 million compared to 2021 (up 36%), due to a better scenario in the upstream segment and a strong contribution from the R&M business. The outflow relating to the working capital of €1,279 million was due to the change in the value of inventory holding accounted for under the weighted-average cost method in a rising price environment, the build-up of gas inventories and invoice payments for gas supplies. The dividends received by investments mainly related to Vår Energi, Nigeria LNG, Azule Energy and ADNOC R&T.

Cash flow from operating activities before changes in working capital at replacement cost was €20,380 million in 2022 and was net of the following items: inventory holding gains or losses relating to oil and products, the reversing timing difference between gas inventories accounted at weighted average cost and management's own measure of performance leveraging inventories to optimize margin, provisions for environmental reclamation activities and decommissioning of refinery assets, extraordinary credit losses and other charges/gains, the fair value of commodity derivatives lacking the formal criteria to be designated as hedges, the Italian windfall tax levied on energy companies for fiscal year 2022, as well as the reclassification as an operating cash flow of a reimbursement of share capital made by an associate.

Net financial borrowings before IFRS 16 decreased by €1,961 million due to the net cash provided by operating activities (approximately €17.5 billion), the reimbursement of operating financing receivable by Azule Energy (€1.3 billion), partly offset by net capex requirements (€8.2 billion), dividends payments to Eni's shareholders of (€3,009 million which comprised the 2021 final dividend for about €1.5 billion and the first and the second quarterly instalment of the 2022 dividend of €0.22 per share each, amounting to €1.5 billion), a €2,400 million share buy-back program executed in the year by repurchasing about 196 million shares, the cash outflow related to acquisitions and divestments (€2.5 billion), payments of lease liabilities for €1 billion, the payment of the coupon of perpetual subordinated hybrid bonds (€0.1 billion) and other positive changes for about €0.5 billion.

CAPITAL EXPENDITURE AND INVESTMENTS

(€ million)	2022	2021	2020	Change	% Ch.
Exploration & Production	6,362	3,861	3,472	2,501	64.8
- acquisition of proved and unproved properties	*260*	*17*	*57*	*243*	..
- exploration	*708*	*391*	*283*	*317*	*81.1*
- oil and gas development	*5,238*	*3,364*	*3,077*	*1,874*	*55.7*
- CCUS and agro-biofeedstock projects	*110*	*37*		*73*	..
- other expenditure	*46*	*52*	*55*	*(6)*	*(11.5)*
Global Gas & LNG Portfolio	23	19	11	4	21.1
Refining & Marketing and Chemicals	878	728	771	150	20.6
- Refining & Marketing	*623*	*538*	*588*	*85*	*15.8*
- Chemicals	*255*	*190*	*183*	*65*	*34.2*
Plenitude & Power	631	443	293	188	42.4
- Plenitude	*481*	*366*	*241*	*115*	*31.4*
- Power	*150*	*77*	*52*	*73*	*94.8*
Corporate and other activities	166	187	107	(21)	(11.2)
Impact of unrealized intragroup profit elimination	(4)	(4)	(10)		
Capital expenditure[(a)]	8,056	5,234	4,644	2,822	53.9
Investments and purchase of consolidated subsidiaries and businesses	3,311	2,738	392	573	..
Total capex and investments and purchase of consolidated subsidiaries and businesses	11,367	7,972	5,036	3,395	42.6

(a) Expenditure to purchase plant and equipment from suppliers whose payment terms matched classification as financing payables, have been recognized among other changes of the cash flow statement (€61 milion).

SUMMARIZED GROUP BALANCE SHEET

(€ million)	December 31, 2022	December 31, 2021	Change
Fixed assets			
Property, plant and equipment	56,332	56,299	33
Right of use	4,446	4,821	(375)
Intangible assets	5,525	4,799	726
Inventories - Compulsory stock	1,786	1,053	733
Equity-accounted investments and other investments	13,294	7,181	6,113
Receivables and securities held for operating purposes	1,978	1,902	76
Net payables related to capital expenditure	(2,320)	(1,804)	(516)
	81,041	74,251	6,790
Net working capital			
Inventories	7,709	6,072	1,637
Trade receivables	16,556	15,524	1,032
Trade payables	(19,527)	(16,795)	(2,732)
Net tax assets (liabilities)	(2,991)	(3,678)	687
Provisions	(15,267)	(13,593)	(1,674)
Other current assets and liabilities	316	(2,258)	2,574
	(13,204)	(14,728)	1,524
Provisions for employee benefits	(786)	(819)	33
Assets held for sale including related liabilities	156	139	17
CAPITAL EMPLOYED, NET	67,207	58,843	8,364
Eni shareholders' equity	54,759	44,437	10,322
Non-controlling interest	471	82	389
Shareholders' equity	55,230	44,519	10,711
Net borrowings before lease liabilities ex IFRS 16	7,026	8,987	(1,961)
Lease liabilities	4,951	5,337	(386)
- of which Eni working interest	*4,457*	*3,653*	*804*
- of which Joint operators' working interest	*494*	*1,684*	*(1,190)*
Net borrowings post lease liabilities ex IFRS 16	11,977	14,324	(2,347)
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	67,207	58,843	8,364

Cash outflows for capital expenditure and investments were €11,367 million, increasing by 43% from 2021 and include the acquisition of a 20% stake in the Dogger Bank C offshore wind project in the North Sea, the 100% stake in SKGR company owner of a portfolio of photovoltaic plants in Greece, renewable capacity in the United States, a 3% interest in the North Field East LNG project in Qatar, the 100% stake in PLT Energia engaged in the renewable business, the Tango FLNG floating liquefaction vessel in Congo, as well as a capital contribution to our joint venture Saipem to support a new industrial plan and a financial restructuring of the investee. These outflows were partly offset by the divestment of a stake of the joint venture Vår Energi (€0.5 billion) and an equity contribution by an investor in Eni's subsidiaries operating in the natural gas-fired power generation with recognition of a non-controlling interest (€0.5 billion).
In 2022, capital expenditure amounted to €8,056 million (€5,234 million in 2021), increasing by 54% and mainly related to:

- oil and gas development activities (€5,238 million) mainly in Egypt, Ivory Coast, Congo, the United Arab Emirates, Mexico, Iraq, Italy and Algeria;
- refining activity in Italy and outside Italy (€491 million) mainly relating to the activities to maintain plants' integrity and stay-in-business, as well as HSE initiatives; marketing activity (€132 million) for regulation compliance and stay-in-business initiatives in the retail network in Italy and in the rest of Europe;
- Plenitude (€481 million) mainly relating to development activities in the renewable business, acquisition of new customers as well as development of electric vehicles network infrastructure.

As of December 31, 2022, fixed assets of €81,041 million, increased by €6,790 million from December 31, 2021, due to the exchange rate translation differences (the period-end exchange rate of EUR vs. USD was 1.067, down 6% compared to 1.133 as of December 31, 2021), acquisitions, expenditures and the entry into service of the FPSO vessel operating Area 1 in Mexico, partly offset by the net effect of the contribution of Angolan subsidiaries in exchange for 50% equity interest in Azule Energy and DD&A, impairment charges and write-offs recorded in the year.

Shareholders' equity (€55,230 million) increased by €10,711 million compared to December 31, 2021, due to the net profit for the year (€13,961 million), positive foreign currency translation differences (€1,095 million) reflecting the appreciation of the US dollar vs. the Euro, the positive change in the cash flow hedge reserve of €794 million, partly offset by dividend payments and the share buyback (€5,422 million).

LEVERAGE AND NET BORROWINGS

Leverage is a measure used by management to assess the Company's level of indebtedness. It is calculated as a ratio of net borrowings which is calculated by excluding cash and cash equivalents and certain very liquid assets from financial debt to shareholders' equity, including non-controlling interest. Management periodically reviews leverage in order to assess the soundness and efficiency of the Group balance sheet in terms of optimal mix between net borrowings and net equity, and to carry out benchmark analysis with industry standards.

(€ million)	December 31, 2022	December 31, 2021	Change
Total finance debt	26,917	27,794	(877)
- Short-term debt	*7,543*	*4,080*	*3,463*
- Long-term debt	*19,374*	*23,714*	*(4,340)*
Cash and cash equivalents	(10,155)	(8,254)	(1,901)
Financial assets measured at fair value through profit or loss	(8,251)	(6,301)	(1,950)
Financing receivables held for non-operating purposes	(1,485)	(4,252)	2,767
Net borrowings before lease liabilities ex IFRS 16	7,026	8,987	(1,961)
Lease Liabilities	4,951	5,337	(386)
- of which Eni working interest	*4,457*	*3,653*	*804*
- of which Joint operators' working interest	*494*	*1,684*	*(1,190)*
Net borrowings post lease liabilities ex IFRS 16	11,977	14,324	(2,347)
Shareholders' equity including non-controlling interest	55,230	44,519	10,711
Leverage before lease liability ex IFRS 16	0.13	0.20	0.07
Leverage after lease liability ex IFRS 16	0.22	0.32	0.10

As of December 31, 2022, net borrowings were €11,977 million decreasing by €2,347 million from 2021.

Total finance debt of €26,917 million consisted of €7,543 million of short-term debt (including the portion of long-term debt due within twelve months of €3,097 million) and €19,374 million of long-term debt. The decrease in financing receivables held for non-operating purposes was due to the operations in commodity derivates. The amount of €1,266 million is connected to the financial deposits to secure the derivatives transactions, mainly related to the Global Gas & LNG Portfolio segment. When excluding the lease liabilities, net borrowings were re-determined at €7,026 million reducing by €1,961 million from 2021.
Leverage – the ratio of the borrowings to total equity – was 0.13 at December 31, 2022. The impact of the liability pertaining to joint operators in Eni-led unincorporated joint ventures weighted on leverage for 1 point. Including the impact of IFRS 16 altogether, leverage would be 0.22.

Directors and officers

BOARD OF DIRECTORS[1]

Lucia Calvosa
Chairman

Claudio Descalzi
Chief Executive Officer

Ada Lucia De Cesaris
C

Emanuele Piccinno

Sustainability and Scenarios Committee
Remuneration Committee
Nomination Committee
Control and Risk Committee
C Chairman
From the majority list.
From the minority list.

7 independent directors*
78%

4 women
44%

5 men
56%

* 7 directors meet the independence requirements under the Consolidated Law on Financial Intermediation (Legislative Decree No. 58/1998 or CLFI) and the Corporate Governance Code (CGC).

16 meetings in 2022
Average duration of meetings **3h 38min**
Average participation rate **97.9%**

Independence

Independent	7	78%
Non independent	2	22%

Seniority

1-3 years	6	67%
4-6 years	0	0%
7-9 years	3	33%

Age

30-50 years	2	22%
> 50 years	7	78%

1) Appointed by the Shareholders' Meeting of May 13, 2020 for a three-year term, ending on the date of the Shareholders' Meeting called to approve the 2022 financial statements. 9 members, 7 independents, 1 executive Director; Chairman non-executive and independent pursuant to law and to Corporate Governance Code.

BOARD OF STATUTORY AUDITORS

Chairman
Rosalba Casiraghi

Statutory Auditors
Enrico Maria Bignami
Marcella Caradonna
Giovanna Ceribelli
Marco Seracini

3 women **60%**
2 men **40%**

Meetings in 2022
20
Average participation rate
98%
Average duration of meetings
3h 37 min

Seniority

1-3 years	2	40%
4-6 years	2	40%
7-9 years	1	20%

Filippo Giansante

Karina A. Litvack

Pietro A. Guindani

Nathalie Tocci

Raphael Louis L. Vermeir

GROUP OFFICERS

As at December 31, 2022

BOARD OF DIRECTORS

CHAIRMAN'S OFFICE

LUCIA CALVOSA
Chairman of the Board

CLAUDIO DESCALZI
Chief Executive Officer

LUCA FRANCESCHINI
Board Secretary and Counsel(a)

GIANFRANCO CARIOLA
Internal Audit Director(b)

OFFICE OF THE CEO

ROBERTO ULISSI
Corporate Affairs and Governance Director

LUCA FRANCESCHINI
Integrated Compliance Director

GRAZIA FIMIANI
Integrated Risk Management Director

STEFANO SPERONI
Legal Affairs and Commercial Negotiations Director

CLAUDIO GRANATA
Human Capital & Procurement Coordination Director

FRANCESCA ZARRI
Technology, R&D & Digital Director

LAPO PISTELLI
Public Affairs Director

ERIKA MANDRAFFINO
External Communication Director

GUIDO BRUSCO
Natural Resources Chief Operating Officer(c)

FRANCESCO GATTEI
Chief Financial Officer

GIUSEPPE RICCI
Energy Evolution Chief Operating Officer

Deputy **CRISTIAN SIGNORETTO**

Deputy **UMBERTO CARRARA**

(a) The Board Secretary and Counsel reports hierarchically and functionally to the Board of Directors and, on its behalf, to the Chairman.
(b) The Internal Audit Director reports hierarchically to the Board and, on its behalf, to the Chairman, without prejudice to its functional reporting to the Control and Risk Committee and to the CEO, and without prejudice to the provisions concerning the appointment, revocation, remuneration and allocation of resources.
(c) Since February 7, 2022. Until February 6, 2022 the Chief Operating Officer was Alessandro Puliti.

Remuneration

The Eni's Remuneration Policy is approved by the Board, acting on a proposal of the Remuneration Committee, and is examined by the Shareholders' Meeting, which is called to express a binding vote on the matter with the frequency required by the duration of the Policy, and in any case at least every three years or in the event of changes. The Board of Directors ensures that the remuneration paid and accrued is consistent with the principles and criteria defined in the Policy, in light of the results achieved and other circumstances relevant to its implementation (Principle XVII of the Governance Code).

The Remuneration Policy contributes to pursuing the Company's strategies, with incentive structures tied to financial, business, environmental and social sustainability, energy transition goals, as well as operational and individual development objectives, with a view to the achievement of long-term business performance, taking account of the interests of all stakeholders. The Remuneration Policy is also consistent with the governance model adopted by the Company and the recommendations of the Corporate Governance Code, in particular providing that the remuneration of Directors, members of the Board of Statutory Auditors, General Managers and Managers with strategic responsibilities is functional to the pursuit of the sustainable success of the Company and reflects the need to have, retain and motivate people whit the skills and professionalism deemed suitable for the role assigned (Principle XV of the Governance Code).

Eni's Remuneration Policy contributes to achieving the Company's mission, towards:

- promoting actions and behaviours reflecting the Company's values and culture, consistent with the principles of plurality, equal opportunity, enhancement of individuals' knowledge and skills, fairness, integrity and non-discrimination, as described in the Code of Ethics and Eni Policy "Our people" in line with the objectives of the United Nations and according to the principle of "equal pay for equal work";
- recognising roles and responsibilities, results, and the quality of professional contribution, with fair references based on the role and able to support a decent standard of living, higher than the legal or contractual minimums in force, as well as the minimum wages of local markets.

The Remuneration Policy supports the achievement of the goals set in the Company's Strategic Plan by promoting, through a balanced use of performance measures in the short and long-term incentive systems, the alignment of senior management's interests with the priority of creating sustainable value for shareholders over the medium-to-long-term.

The 2023-2025 Long-Term Share-based Incentive Plan supports the Strategic Plan guidelines by providing a specific environmental sustainability and energy transition goal, made up of targets related to decarbonization, energy transition and circular economy.

2023 TARGETS FOR THE SHORT-TERM INCENTIVE PLAN WITH DEFERRAL 2024

ECONOMIC AND FINANCIAL RESULTS (25%)	OPERATING RESULTS (25%)	ENVIRONMENTAL SUSTAINABILITY AND HUMAN CAPITAL (25%)	EFFICIENCY AND FINANCIAL STRENGTH (25%)
INDICATORS • Earnings Before Tax • Organic Free Cash Flow	INDICATORS • Hydrocarbon production • Incremental installed renewable capacity	INDICATORS • Upstream net GHG emissions Scope 1 and 2 equity • Severity Incident Rate	INDICATORS • ROACE • Net Debt/EBITDA
DRIVERS • Upstream expansion • Strengthen Gas & Power operations • Resilience in downstream • Green business	DRIVERS • Fast track approach • Renewable energies development	DRIVERS • Decarbonisation • HSE and sustainability	DRIVERS • Capital discipline • Efficiency of operating costs and G&A • Optimisation of working capital

The Short Term Incentive Plan provides for a structure of annual targets distributed across four clusters of equal weighting, consistent with the guidelines defined in the Strategic Plan and balanced against the interests of the various stakeholders.

In the Policy clusters, the Remuneration Committee proposes annually to the Board, the adoption of performance targets and parameters consistent with developments in company strategy from the perspective of medium/long-term sustainability. The value of each target is in line with the budgeted figure. The 2023 annual targets approved by the BoD on March 16, 2023 at the proposal of the Remuneration Committee, in the context of the defined policy clusters, are shown in the table above.

REMUNERATION PAID IN 2022

The table below reports the remuneration paid to the Chairman of the Board of Directors, the Chief Executive Officer and General Manager and, in aggregate form, Managers with strategic responsibilities. The remuneration received from subsidiaries and/or associates, except that waived or paid to the company, are shown separately.

REMUNERATION ACCRUED TO CHAIRWOMAN, TO THE CHIEF EXECUTIVE OFFICER AND GENERAL MANAGER, TO CHIEF OPERATING OFFICERS AND TO OTHER MANAGERS WITH STRATEGIC RESPONSIBILITIES (€ thousand)

						Variable non-equity remuneration						
First Name and Surname	Position	Period for which the position was held	Expiration of office[a]	Fixed remuneration	Remuneration for participation in Committees	Bonuses and other incentives	Profit sharing	Non-monetary benefits	Other remuneration	Total	Fair value of equity-based remuneration	Severance indemnity for end of office or termination of employment
Lucia Calvosa	Chairwoman	01.01 - 12.31	2023	500				3		503		
Claudio Descalzi	Chief Executive Officer and General Manager	01.01 - 12.31	2023	1,600		4,193		31		5,824	1,666	
Managers with strategic responsibilities[b]	Remuneration in the reporting entity			11,503		15,177		324	120	27,124	3,104	7,074
				13,603		19,370		358	120	33,451	4,770	7,074

(a) The office will expire with the Shareholders' Meeting called to approve the Financial Statements as at December 31, 2022.
(b) Managers who were permanent members of the Company's Management Committee during the year together with the Chief Executive Officer, or who reported directly to the CEO (twenty-three managers).

MONETARY INCENTIVE PLANS FOR THE CHIEF EXECUTIVE OFFICER AND GENERAL MANAGER, CHIEF OPERATING OFFICERS AND OTHER MANAGERS WITH STRATEGIC RESPONSIBILITIES (€ thousand)

	BONUS FOR THE YEAR			BONUS FOR PREVIOUS YEARS				
First Name and Surname	Position	Payable/paid	Deferred	Deferral period	No longer payable	Payable/paid	Still deferred	Other bonuses
Claudio Descalzi	Chief Executive Officer and General Manager	2,059	1,109	Three-year		2,134	2,293	
Managers with strategic responsibilities[a]		9,031	3,753	Three-year	452	6,146	7,176	
		11,090	4,862		452	8,280	9,469	

(a) Managers who were permanent members of the Company's Management Committee during the year, together with the Chief Executive Officer and who reported directly to the CEO (twenty-three managers).

INCENTIVE PLANS BASED OF FINANCIAL INSTRUMENTS, OTHER THAN STOCK OPTIONS, FOR THE CHIEF EXECUTIVE OFFICER AND GENERAL MANAGER, FOR CHIEF OPERATING OFFICERS AND FOR OTHER MANAGERS WITH STRATEGIC RESPONSIBILITIES

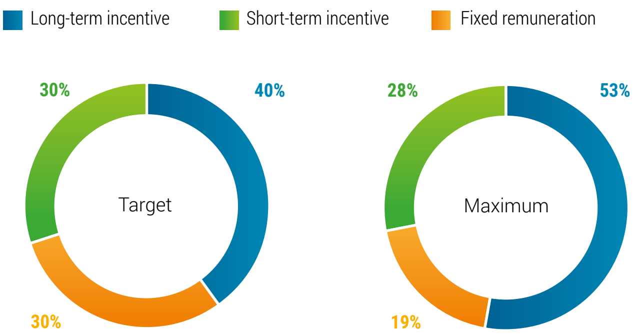
			Financial instruments awarded in previous years and not vested during the year		Financial instruments awarded during the year					Financial instruments vested during the year and not assignable	Financial instruments vested during the year and assignable		Financial instruments for the year
First Name and Surname	Position	Plan	Number of Eni shares	Vesting period	Number of Eni shares	Fair value at assignment date (€ thousand)	Vesting period	Assignment date	Market price on assignment date (€)	Number of Eni shares	Number of Eni shares	Value at date of vesting	Fair value (€ thousand)
Claudio Descalzi	Chief Executive Officer and General Manager	2022 Equity-based Long-Term Incentive Plan			203,230	2,079	3 years	10/27/2022	12.918				58
		2021 Equity-based Long-Term Incentive Plan	230,882	3 years									724
		2020 Equity-based Long-Term Incentive Plan								32,170	260,281		431
Total					203,230	2,079				32,170			1,213
Managers with strategic responsibilities													
Managers with strategic responsibilities[a]		2022 Equity-based Long-Term Incentive Plan			437,282	5,055	3 years	11/30/2022	14.324				20
		2021 Equity-based Long-Term Incentive Plan	525,206	3 years						90,670			1,267
		2020 Equity-based Long-Term Incentive Plan								106,042	465,579		1,035
Total					437,282 640,512	5,055 7,134				196,712 228,881			2,322 3,535

(a) Managers who were permanent members of the Company's Management Committee, during the year together with the Chief Executive Officer or who reported directly to the Chief Executive Officer (twenty-three managers).

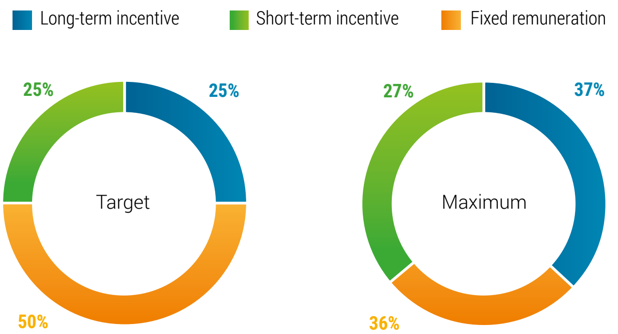
PAY MIX

The remuneration package for the Chief Executive Officer includes a fixed component, a short-term variable component, and a long-term variable component (deferred portion of the short-term incentive and long-term share incentive) determined using internationally recognised methodologies for remuneration benchmarks. The pay mix is weighted significantly towards the variable components, with a dominant weighting attributed to the long-term component, as shown in the figures below:

PAY MIX CEO



PAY MIX MSRs



Remuneration of persons responsible of key positions in planning, direction and control functions of Eni Group companies, including executive and non-executive Directors, Chief Operating Officers and other managers with strategic responsibilities in charge at December 31, 2022, amounted to €66 million, as described in the following table:

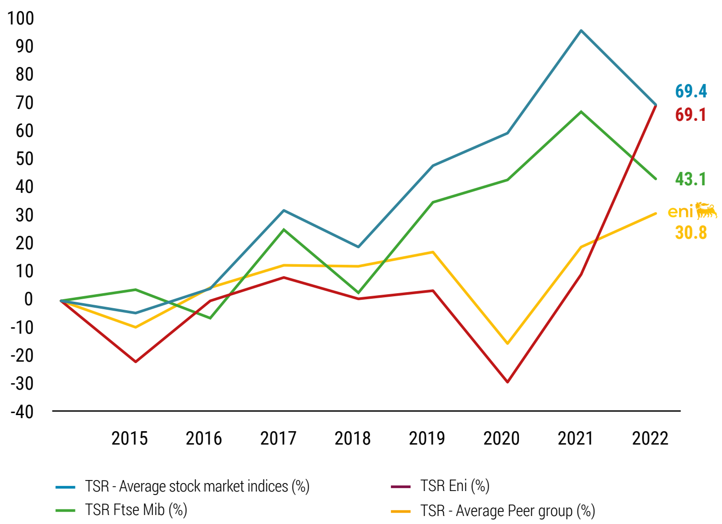
(€ million)	2022
Wages and salaries	37
Post-employment benefits	3
Other long-term benefits	17
Indemnities upon termination of the office	9
TOTAL	66

PERFORMANCE AND REMUNERATION

In the 2015-2022 period, Eni delivered a Total Shareholder Return (TSR) of +30.8%, compared to +69.1% for the Peer Group[1], while the FTSE MIB produced a TSR of +43.1% compared to an average of +69.4% for the peer companies' respective benchmark stock market indices[2]. The following table compares developments in Eni TSR and total CEO/GM remuneration for 2015-2022:

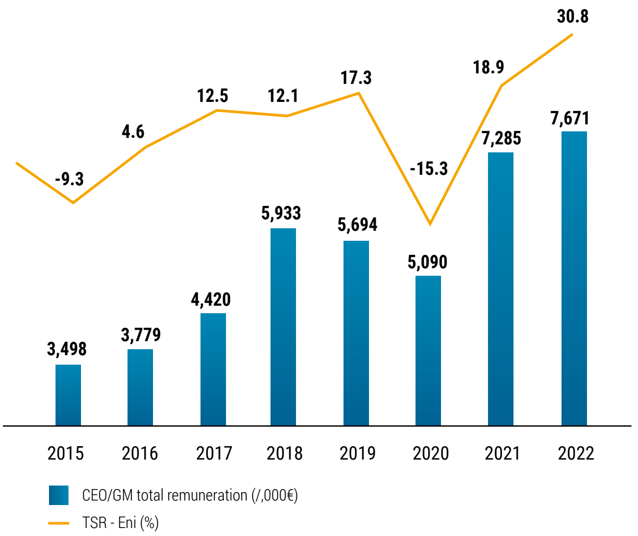
TOTAL SHAREHOLDER RETURN

(Eni vs. Peer Group and benchmark Stock Market Indices)



PAY FOR PERFORMANCE ANALYSIS

(TSR Eni vs. CEO/GM total remuneration for 2015-2022)



(1) The Peer Group consists of: Exxon Mobil, Chevron, BP, Shell, TotalEnergies, ConocoPhillips, Equinor, Apache, Marathon Oil, Occidental Petroleum.
(2) Benchmark indices are: Standard & Poors 500, Cac 40, FTSE 100, AEX, OBX.

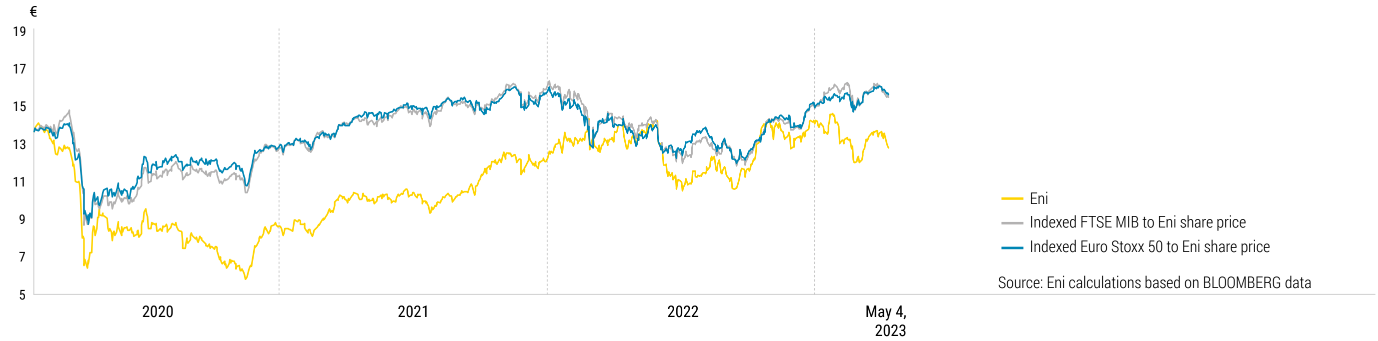
Investor information

ENI SHARE PERFORMANCE IN 2022

In accordance with Article 5 of the By-laws, the Company's share capital amounts to €4,005,358,876.00, fully-paid, and is represented by 3,571,487,977 ordinary registered shares without indication of par value. In the last session of 2022, Eni share price, quoted on the Italian Stock Exchange, was €13.29, up by 8.8% from the price quoted at the end of 2021 (€12.22). The Italian Stock Exchange is the primary market where Eni share is traded. During the year, FTSE/MIB index, the basket including the 40 most important shares listed on the Italian Stock Exchange, decreased by 13.3 percentage points. At the end of 2022, Eni ADR listed on the NYSE was $28.66, up by 3.7% compared to the price registered in the last session of 2021 ($27.65). One ADR is equal to two Eni ordinary shares. In the same period the S&P 500 index decreased by 19.4 percentage points. Eni market capitalization at the end of 2022 was €47.5 billion (€44 billion at the end of 2021). Shares traded during the year totaled 3.7 billion, with a daily average of shares traded of 14.6 million (17 million in 2021). The total traded value of Eni shares amounted to approximately €47.9 billion (€45.8 billion in 2021), equal to a daily average of €187 million.

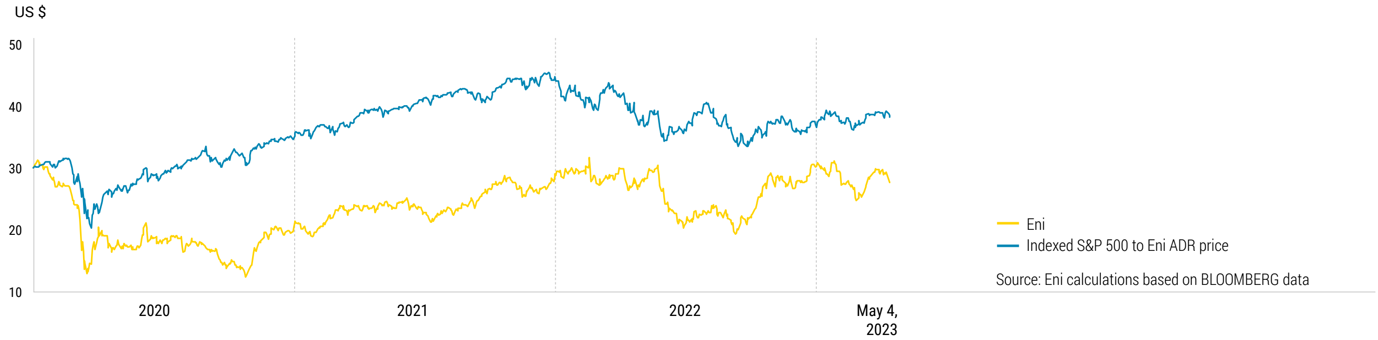
		2022	2021	2020
Market quotations for common stock on the Mercato Telematico Azionario (MTA)				
High	(€)	14.53	12.75	14.32
Low		10.64	8.20	5.89
Average daily close		12.81	10.56	8.96
Year-end close		13.29	12.22	8.55
Market quotations for ADR on the New York Stock Exchange				
High	($)	32.49	29.70	32.12
Low		20.44	19.97	13.71
Average daily close		27.04	24.98	20.28
Year-end close		28.66	27.65	20.60
Average daily traded volumes	(million shares)	14.56	17.03	20.40
Value of traded volumes	(€ million)	187	179	178

ENI SHARE PRICE IN MILAN
(December 31, 2019 - May 4, 2023)



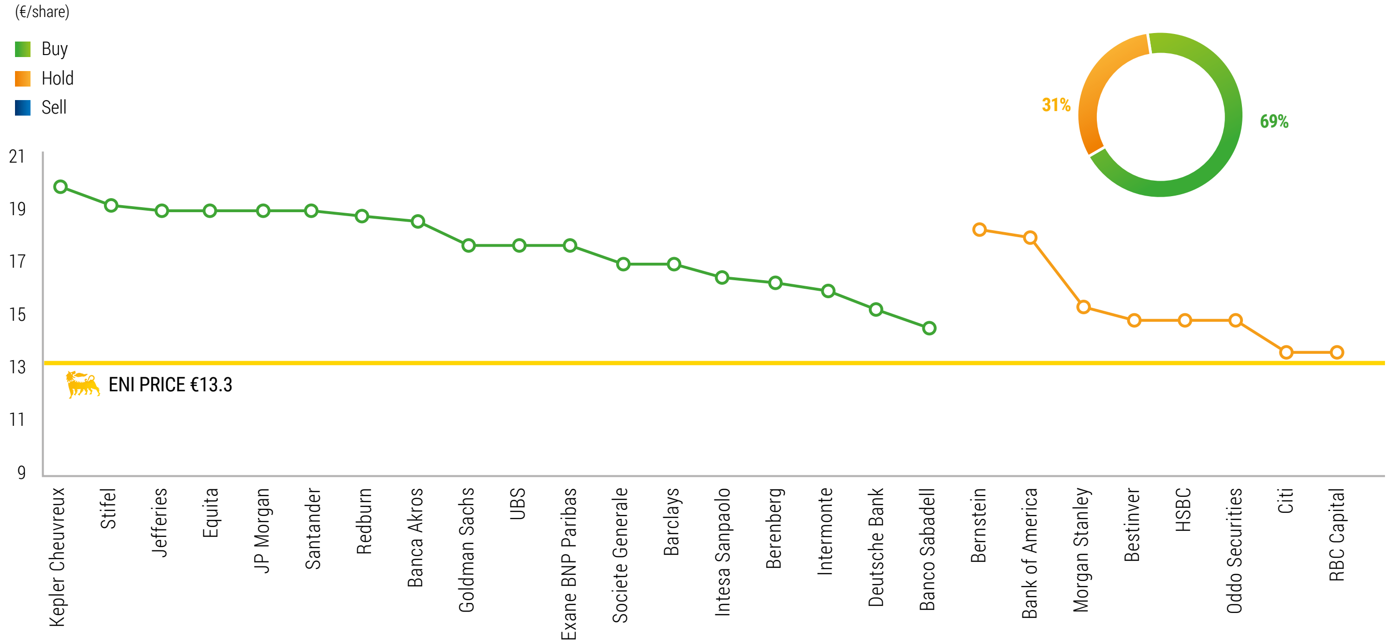
Source: Eni calculations based on BLOOMBERG data

ENI ADR PRICE IN NEW YORK
(December 31, 2019 - May 4, 2023)



Source: Eni calculations based on BLOOMBERG data

ENI RATINGS DISTRIBUTION AS OF DECEMBER 31, 2022

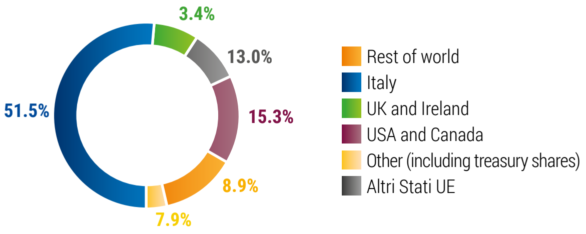


SUMMARY FINANCIAL DATA

		2022	2021	2020
Net profit (loss)				
- per share[a]	(€)	3.95	1.60	(2.42)
- per ADR[a][b]	($)	8.32	3.78	(5.53)
Adjusted net profit (loss)				
- per share[a]	(€)	3.78	1.19	(0.21)
- per ADR[a][b]	($)	7.96	2.81	(0.48)
Cash flow				
- per share[a]	(€)	5.01	3.61	1.35
- per ADR[a][b]	($)	10.55	8.54	3.08
Adjusted Return on average capital employed (ROACE)	(%)	22.0	8.4	(0.6)
Leverage ante IFRS 16		13	20	31
Leverage post IFRS 16		22	32	44
Gearing		18	24	31
Coverage		18.9	15.7	(3.1)
Current ratio		1.3	1.3	1.4
Debt coverage		145.8	89.8	29.1
Debt/EBITDA adjusted		43.0	83.7	174.1
Dividend pertaining to the year	(€ per share)	0.88	0.86	0.36
Total Share Return (TSR)	(%)	16.2	52.4	(34.1)
Dividend yield[c]		6.5	7.1	4.2

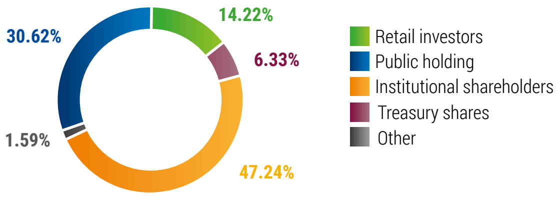
(a) Fully diluted. Ratio of net profit (loss)/cash flow and average number of shares outstanding in the period. Dollar amounts are converted on the basis of the average EUR/USD exchange rate quoted by Reuters (WMR) for the period presented.
(b) One American Depositary Receipt (ADR) is equal to two Eni ordinary shares.
(c) Ratio of dividend for the period and the average price of Eni shares as recorded in December.

SHAREHOLDERS DISTRIBUTION BY GEOGRAPHIC AREA(*)



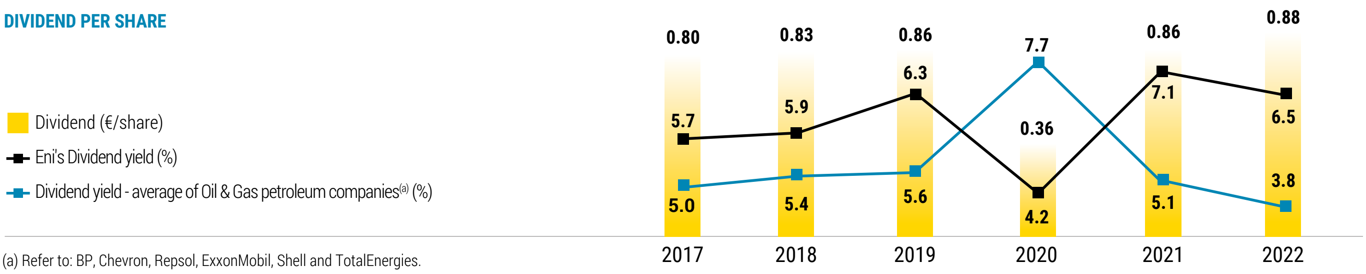
(*) As of March 16, 2023.

CLASS OF SHAREHOLDERS(*)



(*) As of March 16, 2023.

DIVIDEND PER SHARE



(a) Refer to: BP, Chevron, Repsol, ExxonMobil, Shell and TotalEnergies.

DIVIDENDS

For 2023, having assessed the progress of the Company in executing its strategy, a solid financial position and a supportive outlook for crude oil prices, Eni is planning to distribute to shareholders a yearly total dividend to €0.94 per share up from €0.88 relating to fiscal year 2022. The 2023 dividend will be distributed out of distributable capital reserves of the parent company. This dividend is expected to be paid in four quarterly instalments of about equal amount in September 2023, November 2023, March 2024 and May 2024. Furthermore, consistently with its remuneration policy Eni will also activate a share buy-back program of €2.2 billion, subject to shareholders' approval at the Annual General Meeting scheduled in May 2023.

Holders of ADRs receive their dividends in US dollars. The dividend is equally split into 4 instalments paid every year in March, May, September and November.
The remaining instalment for the 2022 financial year will be paid on May 24, 2023 (ex-dividend date: May 22, 2023).

On ADR payment date, Citibank N.A. pays the dividend less the amount of any withholding tax under Italian law (currently 26%) to all Depository Trust Company Participants, representing payment of Eni SpA's gross dividend. By submitting to Citibank N.A. certain required documents with respect to each dividend payment, US holders of ADRs will enable the Italian Depositary bank and Citibank N.A. as ADR Depositary to pay the dividend at the reduced withholding tax rate of 15% US shareholders can obtain relevant documents as well as a complete instruction packet to benefit from this tax relief by contacting Citibank N.A. at +1-781-575-4555.

Publications

ANNUAL REPORT ON FORM 20-F 2022
a comprehensive report on Eni's activities and results required by the US Securities Exchange Act of 1934 and filed with the US Securities and Exchange Commission.

REPORT ON THE 2023-2026 REMUNERATION POLICY AND REMUNERATION PAID 2023
a report on Eni's compensation and remuneration policies pursuant to rule 123-ter of Legislative Decree No. 58/1998.

ANNUAL REPORT 2022
a comprehensive report on Eni's activities and financial and sustainability results for the year. Includes the consolidated disclosure of non-financial information (NFI), prepared in accordance with Legislative Decree No. 254/2016, relating to environment, social, people, human rights and anti-corruption issues.

CORPORATE GOVERNANCE AND SHAREHOLDING STRUCTURE REPORT 2022
a report on the Corporate Governance system adopted by Eni pursuant to rule 123-bis of Legislative Decree No. 58/1998.

FACT BOOK 2022
Supplement to Eni's annual report.
A report on Eni's businesses development and performances including a full set of operating and financial statistics.

ENI FOR 2022
a report that describes how Eni creates value in the long-term through the integrated business model and pursues local development and the path to decarbonization through its model for operational excellence.

These and other Eni publications are available on Eni's internet site eni.com, in the section Publications https://www.eni.com/en-IT/publications.html.
Shareholders may receive a hard copy of Eni's publications, free of charge, through an e-mail request addressed to the mailbox: request@eni.com.

FINANCIAL CALENDAR

The dates of the Board of Directors' meetings to be held during 2023 in order to approve/review the Company's quarterly, semi-annual and annual preliminary results are the following:	First quarter 2023 results	**April 27, 2023**
	Second quarter 2023 results and interim financial report as at June 30, 2023	**July 27, 2023**
	Third quarter 2023 results	**October 26, 2023**
	Preliminary full-year results for the year ending December 31, 2023	**February 2024**

A press release on quarterly results is disseminated to the market the following day, when management also hosts a conference call with financial analysts to review the Group performance.

Eni SpA

Headquarters

Piazzale Enrico Mattei, 1 - Rome - Italy

Capital Stock as of December 31, 2022: € 4,005,358,876.00 fully paid

Tax identification number 00484960588

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Piazza Ezio Vanoni, 1 - San Donato Milanese (Milan) - Italy

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Layout and supervision

K-Change - Rome