

Meeting and activities of the Control and Risk Committee in 2020

In 2020 the Committee met 20 times.

In particular, the Committee held five meetings before the end of the term of the previous Board (May 13, 2020) and 15 meetings after the appointment of the new Board: in both cases, the average participation rate was of 100%. The average duration of the meetings held in 2020 was 4 hours and 45 minutes.

The following provides a summary of the main issues tackled during 2020.

- 1) In assisting the Board of Directors, in order to oversee the activities of the Internal Audit function, monitor its independence and ensure that its activities are performed with the required level of objectivity, competence and professional diligence, in accordance with the Eni Code of Ethics and international standards for the professional practice of internal auditing, both the Control and Risk Committee in charge until May 13, 2020 and the Committee in charge as from May 14, 2020, examined the results of scheduled internal audits, the monitoring operations on the status of corrective actions planned by the operational units to tackle issues emerging during the audits, audits carried out in response to requests from the control and supervisory bodies, as well as the other activities conducted by the Internal Audit function (such as whistleblower management, independent monitoring in accordance with the provisions of the Eni MSG Control system over financial reporting, supervisory activities envisaged by the 231 Models of the Italian subsidiaries and by the Compliance model regarding corporate responsibility for the foreign subsidiaries of Eni SpA). Moreover

- the Committee in charge until May 13, 2020 examined, among other things:
 - the Internal Audit Report at December 31, 2019 on the main results of internal audits performed and on the assessment of the suitability of the Internal Control and Risk Management System for achieving an acceptable overall risk profile;
- the Committee in charge as from May 14, 2020 examined, among other things:
 - the Internal Audit Report at June 30, 2020 on the main results of internal audits performed and on the assessment of the suitability of the Internal Control and Risk Management System for achieving an acceptable overall risk profile;
 - the activity program of the independent advisor in charge of carrying out the External Quality Review on the compliance of the Internal Audit activities with the International Standards of the profession, with presentation of the results on February 15, 2021;
 - the policy guidelines applied in the preparation of the Integrated Audit Plan 2021 and, subsequently, the Integrated Audit Plan and the Eni Internal Audit Budget for 2021, expressing its favourable opinion to the Board.

- 2) In performing its duties with respect to the internal control system as applied to the financial reporting model, during periodic meetings with the “Financial Reporting Officer” (the “FRO”) and the Company’s administrative structures, and the audit firm in attendance,

- the Committee in charge until May 13, 2020 examined, among other things:
 - the reports of the FRO on: (i) Eni’s administrative and accounting structure at December 31, 2019; (ii) on the internal control system as applied to financial reporting at December 31, 2019, on the basis of which it expressed its favourable opinion to the Board on the appropriateness of the powers and resources assigned to the FRO and on the actual

compliance with administrative and accounting procedures for the purposes of the Board's supervisory function;

- the disclosure by the audit firm on the progress of the auditing of the internal control system on financial reporting;

- the key aspects of the individual and consolidated financial statements at December 31, 2019 of Eni as well as the contents of the Eni's 2019 Non-Financial Information, included in the Management Report. Before the topic was submitted to the Board of Directors, it examined impairment test methodology and findings as well as the major issues related to the application of the accounting principles in preparation for the drafting of the 2019 Annual Report;

- the main aspects of the 2019 Annual Report on Form 20-F;

- the main contents of the Report of the Board of Statutory Auditors on the results of the audit of the 2019 Annual Financial Report and on the contents of the Auditor's Additional Report;

- the Committee in charge as from May 14, 2020 examined among other things:

- the "Consolidated Report on Payments to Governments" for 2019 by Eni SpA, its consolidated subsidiaries and companies consolidated proportionately (EU Accounting Directive 2013);

- the 2019 Management Letter of the independent auditors, issuing a favourable opinion for the purposes of the subsequent Board Review;

- the report on the progress of the auditing of the internal control system on financial reporting;

- the Reports of the FRO on: i) Eni's administrative and accounting structure as at June 30, 2020; ii) the internal control system on financial reporting as at June 30, 2020. On the basis of the aforementioned reports, it issued a favourable opinion to the Board of Directors on the adequacy of the powers and means assigned to the FRO and the effective compliance with administrative and accounting procedures for the purposes of supervision by the Board;

- the essential features of Eni's consolidated half-year financial report at June 30, 2020. It also examined the main issues connected with the application of accounting standards in preparing the 2020 Annual Financial Report;

- the main contents of the draft Directors' Report on the 2020 interim dividend;

- the Annual Report on the Tax Strategy 2019 and the "Country by Country report" for 2019.

It also carried out, in the presence of the Chief Financial Officer office, specific investigations, in relation, among other things, to the impacts of climate change on financial reporting and the tools for the so-called "Sustainable finance".

3) In supporting the Board of Directors in conducting the assessments and making decisions concerning risk management, including with regard to potentially prejudicial situations, both the Control and Risk Committee in charge until May 13, 2020 and the Committee in charge as from May 14, 2020 conducted an in-depth analysis of specific situations at the request of the Board. Among other things, in the context of its periodic meetings with the Legal Affairs function, both the Committees closely examined the main legal issues and received updates on developments in the major pending legal proceedings, particularly as concerns the possible accounting repercussions, for the purpose of performing its duties as they pertain to the process of preparing the annual and half-year financial reports.

4) On occasion of several meetings with the Integrated Compliance function,

- the Committee in charge until May 13, 2020:

- was informed in relation to the draft review of Eni's Code of Ethics, on which it issued favourable opinion for the purposes of subsequent approval by the Board of Directors;
- met with the Eni 231 Supervisory Body for the illustration of the half-year report on the activity carried out (2nd half of 2019);
- examined the Reports of Integrated Compliance, aimed at providing an integrated view of the status of Eni's compliance activities as well as the periodic report of Anti-Corruption Compliance, considering in particular the training and support provided to Eni units and subsidiaries in the areas for which it is responsible;
- was informed of the proposed amendments to Model 231 of Eni SpA, concerning, among other things, the revision of the composition of the Supervisory Body.

- The Committee in office since May 14, 2020:

- examined the half-yearly and annual Integrated Compliance Reports, aimed at providing an integrated view on the status of compliance activities in Eni and the periodic Anti-Corruption Compliance report.

5) With regard to "Transactions involving the interests of Directors and Statutory Auditors and transactions with related parties"

- the Committee in charge until 13 May, 2020:

- in January 2020 proposed modifications to the MSG "Transactions involving interests of Directors and Statutory Auditors and transactions with related parties" to be implemented following Consob's issue of amendments to its Regulations on related parties.

During the year, both the Committee in office until May 13, 2020 and the Committee in office as from May 14, 2020, examined a number of transactions of lesser importance on which it expressed a favourable opinion on the interest of the Company in the transactions and the appropriateness of the associated terms and conditions.

6) The Committee thoroughly examined specific internal control and risk management issues, including during special meetings with members of Eni's top management. Specifically,

- the Committee in charge until May 13, 2020:

- examined the extract from the Eni Organizational Structure Report with focus on the Eni Regulatory System and the ICRMS;
- met on several occasions with the Integrated Risk Management unit, focusing among other things on the evolution of the assessments of Eni's main risks and the related treatment actions;
- met with the HSEQ structures for the 2019 Eni HSE Review;
- met with the Finance unit to examine the periodic reports on the management and control of financial risks;
- reviewed the reports on disciplinary action taken against employees for illegal conduct.

- The Committee in charge as from May 14, 2020:

- met the Integrated Risk Management function on several occasions, to examine the progress of the assessments of the main Eni risks and related treatment actions; in this context, to this end in the second half of the year, the Committee carried out specific in-depth sessions on Eni's main business risks, and planned further sessions for 2021;
- met with the competent corporate structures for specific information in reference to some issues in the health, safety & environment, cyber risk management, procurement, as well as in reference to emergency management related to the spread of the Covid-19 pandemic;

- met with the Finance unit to examine the periodic reports on the management and control of financial risks;

- examined the reports on the disciplinary actions adopted following unlawful conduct by employees.

7) Finally, the Committee in charge as from May 14, 2020 carried out in-depth analyses on its role and some specific aspects of its Regulations, also in consideration of the impacts associated with Eni's adoption of the new 2020 Corporate Governance Code With regard to training activities, on May 29 and June 19, 2020 the Committee in charge as from May 14, 2020 carried out two induction sessions on issues concerning, among other things: i) an introduction to the activities of the Internal Audit and Integrated Compliance function; ii) the illustration of the organizational and regulatory structure; iii) CFO activities such as the impairment test methodology, some fundamental accounting issues typical of the Oil & Gas sector, metrics (cash neutrality, leverage, breakeven) and the tax model (including the tax rate).