

ECG Policy

Eni Risk and Internal Control Holistic framework

Eni's Internal Control and Risk Management System



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The English text is a translation of Italian. For any conflict or discrepancies between the two texts the italian text shall prevail.

A. GUIDELINES - ENI RISK AND INTERNAL CONTROL HOLISTIC FRAMEWORK

(Eni's Internal Control and Risk Management System)

■ A.1 INTRODUCTION

A.1.1 Management Summary

In an ever-changing scenario characterised by significant uncertainty, the need to optimise the use of resources and growing expectations regarding business conduct, the Eni Risk and Internal Control Holistic *framework* (Internal Control and Risk Management System or Framework or System) forms an **integral part of corporate strategy** and represents a lever for its implementation.

The **corporate culture and values**, expressed in the Code of Ethics, are a key component of the Framework, permeate the management style, organizational structure and governance and ensure that every action is guided by principles of integrity and responsibility. The consistency between culture, values and operational practices is expressed through the **leadership of management** and the **behaviour of all Eni People**, who act as models of professional and ethical excellence.

Corporate structures and people proactively contribute to the **continuous improvement** of the control system and ensure its **effective and efficient operation** for the sustainable success of Eni. They **work collaboratively** to maximise the effectiveness of their respective control activities and minimise duplications and inefficiencies. To this end, this Policy consolidates in a single document the fundamental guidelines and implementation logics of Eni SpA's internal audit, integrated compliance, integrated risk management processes as well as the activities of the officer in charge of preparing company's financial report of Eni SpA.

Increasing centrality is given to **management oversight** activities that enable a holistic dimension of control, foster operational optimisation and support increasingly informed managerial choices.

A modern Internal Control and Risk Management System presupposes a '**data driven**' approach through the use of technology, structured data management and, more generally, the exploitation of corporate information assets. These elements play a crucial role in the effective structuring and implementation of the System.

The **external environment** represents the next frontier of development for the Eni Risk and Internal Control Holistic *framework*. In modern organisations, new risks are to a large extent linked to the ecosystems of reference. The Framework progressively takes on a broader, more widespread and cooperative role with the players operating along Eni's value chain, fostering a process of mutual contamination and the improvement and development of common practices useful to ensure increasingly effective and timely safeguards.

DEFINITION of Internal Control and Risk Management System

The Internal Control and Risk Management System is an expression of corporate culture and values. It consists of the coordinated set of tools, rules, procedures, organizational structures, data, systems, information flows and behaviours aimed at the effective and efficient identification, measurement, management and monitoring of the main risks, thus contributing to the sustainable success of the Company and the enhancement of corporate opportunities.

The Internal Control and Risk Management System contributes to the sound management of activities, is consistent with the strategic objectives and is integrated in the company's operations according to a risk-based and synergic approach among the various players of the System, capable of seizing opportunities to adapt the structure of controls to the reference context, with equal effectiveness.

GOVERNANCE

Eni adheres to the Corporate Governance Code for Italian companies with listed shares and has decided to issue a regulatory instrument for an integrated discipline of the Internal Control and Risk Management System.

For this purpose, the Eni SpA Board of Directors (hereinafter also “Eni SpA BoD”) approved - on a proposal of the Eni SpA Chief Executive Officer¹ (CEO) and after receiving the opinion of the Eni SpA Control and Risk Committee (CCR) and consulting with the Chairman of the Eni SpA BoD for the Internal Audit part - the Fundamental Guidelines contained in this Policy which define the reference principles, roles and responsibilities of key figures and implementation criteria. In accordance with the Regulatory System Policy (RS), the Board of Statutory Auditors (BSA) receives the Guidelines of this Policy in advance.

This Policy also defines the principles concerning the coordination and information flows between the various subjects involved in the Eni Risk and Internal Control Holistic *framework* in order to maximise the efficiency of the system itself, reduce duplicated activities and ensure the effective performance of the tasks of the BoD and the BSA.

The Eni SpA CEO gives execution to the Guidelines through the company functions, seeing to the planning, creation, and management of the Framework, constantly checking its adequacy and effectiveness. The CEO of Eni SpA approves the application modalities of the Guidelines contained in this Policy.

The operation of the Eni Risk and Internal Control Holistic *framework* is based on a three-level control model, acting through interconnected tools, adaptive to corporate strategies and functional to enhance the peculiarities of each process, with a view to continuous improvement of the Framework.

The Eni SpA BoD shall evaluate the adequacy of the Internal Control and Risk Management System every six months compared to the Eni characteristics and undertaken risk profile, as well as its effectiveness.

The Guidelines contained in this Policy were approved by the Board of Directors of Eni SpA on 23/04/2024.

Disclaimer

Eni's Internal Control and Risk Management System (SCIGR) is referred to as the Eni Risk and Internal Control Holistic *framework* (enrich) and, therefore, the use of this term in the document must be considered fully equivalent to that of SCIGR (or System or Framework) for the purposes of transposing the recommendations of the Corporate Governance Code or other internal or external regulations that refer to the Internal Control and Risk Management System .

¹ Also, as director in charge of establishing and maintaining the Internal Control and Risk Management System and with the support of the Eni Regulatory System Committee for the purposes of this Policy.

A.1.2 Area of application and transposition modalities

This ECG Policy is for immediate application by Eni SpA and applies to its subsidiaries² after transposition as described in the “Regulatory System” Policy.

In particular:

- unlisted subsidiaries and their subsidiaries ensure prompt transposition without possible waiver no later than 28th February 2025;
- subsidiaries with listed shares and/or operating in regulated sectors³ (hereinafter referred to as "listed subsidiaries") and related subsidiaries transpose this document, adapting it where necessary, as a result of specific regulatory constraints and/or of the need to adapt it to the company's peculiarities/roles and responsibilities, after informing the Eni Regulatory System Committee.

This Policy cancels and replaces the following documents issued by Eni SpA:

- Internal Control and Risk Management System MSG issued on 26 October 2018
- Internal Audit MSG issued on 30 September 2019
- Integrated Risk Management MSG issued on 9 April 2020
- Integrated Compliance MSG issued on 24 June 2020

With reference to the responsibility for updates to this document, document filing, storage and traceability of information and data, please refer to the standard paragraphs in the “Regulatory System” Policy.

² As defined in the “Regulatory System” Policy.

³ And subject to supervision by specific Authorities.

■ A.2 REFERENCE PRINCIPLES

The Eni Risk and Internal Control Holistic *framework* is inspired by the following specific principles, as well as by the transversal principles set out in the 'Regulatory System' Policy.

ETHICS AND VALUES

The Framework promotes ethical behaviours that are based on respect for the core values expressed in the Code of Ethics, such as integrity, protection of Human Rights, transparency, promotion of sustainable success, operational excellence, innovation and collaboration, and provides mechanisms for reporting violations.

RISK AND INTERNAL CONTROL CULTURE

Eni places the constant attention to people at the centre of its objectives and strategies. The Framework is also expressed through the behaviour, professionalism, skills and example of Eni people.

It is fundamental that all Eni people, also through the dissemination of a risk management culture, are involved and proactively contribute to the process of continuous strengthening of the Framework. *Cross-fertilisation* of experiences and competences in the field of Internal Control and Risk Management System is promoted.

RISK-BASED APPROACH

The Framework is structured and evolves according to Eni's risk profile and company objectives.

The Framework includes a risk prevention approach through a process of identification, assessment, management and monitoring for the main risks. This contributes to making informed decisions as well as to transforming major risks into opportunities and competitive advantage where possible. The definition and adoption of mitigation instruments is also done with a risk-based approach.

In this sense, the company and its control instruments must evolve dynamically in order to be ready to assume the conformation that,

INTEGRATED MODEL

The Framework features a set of mutually coordinated and interdependent components to support the management of the enterprise consistent with the strategic objectives. Such Framework is in turn integrated in the general organizational, corporate governance, administrative and accounting structure. The Framework involves with different roles the administrative, control and supervisory bodies, the Management and all of personnel, according to collaboration and coordination logics.

ADAPTIVE FRAMEWORK

Eni promotes a variable structure model for the Framework, based on a risk-based approach, implemented by the subsidiaries consistently with the size, complexity, specific risk and regulatory context in which they operate.

CENTRALITY OF MANAGEMENT

Within the scope of its prerogatives and functions, management proactively ensures the proper functioning of the Framework to the extent of its competence, taking care as Process Owner of its continuous updating, also in relation to the evolution of the operating model, regulations, and sector practices. Management takes consistent behaviour and informed, responsible decisions and adopts, with a risk-based approach, the necessary steps to strengthen the Framework, prevent and detect irregularities and/or fraudulent acts and ensure the effectiveness and efficiency of the Framework over time.

CONTINUOUS MONITORING

Management adopts monitoring models with a risk-based approach, including through

at that moment and in the face of those risks, offers the best guarantee of protection.

VALUE CHAIN APPROACH

The Framework is inspired by the Eni value chain and its constituent processes, regardless of the location of the relevant activities in the organizational and corporate structure of Eni and its subsidiaries. The Framework favours an *end-to-end* view of processes in which information exchanges among the different functions involved are of particular importance.

CONTINUOUS IMPROVEMENT

Eni pursues continuous improvement of the Framework based on the evolution of the specific context, in order to ensure its constant updating in relation to *best practices*, taking into consideration the interests of Eni stakeholders. Eni people shall actively participate in continuous improvement by capitalising experiences, providing indications, suggestions, and feedback.

DATA DRIVEN

The Framework is based on a *data-driven* approach that values the automation of processes and controls and uses data to support control activities to extend the level of corporate risks coverage, optimise controls, and progressively enable a predictive approach. Eni promotes the sharing of data available to business functions, in compliance with the principles of confidentiality and segregation of duties, with the aim of optimising the functioning of the Framework.

MANAGEMENT AND COORDINATION AND AUTONOMY OF SUBSIDIARIES

The Framework is one of the tools through which Eni SpA exercises management and coordination activities in respect of its subsidiaries, including listed ones. In this context, Eni SpA issues and disseminates the Guidelines and the related implementation model contained in this Policy. Subsidiaries,

information flows, KPIs and IT systems, which support accountability, continuous process improvement and an informed management of decision-making processes.

CONSISTENCY WITH COMPANY OBJECTIVES

The Framework contributes to sound business management, aimed at the pursuit of sustainable success, the creation of value in the medium to long term for shareholders and taking into account the interests of stakeholders relevant to the company, consistent with the strategic objectives defined by the BoD (or equivalent body) of each company.

SUSTAINABLE FRAMEWORK

Eni defines and implements its Framework with a view to maximising effectiveness and efficiency, ensuring coordination between the instruments of the Framework and between the main roles involved, promoting synergies in the definition and implementation of controls with a view to combined assurance. The Framework must therefore make it possible to adequately manage the main risks, also pursuing a balance between costs and benefits.

COMPLIANCE WITH LAW REGULATIONS AND CONSISTENCY WITH BEST PRACTICES

The Framework is structured in accordance with law regulations. To this end, Eni, which has adopted a structured Organisational and Management Model in compliance with the Italian Legislative Decree 231/2001 (so-called Model 231), defines compliance and/or governance and/or ethical policies in compliance with applicable regulatory provisions, where appropriate. The Framework is defined in compliance with the Code of Ethics, Model 231, and the aforementioned Policies and in line with best practices and the requirements of national and international Management System standards. In this respect, Eni has adhered to the Corporate Governance Code and complies with the CoSO Report, which

including listed ones, within the scope of the autonomy that characterises their operations, establish and maintain an adequate and effective Internal Control and Risk Management System in compliance with Eni's management and coordination policies.

COMPANY MEASURES AND CONTRACTUAL REMEDIES

Failure to comply with the Framework, by Eni people or third parties, is assessed by the competent structures for the application of possible company measures, including sanctions and/or other initiatives to protect Eni.

represents the internationally recognized reference framework for the understanding, analysis and integrated assessment of the Internal Control and Risk Management System effectiveness.

"RATIONALE" OF THE CONTROL

An effective and efficient Framework relies on the ability of Eni people to internalise the 'rationale' of the controls. Understanding the rationale of control ensures greater 'awareness' in its application, progressively automating its incorporation into operating activities and, thus, continuous improvement. The degree to which the control rationale is internalised in the organisation also guides the approach to its management, especially in cases where new activities are managed.

A.3 IMPLEMENTATION CRITERIA

A.3.1 Objectives

The Eni Risk and Internal Control Holistic *framework* contributes to the correct and effective management of company activities and resources in order to achieve the following objectives:

- safeguarding of company assets and reputation;
- effectiveness and efficiency of processes;
- reliability of corporate information;
- compliance with laws, regulations, company By-laws and company regulations.

A.3.2 Architecture

The Framework consists of the following 3 control levels, which contribute to the achievement of the company objectives:

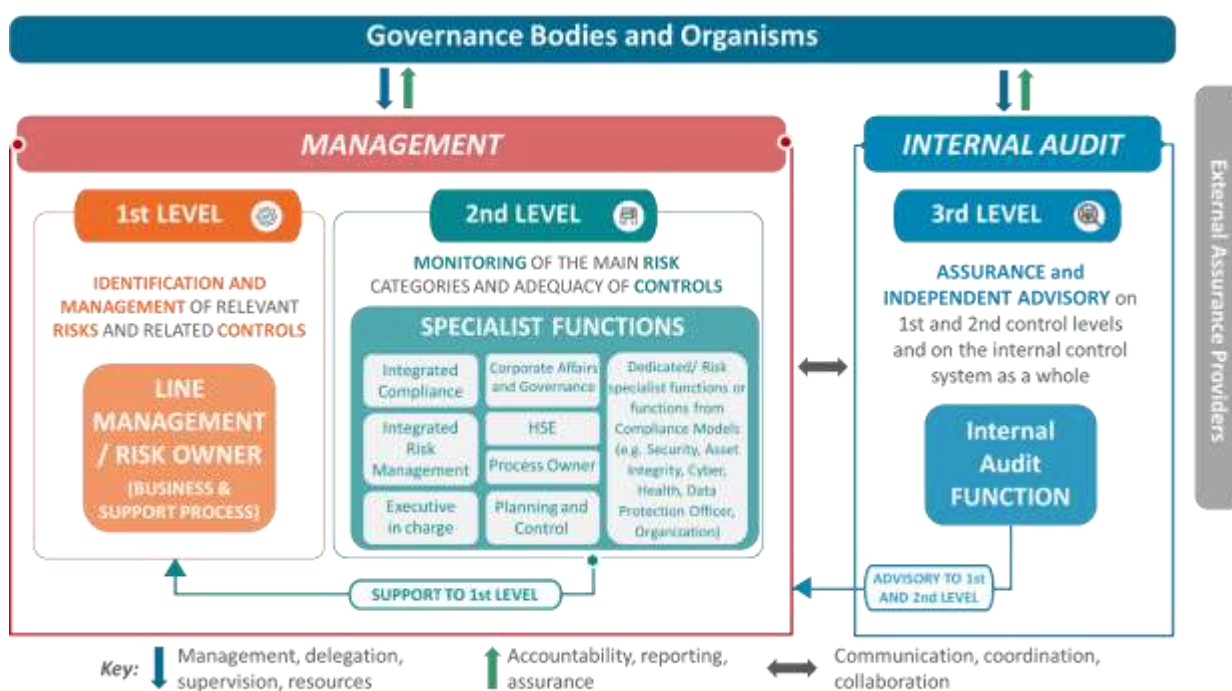
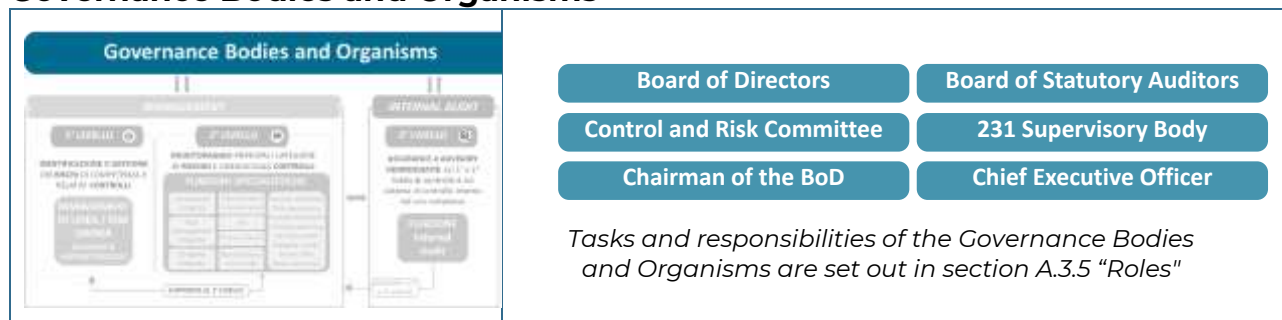
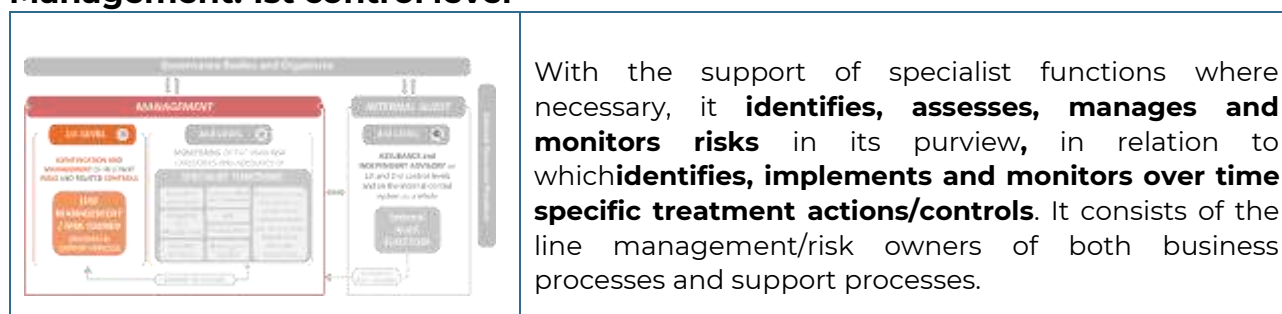


Figure 1: Eni Risk and Internal Control Holistic framework Architecture

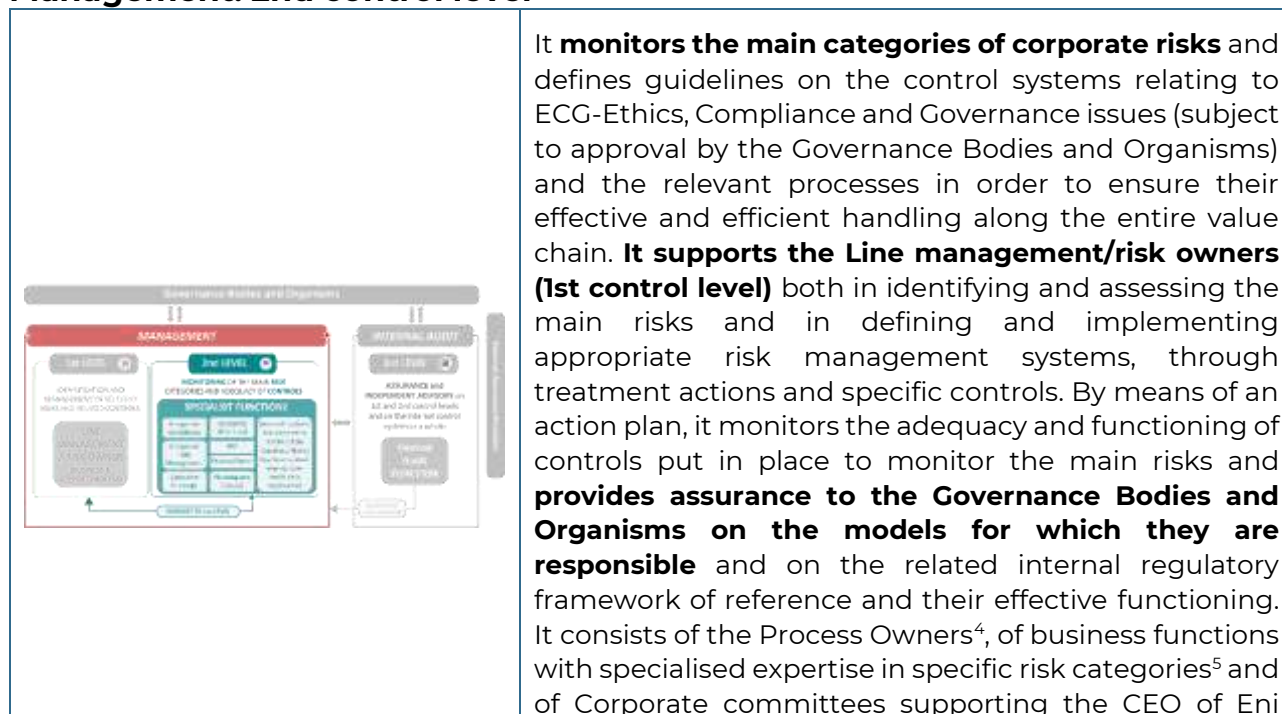
Governance Bodies and Organisms



Management: 1st control level



Management: 2nd control level



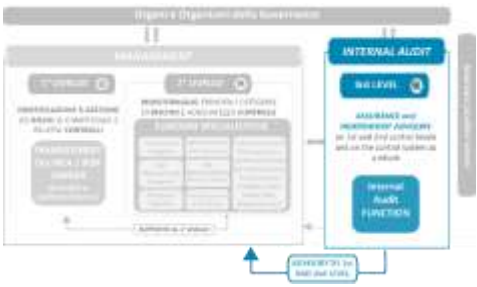
⁴ As part of the responsibilities for the design and assessment of the adequacy of compliance processes/models within its competence and for the purposes of the management and coordination of Eni's Regulatory System.

⁵ In view of the specific case and significance of the risk.

	SpA ⁶ . The roles of the 2nd control level work, where possible, in coordination to maximise the effectiveness and efficiency of control systems in an end-to-end perspective.
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The organisation of the 1st and 2nd control level is in line with the size, complexity, specific risk profile and regulatory context where each company works.

Internal audit: 3rd control level

	It provides assurance and independent advisory to the Governance Bodies and Organisms and to management, on the adequacy and effective operation of the 1st and 2nd level of control and on the Eni Risk and Internal Control Holistic framework as a whole. It is carried out by the Eni SpA Internal Audit function which, based on a centralized model ⁷ , performs risk-based audits on the overall Framework, through monitoring activities on Eni SpA, subsidiaries, associated companies ⁸ and third parties ⁹ .
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The regulatory instruments adopted by Eni SpA and its subsidiaries, also in compliance with laws or regulations applicable to them, **identify the roles** and define **the structure and responsibilities of the control levels**.

Coordination between the 3 levels of control

While respecting their roles and responsibilities, **the 3 levels of control communicate, collaborate and coordinate** with the aim of maximising the effectiveness and efficiency of the control systems, the overall risk coverage and the creation of sustainable value along the entire value chain (end-to-end perspective).

In order to allow the above-mentioned control levels and Governance Bodies and Organisms to perform their roles in terms of Internal Control and Risk Management System, **specific information flows have been defined**, coordinated and adequate in terms of contents and timing.

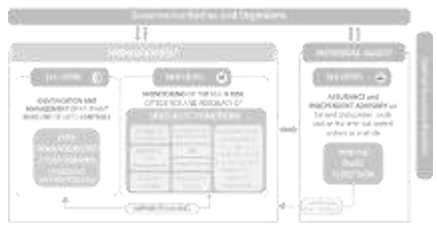
In particular, **the interaction among the three levels of control** (so-called combined assurance) aims to provide the Governance Bodies and Organisms and management with an integrated and holistic view of the control and monitoring activities (carried out by the same three levels) and of their effectiveness and efficiency.

All of the flows supporting the Internal Control and Risk Management System assessments by the Eni SpA BoD go towards the Eni SpA CCR, which performs a preliminary analysis whose results are reported directly to the Eni SpA BoD, mainly as part of its periodic reports. These flows

⁶ E.g., Risk Committee, Eni Regulatory System Committee.
⁷ Listed companies having an own internal audit unit are excluded from the scope of the audits performed by the Internal Audit function of Eni SpA., unless otherwise provided for by the company governance.
⁸ Where provided for in specific agreements.
⁹ Where provided for in the relevant contracts concluded with Eni.

are also transmitted to the Eni SpA BSA for performance of the duties it is assigned by law concerning the Internal Control and Risk Management System.

External Assurance Providers

	<p>They provide assurance on compliance with legal requirements and international/national standards.</p> <p>They are mandated by the company and include Statutory auditors and other external subjects, usually private, such as accredited certification bodies to certify compliance with national/international standards or other bodies representing leading process practices to which Eni has adhered.</p>
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A.3.3 Purpose of controls

Without prejudice to the reference principles and objectives of the Eni Risk and Internal Control Holistic *framework*, the controls ensure:



Figure 2: Purpose of controls

A.3.4 Tools and Resources



The design and operation of the Eni Risk and Internal Control Holistic *framework* is ensured through a series of **tools and resources** operating at **different levels in the organizational and corporate governance structure**.



These tools and resources are **interconnected**, they operate in synergy and according to the concrete requirements of the business activities and evolve with them.



Figure 3: Framework Tools and Resources

The tools and resources are:


TOOLS and RESOURCES	TOOL DESCRIPTION
 PEOPLE	<p>Each Eni person contributes, also by example, to implementing, disseminating, and strengthening the Framework. People, their values, behaviours, and the competences they express constitute fundamental elements for the correct structuring and implementation of the Framework. They are not limited to compliance with the regulatory system and organizational structure, but actively contribute to the continuous improvement of the design and functioning of controls, contributing to the identification, measurement, management and monitoring of current and future risks. In order to promote the cross fertilisation of skills and experiences on the Internal Control and Risk Management System, Eni adopts training and communication initiatives, knowledge management systems, as well as specific job rotation programmes.</p>
	<p>The corporate organizational structure is defined in line with the company objectives and Regulatory System. The latter determines the macro structure of the business model, as well as the corporate roles and related responsibilities on the basis of which the system of powers is structured. Roles and responsibilities are formalised in organizational documents, prepared by the relevant Human Resources functions in</p>

TOOLS and RESOURCES	TOOL DESCRIPTION
<p>ORGANIZATIONAL STRUCTURE</p>	<p>cooperation with the requesting business/support functions and approved by the relevant corporate level depending on the type of document.</p> <p>The organizational structure is defined by ensuring the consistency between the different organizational/management solutions, it focuses on the main responsibilities of each role that may also represent control measures and ensures, in synergy with the regulatory and power system, that decision-making is assigned and exercised at an appropriate level of competence and responsibility.</p>
 <p>RISK MANAGEMENT</p>	<p>Risk management is aimed at identifying and describing the main risks which may affect achievement of the company objectives, broken down into business areas, company, processes, process phases and organizational functions, where necessary. Each risk identified is assessed and analysed to determine its magnitude, as well as to identify and implement the necessary treatment/control actions. Risk assessment is performed:</p> <ul style="list-style-type: none"> ▪ usually at inherent level, i.e. without actions aimed at mitigating the risk, and at residual level considering risk treatment set up; ▪ considering the impact, i.e. the consequences resulting from occurrence of the risk as well as its occurrence likelihood. <p>These activities are performed by the Risk Owner/Line management with the support of 2nd level control functions such as, in particular: the Integrated Risk Management function of Eni SpA, the Risk Specialists where existing, the Integrated Compliance function, the Corporate Affairs and Governance function and the Planning and Control function of Eni SpA.</p> <p>Risk owners/Line management identify mitigation actions/controls on the basis of a cost-benefit analysis. The Integrated Risk Management function provides an integrated assessment to management and Board of Directors.</p>
 <p>REGULATORY SYSTEM</p>	<p>The principles and rules guiding the execution of corporate activities are formalised in the Eni Regulatory System (RS)¹⁰ in which the application modalities, risk control and monitoring activities, as well as Eni SpA's direction, coordination and control activities towards its own functions and management and coordination activities towards its subsidiaries are outlined for each process and for Ethics, Compliance & Governance (ECG) issues.</p> <p>The RS architecture is based on 4 levels (document types differentiated according to their objectives and the degree of detail of their content), which are consistent with each other: ECG Policy, process Management System Guideline (MSG),</p>

¹⁰ For further details, please refer to the Eni Regulatory System Policy.

TOOLS and RESOURCES	TOOL DESCRIPTION
	Global/Company Procedure (GP/CP) and Operating Instruction. The RS is drafted and maintained by each Process Owner , involving all relevant functions with an end-to-end perspective along the entire Eni value chain.
 <p>IT SYSTEMS</p>	<p>IT systems and data management enhance the effectiveness and efficiency of the Framework. The automation of processes and controls facilitates the timely sharing of data and information among the various business functions, maximises the effectiveness of controls and monitoring activities and ensures, among other things, traceability and segregation of duties and decision-making processes.</p> <p>The availability of relevant, accurate and up-to-date data is a company asset and enables real-time analysis and insights, as well as the ability to prevent/manage possible risk scenarios. A modern Internal Control and Risk Management System requires an active involvement of the ICT function in the conception, implementation and development of control systems. The objective is to enhance the use of IT systems with a view to strengthening the system, as well as to define appropriate data governance and cyber security safeguards.</p>
 <p>COMBINED ASSURANCE</p>	<p>Without prejudice to the respect of roles, responsibilities, competences and prerogatives assigned by corporate models and by the law, Eni promotes coordination and effective cooperation between the various roles of the Framework with a view to maximising the effectiveness and efficiency of the System and of corporate activities. In particular, this approach brings together the operations between the 2nd level control functions¹¹ and between the latter and the 3rd level, and is implemented according to the evolution of risks and governance and operational structures. Combined assurance covers the following main activities:</p> <ul style="list-style-type: none"> ▪ Planning of control/monitoring activities: to effectively identify and manage any overlapping areas and implement possible synergies. ▪ Execution of audits: to identify possible areas of reliance and/or assess the possibility of carrying out joint control/monitoring activities. ▪ Action plan monitoring: to optimise the content and/or timing of actions defined as a result of the various control activities and/or to define structural/transversal initiatives, thereby optimising the resources deployed. ▪ Reporting: to optimise flows and reporting to Governance Bodies and Organisms and to management.

¹¹ With particular reference to functions that carry out monitoring activities on specific risks, such as: Integrated Risk Management, Integrated Compliance, Executive in charge, HSE, Technical Operating Assessment (on Asset Operating Integrity), Security, Cyber Security, Corporate Affairs and Governance, Health.

TOOLS and RESOURCES	TOOL DESCRIPTION
	<ul style="list-style-type: none"> ▪ Methodologies: alignment and use of a homogeneous and consistent language¹² among the 3 levels of control and the supporting IT systems, in order to maximise the synergies described above.
 <p>MANAGEMENT OVERSIGHT</p>	<p>Management establishes and adopts models for continuous monitoring with a <i>risk-based</i> approach, suitable for assessing the level of effectiveness and efficiency of activities (design and operation) and for promptly intercepting any risks and/or opportunities. Monitoring is done through indicators (performance and risk: KPIs and KRIs) and/or other initiatives (management meetings, reporting, business reviews, etc.) suitable for measuring the status of implementation of activities, their proper performance, the proper exercise of roles and their effective contribution to the achievement of related company objectives. In the context of management and coordination, monitoring models involve all process steps (in an end-to-end perspective) regardless of whether they are managed by Eni SpA or subsidiaries.</p> <p>Monitoring reinforces the coordination between the 1st and 2nd levels of control and decision-making awareness. The results of monitoring are reported vertically, to the relevant hierarchical chain, and horizontally, to other corporate structures that use all or part of the information provided for their own monitoring purposes, with a view to continuous improvement.</p>

¹² With particular reference to the definition of: i) risk taxonomy and rating; ii) controls framework; iii) issue evaluation criteria.

A.3.5 Roles

Below are the roles and responsibilities involved in the Eni Risk and Internal Control Holistic *framework*, in relation to its definition and assessment and with reference to the individual activities envisaged by the Corporate Governance Code (as implemented by Eni) and by internal regulations, without prejudice to the provisions of the law for administrative, control and supervisory bodies.

Governance Bodies and Organisms

BOARD OF DIRECTORS (BOD) OF ENI SPA

The BoD plays a role in guiding and assessing the Internal Control and Risk Management System. Specifically, the BoD:

- after receiving the opinion of the Control and Risk Committee of Eni SpA (CCR) and after consulting with the Chairman of the BoD of Eni SpA for the part relating to Internal Audit activities, **defines the general guidelines of the Internal Control and Risk Management System** in line with the company's strategies;
- on the proposal of the CEO and with the support of the CCR, within the framework of the four-year strategic plan and in line with the Company's strategies, **annually defines specific guidelines for the Internal Control and Risk Management System** and annually **assesses their implementation** on the basis of a report by the CEO and with the support of the CCR, without prejudice to the general guidelines on the subject contained in this Policy;
- **approves the guidelines on Internal Audit activities** (so called Internal Audit Charter), on the proposal of the Chairman of the BoD, in agreement with the CEO and after consulting with the CCR;
- **defines the guidelines for financial risk management and control**, after consulting with the CCR, and sets the financial risk limits for the Company and its subsidiaries;
- after receiving the opinion of the CCR, approves the **fundamental guidelines of the internal regulatory system**¹³ and of the **Policies on Ethics, Compliance & Governance**;
- within this Policy and on the proposal of the CEO, after consulting with the CCR and the Board of Statutory Auditors of Eni SpA (BSA), **defines** the principles concerning the **coordination and information flows among the various subjects** involved in the **Internal Control and Risk Management System**;
- **approves the Report on Corporate Governance and Ownership Structure**, with the support of the CCR for the part relating to the **Internal Control and Risk Management System**, which includes a description of the main features of the System and the coordination procedures among the subjects involved in it, as well as the reference national and international models and best practices, expresses its overall assessment on the adequacy of the system itself and gives an account of the choices made regarding the composition of Eni SpA's 231 Supervisory Body;

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¹³ Having also consulted with the BSA.

- upon proposal of the CEO, in agreement with the Chairman of the BoD and after consulting with the Nomination Committee and receiving the positive opinion of the BSA and the opinion of the CCR, **appoints** - after assessing the possession of the requirements of professionalism and honourability - **and removes the Officer in Charge**, and **ensures that the Executive has adequate powers and resources** for the performance of its statutory duties, as well as for the effective respect of administrative and accounting procedures prepared by the same. In addition, the BoD **periodically assesses whether** the Officer in Charge meets the **requirements of honourability** laid down by the regulation in force;
- on the basis of the analyses proposed by the CEO and with the support of the CCR with reference to the four-year Strategic Plan, defines the **nature and level of risk compatible with the company's strategic objectives**, based on an estimate of the probability and impact of the risks prepared (and, if necessary, updated during the year) by the Integrated Risk Management function, including in its assessments all the elements that may be relevant to the company's sustainable success;
- with the support of the CCR, makes the choice concerning the **assignment of supervisory functions** and the criteria for the composition of the 231 Supervisory Body pursuant to Italian Legislative Decree No. 231/2001 (SB) and, at the proposal of the CEO, in agreement with the Chairman: (i) after consulting with the Nomination Committee and, for the external members, also with BSA, **appoints and removes the** members of the SB, determining their composition and (ii) **establishes the remuneration of the members of** the SB. On the proposal of the SB, it **approves the relevant annual 'budget'**.

Officer in Charge

Risks

231 Supervisory Body

In addition, the BoD, with the support of the CCR:

- **examines the main corporate risks**, identified by the CEO, taking into account the characteristics of the activities carried out by the Company and its subsidiaries, and submitted to the BoD at least quarterly with the support of the Integrated Risk Management function;
- **evaluates on a six-monthly basis**, in particular on the basis of the Reports prepared by the officer in charge of drawing up the corporate accounting documents of Eni SpA (Officer in Charge), the Reports of the CCR, the Report of the 231 Supervisory Body of Eni SpA, the Risks Report, the Integrated Compliance Report and, annually, also on the basis of the Report on compliance with financial risk limits and the assessment of the organizational structure of the Internal Control and Risk Management System¹⁴, **the adequacy of the Internal Control and Risk Management System** with respect to Eni's characteristics and the risk profile assumed **and its effectiveness**, as well as the adequacy of the powers and means available to the Officer in Charge and compliance with the administrative and accounting procedures prepared by said Executive;
- after consulting with the BSA, **assesses the results set out by the Statutory auditor** in the letter of suggestions, if any, as well as in the additional report¹⁵

SCIGR Evaluation

Statutory Auditor

¹⁴ The assessment of the adequacy of the organizational structure of the Internal Control and Risk Management System is carried out annually, unless there are changes requiring an half-yearly update.

¹⁵ Pursuant to Art. 11 of EU Regulation 537/2014.

accompanied by any comments of the BSA itself, which also informs the BoD of the outcome of the audit;

- on a proposal of the Chairman of the Eni SpA BoD, in agreement with the CEO and after consulting with the BSA and receiving the opinion of the CCR : i) **appoints and removes the Head of the Eni SpA Internal Audit** function, with the support of the Nomination Committee; ii) **approves the Internal Audit budget**, ensuring that the Head of the Internal Audit Function of Eni SpA has adequate resources to perform its duties and iii) **defines its remuneration structure** in line with the Company's remuneration policies;
- after receiving the opinion of the CCR and consulting with the Chairman of the BoD, the CEO and the BSA, **approves** at least annually the **Audit Plan** prepared by the Head of the Internal Audit function of Eni SpA;
- assesses whether measures should be taken to ensure the **effectiveness and impartial judgement of the Integrated Risk Management and Integrated Compliance** functions and any other functions involved in the controls, verifying that they have adequate professionalism and resources;
- receives **from the SB** of Eni SpA a **report on the activities carried out in the previous six months** concerning the implementation of the Model 231 and any legislative innovations concerning the administrative liability of entities that occurred during the period, and an **immediate report where facts of particular materiality or significance are ascertained**.

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CHAIRMAN OF ENI SPA BOD

Without prejudice to the other duties required by law, the Eni By-Laws and by the Eni Corporate governance system, the Chairman of the Eni SpA BoD:

- evaluates and shares the proposals made by the CEO related to:
 - a) **appointment and removal of the members of the SB** of Eni SpA, determining their composition, and determination of their remuneration;
 - b) **appointment and removal of the Officer in Charge** to be submitted to the Eni SpA BoD, as well as the **Head of the Integrated Risk Management function** and the **Head of the Integrated Compliance function**;
- submits to the Eni SpA BoD, in agreement with the CEO, the proposal for the **appointment and removal of the Head of the Internal Audit function** of Eni SpA, the proposal for defining the remuneration structure of the same in line with the company's remuneration policies, as well as the budget proposal regarding the adequacy of the resources assigned for the performance of his responsibilities;
- in agreement with the CEO, he/she proposes to the BoD the **guidelines on Internal Audit activities** and, after consulting the CEO and the CCR, approves the internal regulations on internal audit activities. He/she is also consulted in the BoD **approval process** of the **Internal Control and Risk Management System guidelines** for the part relating to Internal Audit activities;
- in agreement with the CEO, evaluates and shares at least annually, the **Audit Plan** prepared by the Head of Eni SpA Internal Audit function;
- **receives**, at the same time as the CEO of Eni SpA, the CCR and the BSA, **the results of the audit activity** (hereafter "Internal Audit Reports") performed by

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the Eni SpA Internal Audit function, **as well as periodic reports** containing adequate information on the activity of the Eni SpA Internal Audit function on the procedures used to manage risks as well as compliance with the plans defined to limit them; the reports also contain an assessment of the suitability of the Internal Control and Risk Management System;

- receives, at the same time as the CEO, CCR and BSA, **reports on any particularly significant events** prepared by the Eni SpA Internal Audit function;
- **may ask** the Eni SpA Internal Audit function to perform **audits** on specific operational areas and on the compliance with rules and internal procedures when performing company operations (so-called **Spot Audit**), of which the CEO, the Head of the CCR and the Head of the BSA shall be notified at the same time, unless there is a conflict of interest;
- **receives**, at the same time as the other members and the BSA, the reports prepared **by the Officer in Charge** and, whenever deemed appropriate by the same, **an extraordinary assessment of the state of Eni's control system on financial reporting**, with respect to specific deficiencies;
- receives **from the SB** of Eni SpA, at the same time as the CEO, **immediate notice where facts of particular materiality or significance are ascertained.**

Financial reporting

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ENI SPA CONTROL AND RISK COMMITTEE (CCR)

Through a preliminary activity, it **supports the assessments and decisions of the BoD concerning the Internal Control and Risk Management System** and the approval of periodic financial and non-financial reports. Specifically,¹⁶, the CCR:

- **issues opinions** to the BoD on the definition of the **general guidelines of the Internal Control and Risk Management System** in line with the company's strategies;
- **supports** the BoD with regard to the **annual** definition, within the framework of the Four-year plan and in line with the Company's strategies, of **specific guidelines for the Internal Control and Risk Management System**, as well as with regard to the annual assessment of the implementation of said guidelines, based on the Report prepared for this purpose by the CEO;
- **issues opinions** to the BoD on the **fundamental guidelines of the Regulatory System and the regulatory instruments to be submitted to the BoD for approval**, their amendments or updates, as well as, at the request of the CEO, on specific aspects concerning the instruments implementing the fundamental guidelines;
- **supports** the BoD in **defining the guidelines** for the management and control of **financial risks**, expressing the opinion required by the relevant internal regulations;
- **supports** the BoD with regard to the approval of the **guidelines on Internal Audit activities** (so called Internal Audit Charter);
- after consulting with the Officer in Charge, the Statutory auditor and the BSA, **evaluates the correct application of the accounting standards and their homogeneity** for the purpose of preparing the consolidated financial statements, issuing its opinion before the BoD approval;

Guidelines

Financial and
mandatory
sustainability
reporting

¹⁶For a complete description of the duties assigned to the CCR, see the Regulation approved by the BoD.

- **examines and evaluates the reports prepared by the Officer in Charge**, on the basis of which it expresses an opinion to the Eni SpA BoD on the adequacy of the powers and means assigned to the Officer in Charge and on the effective compliance with administrative and accounting procedures, so that the Board may exercise the supervisory duties provided for by law on the matter;
- **assesses the suitability of the mandatory periodic, financial and sustainability reporting** to correctly represent the company's business model, strategies, the impact of its activities and performances achieved, expressing an opinion to the BoD in this regard and coordinating with the Sustainability and Scenarios Committee with regard to mandatory periodic sustainability reporting;
- **examines** the content of **mandatory periodic sustainability reporting** relevant to the Internal Control and Risk Management System;
- **supports** the BoD **in examining and assessing the results presented by the Independent Auditing Company** in their letter of suggestions, if any, and in the additional report, addressed to the BSA. The additional report is accompanied by any comments from the BSA;
- **supports** the BoD **in assessing** the appropriateness of taking measures to ensure **the effectiveness and impartiality of judgement of the Integrated Risk Management and Integrated Compliance** functions and any other functions involved in controls identified by the BoD by verifying that they have adequate professionalism and resources;
- **examines the integrated compliance report** submitted to the BoD every six months;
- **reports** within its own report to the BoD, at least every six months, during approval of the annual and half-year financial report, **on the activity performed as well as the adequacy and effectiveness of the Internal Control and Risk Management System**, including the organizational structure of the latter;
- **examines the main corporate risks** submitted to the BoD at least quarterly and expresses opinions on specific aspects regarding their identification. Upon request of the BoD, also supports the assessments and decisions of the BoD relating to the management of risks deriving from prejudicial facts that the Board has become aware of;
- **assists** the BoD in determining the **degree of compatibility of risks** with a business management consistent with the identified strategic objectives and preliminarily examining the main risks, identified taking into account the characteristics of the activities carried out by the company and its subsidiaries;
- examines reports on the Internal Control and Risk Management System, also following **periodic meetings with** the relevant **structures** of the Company;
- formulates **assessments and/or opinions on investigations and examinations carried out by third parties** concerning the Internal Control and Risk Management System;
- **examines and evaluates the communications and information received by the BSA** and its members concerning the Internal Control and Risk Management System, also with reference to the results of the preliminary

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Evaluation

Risks

Whistleblowing

investigation activities performed by the Internal Audit function of Eni SpA based on the whistleblowing reports received;

- **examines and evaluates the half-yearly reports issued by the SB** concerning the activities performed in the previous semester on the implementation of the Model 231 and any legislative innovations on the administrative liability of entities that occurred during the period; supports the BoD in deciding on the allocation of supervisory functions pursuant to Italian Legislative Decree 231/01 and the criteria for the composition of the SB;
- **examines and evaluates the timely information** provided by the Eni SpA SB, after informing the Chairman of the BoD and the CEO, concerning any facts of particular materiality or significance ascertained in the performance of its duties;
- **issues an opinion** to the BoD on the proposals regarding the **appointment and removal** and, in accordance with the **remuneration** policies of the company, the definition of the fixed and variable remuneration policy of the **Head of the Internal Audit function** of Eni SpA, as well as on the adequacy of the resources assigned to him/her (Internal Audit function budget) for the performance of his/her responsibilities;
- **monitors the independence, adequacy, effectiveness and efficiency of the Eni SpA Internal Audit function and supervises its activities**, in relation to the tasks that the BoD, and for it the Chairman, has in this regard so that they are performed assuring the necessary conditions of independence and the due objectivity, competence and professional diligence in compliance with the Eni SpA Code of Ethics and international standards, as well as with the terms set out by the guidelines on Internal Audit activities (so-called Internal Audit Charter). Specifically, the CCR:
 - a) at the time of appointment, **examines and assesses** whether the Head of the Internal Audit function of Eni SpA possesses the **necessary characteristics of honourability, professionalism, competence and experience**, and annually assesses their maintenance;
 - b) **examines the results of the audit activity** performed by the Eni SpA Internal Audit function (Internal Audit Reports), as well as periodic reports containing adequate information on the activity carried out, on the procedures used to manage risks as well as compliance with the plans defined to limit them and the suitability of the Internal Control and Risk Management System; it also examines the reports prepared promptly by the Internal Audit Function of Eni SpA on events of particular relevance;
 - c) examines the information received from the Internal Audit function of Eni SpA and promptly **expresses to the BoD its evaluations** of competence in the event of:
 - serious deficiencies in the system for preventing irregularities and fraudulent acts, or irregularities or fraudulent acts committed by members of the management or employees who play a significant role in the design or operation of the Internal Control and Risk Management System;

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- o circumstances that may create prejudice to the maintenance of the conditions of independence of the Internal Audit function of Eni SpA and the auditing activities;

- **may ask** the Eni SpA Internal Audit function to perform **audits** on specific operational areas and on the compliance with rules and internal procedures when performing company operations (so-called Audit Spot), of which the BoD through the Chairman, the CEO and the Chairman of the BSA shall be notified at the same time, unless there is a conflict of interest;
- **is consulted** on the definition of the principles concerning the **coordination and information flows** between the various subjects involved in the Internal Control and Risk Management System.

Lastly, **the CCR exchanges with the BSA in a timely manner information relevant** to the performance of their respective tasks and to the coordination, as appropriate, of activities in their areas of competence.

CHIEF EXECUTIVE OFFICER OF ENI SPA (CEO)

The CEO is responsible for establishing and maintaining the Internal Control and Risk Management System. In particular¹⁷, the CEO:

- implements the Guidelines of the Internal Control and Risk Management System defined by the BoD, taking care of the **design, implementation and management of the Internal Control and Risk Management System and constantly verifying its adequacy and effectiveness**, as well as adapting it to the dynamics of the operating conditions and the legislative and regulatory landscape;
- **proposes specific annual guidelines** for the Internal Control and Risk Management System to the BoD as part of the four-year strategic plan, in line with the Company's strategies, and prepares a report on their implementation;
- ensures the **identification, assessment, management and monitoring of the main corporate risks** taking into account the characteristics of the activities performed by Eni, and submits them at least quarterly to the Eni SpA BoD evaluation with the support of the Integrated Risk Management function;
- with reference to the four-year strategic plan, **proposes** to the BoD the analyses supporting the assessment of the **nature and level of risk compatible with the company's strategic objectives**, based on an estimate of the probability and impact of the risks prepared (and, if necessary, updated during the year) by the Integrated Risk Management function, including in the assessments all the elements that may be relevant to the company's sustainable success;
- promptly **reports to the CCR any problems and critical points occurred while performing his/her activity or which he/she has been informed of**, so that the CCR can undertake the appropriate initiatives;
- evaluates and shares with the Chairman of the BoD, at least annually, the **Audit Plan** prepared by the Head of Eni SpA Internal Audit function;

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Internal Audit

¹⁷ The CEO can avail himself/herself of the Management Committee, which performs advisory functions, including on the Internal Control and Risk Management System.

- **may ask** the Eni SpA Internal Audit function to perform **audits** on specific operational areas and on the compliance with rules and internal procedures when performing company operations (so-called Audit Spot), of which the Chairman of the BoD, the Chairman of the CCR and the Chairman of the BSA shall be notified at the same time, unless there is a conflict of interest;
- **evaluates and shares** the proposal made by the Chairman of the BoD concerning the **guidelines for internal audit activities**;
- evaluates and shares the proposal made by the Chairman of the BoD related to the **appointment and removal of the Head of the Internal Audit function** of Eni SpA and the proposal of his/her fixed and variable remuneration structure in line with company remuneration policies, as well as on the adequacy of the resources assigned to Head of the Internal Audit Function of Eni SpA for the performance of his/her responsibilities;
- **receives**, at the same time as the Chairman of the BoD, the CCR and the BSA, **Internal Audit Reports as well as periodic reports** containing adequate information on the activity of the Eni SpA Internal Audit function, on the modalities used to manage risks as well as the compliance with the plans defined to limit them and including the assessment of the suitability of the Internal Control and Risk Management System; at the same time, he/she receives, together with the Chairman of the BoD, the CCR and the BSA, reports on events of particular significance prepared by the Eni SpA Internal Audit function;
- in agreement with the Chairman of the BoD, proposes the **appointment and removal** of the **Officer in Charge** after assessing the fulfilment of the requirements of professionalism and honourability;
- **examines and shares the half-year and annual assessment of the Officer in Charge** prepared by the same. Receives from the Officer in Charge, should it be deemed suitable by the latter, at the same time as the other BoD members and the BSA, an extraordinary evaluation of the state of the Eni's control system on financial reporting with respect to specific deficiencies;
- after consulting with the Chairman of BoD, **appoints and removes the Head of the Integrated Risk Management function and the Head of the Integrated Compliance function**;
- **receives**, on a six-monthly basis ¹⁸, **the Integrated Compliance Report**, which in turn submits to the BoD; such report includes an annual assessment¹⁹ regarding the adequacy of the design of ECG Policies/MSGs relating to the compliance areas covered by them;
- **receives an immediate report from the Eni SpA SB** whenever **facts of particular materiality or significance** are ascertained in the performance of the duties assigned to it;

Officer in Charge

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¹⁸ Unless extraordinary events, which would suggest a different periodicity, regarding relevant facts and events occurring during the reporting period.

¹⁹ This assessment is drawn up on the basis of the information acquired through the process of certification of adequacy of the design of ECG Policies/MSGs (reference: Regulatory System Policy), signed by the Process Owners also taking into consideration any outcomes of the activities regarding the Integrated Compliance process.

- in agreement with the Chairman of the BoD, **proposes** to the BoD the **appointment and removal of the members of the Eni SpA SB**, determining their composition and the remuneration of their components;
- **proposes** to the BoD the principles concerning the coordination and information flows between the various subjects involved in the Internal Control and Risk Management System.

ENI SPA BOARD OF STATUTORY AUDITORS (BSA)

It performs the tasks assigned to it pursuant to the law and the Corporate Governance Code. In particular, **it monitors the effectiveness of the Internal Control and Risk Management System, also acting as Internal Control and Audit Committee pursuant to the Sarbanes Oxley Act.** To this end, it is the recipient of the information flows necessary for the performance of its tasks, including on reporting of financial and mandatory sustainability. In particular, the Eni SpA BSA:

- **examines the main corporate risks** identified by the CEO, taking into account the characteristics of the activities carried out by the Company and its subsidiaries, and submitted by the same to the BoD at least quarterly, with the support of the Integrated Risk Management function;
- is **consulted** by the BoD in defining the principles concerning the **coordination and information flows** between the various subjects involved in the Internal Control and Risk Management System;
- to the extent of its competence, **examines Internal Audit Reports and periodic reports** having as object also the evaluation of the Internal Control and Risk Management System, and those of particular relevance prepared by the Head of the Internal Audit function of Eni SpA;
- is **consulted** by the BoD during the process of **appointment and removal of the Head of the Internal Audit function of Eni SpA**, as well as regarding the definition of the remuneration structure and the approval process of the internal audit budget, ensuring that the Head of the Internal Audit function of Eni SpA is equipped with adequate resources assigned for the performance of his/her responsibilities;
- **may ask** the Eni SpA Internal Audit function to perform **audits** on specific operational areas and on the compliance with rules and internal procedures when performing company operations (so-called Audit Spot), of which the Chairman of the BoD, the Chairman of the CCR and the CEO are informed, unless there is a conflict of interest;
- is consulted²⁰ by the BoD in the **process of approving the Audit Plan**;
- is the **owner of the whistleblowing management** process;
- expresses an **opinion** regarding the **appointment and removal of the external members of Eni SpA SB**;
- **receives from the Eni SpA SB**, at the same time as the CCR, a **half-yearly report** on the activity performed during the previous six months concerning the implementation of Model 231 and any changes in legislation on administrative liability of entities occurred during the period;

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²⁰ Also, as an Audit Committee for the purposes of US law.

- expresses an **opinion** on the **appointment and removal of the Officer in Charge**;
- examines the reports prepared by the Officer in Charge;
- at the same time as the Chairman of the BoD and the other members, receives from the Officer in Charge, whenever he/she deems it appropriate, an **extraordinary assessment on the status of Eni's control system on financial reporting**, with reference to specific deficiencies;
- is **consulted** by the BoD, as part of the approval process of the **Fundamental Guidelines of the Regulatory System** and receives in advance the **Fundamental Guidelines of ECG Policies**, as well as the additional regulatory instruments for issues of specific interest and the information relating to the Regulatory System included in the Organizational Structure Report for the purposes of exercising its supervisory duties;
- informs the BoD of the outcome of the external Statutory audit** and submits the additional report referred to in Article 11 of European Regulation 537/2014, together with any comments; is consulted by the BoD in its assessment of the **results set out by the statutory auditor** in the letter of suggestions, if any;
- is **consulted** by the CCR in assessing the correct **use of accounting standards and their consistency** for the purposes of preparing the consolidated financial statements;
- reviews periodic integrated compliance reports.

Officer in Charge

Regulatory System

Statutory Auditor

Lastly, **the BSA exchanges with the CCR, in a timely manner, information relevant** to the performance of their respective tasks and to the coordination, as appropriate, of activities in their areas of competence. The Chairman of the BSA, or another member designated by him/her, participates in the work of the CCR; in any case, the other statutory auditors may also attend the Committee's meetings.

231 SUPERVISORY BODY OF ENI SPA (SB)

Performs supervisory and monitoring activities as required by Model 231 of Eni SpA. It communicates directly with the BoD on the implementation of the Model 231: (i) every six months, after informing the CCR and the BSA, through a report on the activities carried out in the previous six months concerning the implementation of the Model 231 and any legislative innovations on the administrative liability of entities which occurred during the period; (ii) per event, after informing the CEO and the Chairman of the BoD, when facts of particular materiality or significance are ascertained which require immediate handling. Dedicated meetings with the CCR and the BSA are also organised on the occasion of the half-yearly reports and whenever topics of common interest arise.

BOD OR EQUIVALENT BODY OF SUBSIDIARIES

It defines the guidelines of the Internal Control and Risk Management System by implementing this Policy following the modalities defined in the Regulatory System Policy. It is responsible for ensuring an adequate and effective Internal Control and Risk Management System in the company and its subsidiaries. For listed subsidiaries, the provisions of the Corporate Governance Codes are also relevant, where present and adopted.

CHIEF EXECUTIVE OFFICER OR EQUIVALENT FIGURE OF SUBSIDIARIES

It ensures the establishment and maintenance of an adequate and effective corporate Internal Control and Risk Management System by implementing this Policy. For listed subsidiaries, the provisions of the Corporate Governance Codes are also relevant, where present and adopted.

3rd Level of Control Function

INTERNAL AUDIT FUNCTION

The Internal Audit function of Eni SpA is in charge of independently verifying that the overall Internal Control and Risk Management System of Eni is operating, adequate and consistent with the guidelines defined by the BoD. It reports hierarchically to the BoD and, for it, to the Chairman of the BoD, without prejudice to the functional dependence on the CCR and the CEO. In addition, it reports to the BSA also as "Audit Committee" for the purpose of US legislation. Specifically, the Internal Audit function of Eni SpA:

- verifies, both continuously and in relation to specific needs and in compliance with international standards for the professional practice of the internal auditing activity, the overall effective functioning and suitability of the Internal Control and Risk Management System, through: i) an audit plan approved by the BoD based on a structured process of analysis and ranking of the main corporate risks and ii) the performance of specific unplanned audits (so-called Audit Spot); iii) advisory activities aimed at providing specialist support to top management and relevant management/functions in the creation of added value and the improvement of Eni's governance, risk management and control processes;
- is not responsible for any operational area and has direct access to all information useful for performing its duties;
- for the audit plan, it verifies the reliability of IT systems including the accounting data systems;
- ensures the independent monitoring activities envisaged by the control system on financial reporting, as well as the supervisory activities on behalf of the Eni SpA SB and, upon request, those provided for by the Compliance Model on Corporate Responsibility for Italian and foreign subsidiaries;
- ensures the management of whistleblowing reports received, in line with Eni regulations on the matter;
- prepares periodic reports containing adequate information on its activity, the procedures used to conduct risk management and on compliance with the plans defined to limit them. The periodic reports contain an assessment of the suitability of the Internal Control and Risk Management System, including the organizational structure of the same;
- promptly prepares reports on particularly significant events, also upon request of the BSA;
- transmits the reports referred to in the previous points to the Chairman of the BoD, the CEO, the CCR and the BSA and, for matters falling within the competence of Eni SpA, also to the Eni SpA SB, except in cases where the subject of such reports specifically concerns the activity of such persons. Copies of the reports containing the assessment of the suitability of the Internal Control and Risk Management System are also sent to the Officer in Charge.

2nd Level of Control Management²¹

OFFICER IN CHARGE OF PREPARING COMPANY'S FINANCIAL REPORTS OF ENI SPA (OFFICER IN CHARGE)

- Is responsible for Eni's control system on financial and mandatory sustainability reporting²² and, for this purpose, prepares the administrative-accounting procedures for the formation of periodic accounting documents and all other financial disclosures for Eni SpA and the group;
- expresses, in agreement with the CEO of Eni SpA, the half-year and annual assessment of competence informing the BoD, after the examination of the BSA and CCR and indicating any deficiency and significant weakness found and communicating them to the Statutory auditor. The aforesaid communications include the relevant corrective action plan aimed at eliminating said deficiencies or weaknesses;
- in order to report specific deficiencies, he provides an extraordinary assessment of Eni's control system on financial reporting to the BoD and the BSA as often as necessary;
- also issues statements on accounting information, including interim reports, which certify the correspondence of the company's documents disclosed to the market with the applicable international accounting standards and the results of books and accounting records.

INTEGRATED COMPLIANCE FUNCTION

Is responsible for overseeing the development of the integrated compliance model aimed at improving the effectiveness of compliance action in Eni through the adoption of a risk-based approach to optimise controls and enhance operational synergies in the processes and controls present in the various models, as well as the development and dissemination of a corporate culture based on ethical values and integrity. For the areas within its competence, it oversees the design of compliance models, providing specialised consultancy and assistance to the functions concerned and the monitoring and assessment of their functioning and correct application as well as, where applicable, the provision of services relating to model design, risk assessment, monitoring and training in support of the Process Owners of compliance areas not directly overseen. The head of the Integrated Compliance function is appointed by the CEO after consulting with the Chairman of the BoD and submits to the BoD, the CEO the CCR, the BSA and the SB of Eni SpA, on an annual basis, the Integrated Compliance Report (including an assessment regarding the adequacy of the design of ECG Policies relative to the compliance areas overseen by them) as well as a half-yearly update of the Report itself²³.

INTEGRATED RISK MANAGEMENT FUNCTION

Ensures Integrated Risk Management activities and the presentation of results on the main risks and related treatment plans to the CEO, the Risk Committee of Eni SpA, the CCR and the BSA and, at least quarterly and where requested, to the SB of Eni SpA. The head of Integrated Risk Management is appointed by the CEO after consulting with the Chairman of the BoD and reports directly to the CEO on the results of the Integrated Risk Management process.

²¹ This section lists the main functions/roles of the 2nd level of control, among those described in section A.3.2 'Architecture'

²² Regulated in the specific Policy on the matter, inspired by the Internal Control - Integrated Framework (so-called "CoSO Report") developed by the Committee of Sponsoring Organizations of the Treadway Commission.

²³ Unless extraordinary events, which would suggest a different periodicity, regarding relevant facts and events occurring during the reporting period.

Within the framework of the drafting of the four-year strategic plans, the Integrated Risk Management function ensures the specialist contribution for the analysis of the corporate risk profile and related mitigation actions and for the definition and monitoring of the annual guidelines of the Internal Control and Risk Management System. Furthermore, within the framework of authorization processes and in liaison with the Risk Owners, it ensures the integrated assessment of risks associated with investment projects and significant portfolio transactions submitted to the BoD of Eni SpA for authorization.

CORPORATE AFFAIRS AND GOVERNANCE FUNCTION

It oversees the compliance activities of Eni SpA and its subsidiaries to the company and corporate governance regulations, including self-regulatory ones, and regulations concerning issuers. The Head of the Corporate Affairs and Governance function, reporting directly to the CEO, is in charge of, among other things, compliance in the area of related parties and abuse of market information (issuers). In these areas, it is responsible, inter alia, for overseeing the process of drafting and updating the relevant internal regulations and promoting the related communication and/or training activities and the dissemination of best practices for the process of competence.

PROCESS OWNER

Also for the purposes of management and coordination activities carried out by Eni SpA on its subsidiaries, is responsible for the design and relative adequacy over time of the regulatory instruments within its competence.

ENI SPA RISK COMMITTEE

Provides consultancy to the CEO regarding the main risks. Specifically, it examines and expresses opinions, upon request from the CEO, in relation to the main results of the integrated risk management process.

ENI REGULATORY SYSTEM COMMITTEE

In addition to the various tasks assigned in the Regulatory System Policy, it approves the Scopes of Compliance and identifies the relevant managers and, with reference to this Policy, provides support to the CEO who is its Process Owner, in line with the role assigned by the BoD as the director in charge of establishing and maintaining an effective Internal Control and Risk Management System.

1st Level of Control Management

LINE MANAGEMENT / RISK OWNERS OF ENI SPA OR ITS SUBSIDIARIES

It is responsible, within its area of competence, for the adequacy and effective functioning of the Internal Control and Risk Management System. It identifies, assesses, manages and monitors pertinent risks and identifies and implements specific risk treatment actions. It monitors the main risks, the adequacy and effectiveness of controls to supervise them using, where existent, functions with specifically identified duties considering the specific case and significance of the risk (c.d. Risk Specialist).

A.3.6 Implementation modalities in subsidiaries

As part of its management and coordination activities towards the subsidiaries, Eni SpA issues and disseminates the Fundamental Guidelines and the relevant Application Modalities, contained in this Policy, which the subsidiaries must comply with, and establishes an adequate monitoring activity on their transposition within the terms required by the Eni Regulatory System. With particular reference to listed subsidiaries and/or operating in regulated sectors (subject to supervision by specific authorities), the latter shall implement the Guidelines and the related Application Modalities contained in this Policy, except in case of specific requirements for waivers or adaptation as a result of regulatory constraints and the need to adapt to the company's roles and responsibilities.

It is the responsibility of the BoD or equivalent governing body of each Eni Subsidiary (including those listed and/or operating in regulated sectors) to establish, manage and maintain their own Internal Control and Risk Management System.

Without prejudice to the Eni Risk and Internal Control Holistic *framework* reference principles and anything else contained in this document, the subsidiaries (including those listed and/or operating in regulated sectors), in compliance with the autonomy and independence characterising their work and bodies and/or functions, including by law, shall adopt the most opportune procedures for implementing the Framework in line with the dimension, complexity, specific risk profile and regulatory context where they work.

In complying with the indications of this Policy, each Subsidiary (including those listed and/or operating in regulated sectors) shall also define adequate information flows between the various control levels and towards its Governance Bodies and Organisms, to which personnel from Eni SpA or other subsidiaries with operational assignments at the company must comply.

In particular:

- Management supports the CEO or equivalent figure of the subsidiary in the setup and maintenance of a suitable and effective Internal Control and Risk Management System through the continuous analysis and within its competence the evidences resulting from Management monitoring activities and/or - where existing - cross-monitoring by 2nd level control functions and/or independent monitoring carried out Eni SpA Internal Audit function, in order to: i) check the main actions undertaken and their implementation status, and ii) identify any other System improvement initiatives;
- the CEO or equivalent figure of the subsidiary reports to its BoD, or equivalent body, as part of the report on the exercise of the delegated powers and also on the basis of the information provided by the management, on the Internal Control and Risk Management System, including the status of transposition and adoption²⁴ of the ECG Policies, Management System Guideline (MSG) and Global Procedure (GP);
- subsidiaries shall comply with the requirements of the law²⁵ and other internal regulatory instruments on corporate governance and management and coordination, and in particular shall inform the competent functions of Eni SpA on the status of transposition of the regulatory system²⁶. For so-called 'significant' companies within the meaning of the regulatory instruments on the control system for financial reporting, the BoD or equivalent governing body of the subsidiary annually assesses²⁷ the adequacy and

²⁴ Regulatory System Policy, par. 'Monitoring transpositions and adoptions'.

²⁵ For example, the assessment of the adequacy of the organizational, administrative, and accounting structure.

²⁶ As provided in the Regulatory System Policy.

²⁷ Unless major changes/events that make updates necessary every six months.

effectiveness of the company's Internal Control and Risk Management System²⁸. In particular, for listed subsidiaries, the provisions of the Corporate Governance Codes, where present and adopted, are also relevant.

²⁸ For further details, please refer to the 'Question & Answer' document made available in the IT system where regulatory instruments are published.

B. APPLICATION MODALITIES

The application modalities to implement the Eni Risk Guidelines and the Internal Control Holistic framework, approved by the BoD, are divided into three dimensions.



Figure 4: Framework application modalities

The dimensions of the Framework are closely related:

- process applies to each category of objectives (1st dimension) and to each area of application (2nd dimension);
- each objective influences the process phases (3rd dimension) in the various areas of application (for example, 1st, 2nd and 3rd level control activities are defined and implemented to pursue the effectiveness and efficiency operations objectives of activities related to a specific process).

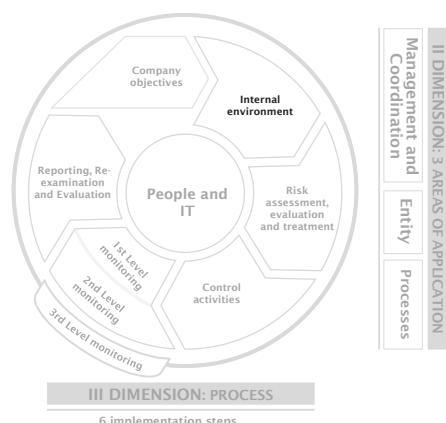
Each company shall structure its Internal Control and Risk Management System based on the objectives defined by the company, in line with its dimension, complexity, specific risk profile and regulatory context where it works, organising the Framework based on the specific processes present in the company and in compliance with the management and coordination policies defined by Eni SpA.

B.1 1ST DIMENSION: OBJECTIVES

The **1st dimension** represents the view of the Framework based on the objectives and correlated risks which the Framework intends to monitor:

I DIMENSION: 4 TARGET CATEGORIES

Strategic	Operational	Compliance	Reporting
-----------	-------------	------------	-----------



- **Strategic Objectives:** set by the BoD in the four-year Strategic Plan, in order to guide company management in the short, medium and long term. Based on the strategic objectives, Management structures operations, compliance and reporting objectives for the various levels of the organizational and corporate structure;
- **Operations Objectives:** regard the effectiveness and efficiency of company activities (optimisation of production also through the use of new technologies, increase in market share, etc.);
- **Compliance Objectives:** regard compliance with laws and regulations, which are applicable to the company. Compliance objectives include objectives of financial reporting reliability and compulsory sustainability;

- **Reporting Objectives:** regard the reliability and punctuality of reporting. They can be related to both financial / non-financial reports, as well as reports disseminated inside and outside Eni. External reporting objectives meet regulatory needs (in that case, they are part of the compliance objectives) or the ones of Eni stakeholders, while internal reporting objectives support Management in the decision-making process.

The above four categories also achieve the objectives of **safeguarding the company's assets and reputation**.

These categories of objectives, separate but partly overlapping (a certain objective may fall into more than one category), have the aim of making it possible to examine the different aspects of risks taking into consideration interrelations between them at the same time.

Descriptions present in this Policy apply to all the aforesaid objectives, unless otherwise required by the regulatory instruments adopted by Eni SpA and the Subsidiaries to comply with local laws or regulations applicable to them, which are an integral part of the Framework.

B.2 2ND DIMENSION: AREAS OF APPLICATION

The **2nd dimension** refers to the 3 areas in which the Framework is applied:



- **Management and coordination** which Eni SpA, as parent company, exercises for the subsidiaries including in reference to the Internal Control and Risk Management System and in compliance with the principle of legal and managerial autonomy as well as of the specific interests of each subsidiary.

Eni SpA defines tools, organizational structures, standards and corporate rules of reference, in order to foster the pursuit of its objectives, through an approach aimed at overall consistency, enhancement of common features and synergies. This approach envisages common and coordinated actions for issues common to Eni companies, adequate information flows of the subsidiaries to Eni SpA as well as the performance of opportune monitoring activities. The latter, in particular, are aimed at verifying compliance with the directives provided on Internal Control and Risk Management System and do not include checking that the System of each subsidiary is adequate and functioning as a whole.

- **Entity:** Eni SpA and single subsidiaries, based on their legal and managerial autonomy, shall establish an adequate and functioning organizational, administrative and accounting structure as well as, under their own responsibility, a suitable and functioning Internal Control and Risk Management System, appointing the Chief Executive Officer or an equivalent figure of the company for the purpose. The Internal Control and Risk Management System is established in compliance with this Policy and with Eni SpA's management and coordination guidelines, consistently with the size, complexity, specific risks and regulatory context in which the company operates.
- **Processes:** Eni adopts a process-based approach²⁹, therefore the Internal Control and Risk Management System is also organised based on the nature and objectives of the single process, regardless of the position of the related operations within a single Eni company, in order to ensure uniform risk treatment by the different Eni companies that monitor the same risks, to maximise the effectiveness and efficiency of controls and to promote the dissemination of best practices.

²⁹ Also compare the Regulatory System Policy.

■ B.3 3RD DIMENSION: PROCESS

The **3rd dimension** is the process of implementing the Framework in business activities and is realised through 6 stages: 1) definition and implementation of *Company objectives*; 2) definition and implementation of the *Internal environment*; 3) *Identification, assessment and treatment of risks*; 4) definition and implementation of *Control activities*; 5) *Monitoring*, 6) *Reporting, review and assessment* of the entire system.

The process is:



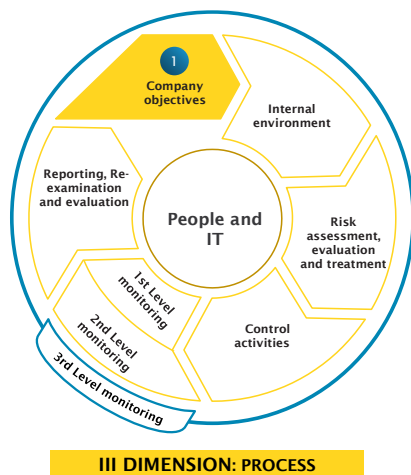
- **continuous**, aimed at improving the Framework overall and able to influence the definition and achievement of company objectives;
- **integrated** in company activities and in the organizational, corporate governance, administrative and accounting structure;
- **interactive**, in that the single phases of the process, despite being in logical sequence, can be influenced by the development of each of the other phases so that the value generated by the process is not determined by the mere sum of the value generated by the single phases;
- **performed by personnel**, through activities and relevant information flows set up to pursue company objectives;

- **evaluated** every six months, except for unexpected events which may require extraordinary examination, to ensure its overall adequacy and operation.

Steps 3, 5 and 6 of the process also describe the main roles and responsibilities and the implementation methods of the Integrated Risk Management (RMI), Internal Audit (INAU), Integrated Compliance (COMP), Officer in Charge (OC) and HSE processes; with particular reference to the OC and HSE, notwithstanding the specific regulations on the financial reporting control system, compulsory sustainability and on health, safety and environment.

The roles of the Framework act according to the 3-level control model described in section A.3.2 'Architecture' above.

Company Objectives



The CEO and management define company objectives in line with the strategic objectives defined by the Eni SpA BoD and in line with the mission of the company. These objectives thus defined reflect the choices through which create and preserve value for all reference stakeholders.

The definition of the objectives is a fundamental prerequisite of the Framework and represents a key component of the management process, which starts from a Four-year strategic plan. The organisation of objectives, in the various business areas, companies, processes and/or functions is fundamental for the correct identification, assessment and management of risks.

Company objectives are specific, attainable, measurable, adequate and concrete and are disseminated at all levels of the organisation. It is fundamental that the achievement of the objectives is measured.

Internal environment



The internal environment is the context in which Eni people operate. It represents the company's 'genetic make-up' reflected in its vision, mission, culture, values, corporate activities, behaviour and objectives. It connotes the tools and resources of the Framework (referred to in Section A.3.4 "*Tools and Resources*") and amplifies their scope and effectiveness.

The internal environment determines how risk is viewed and dealt with by the resources working in the company, as well as the risk management philosophy, risk acceptability levels, integrity, ethical values and the general working environment. It encourages conscious and sustainable decision-making aimed at achieving the company's objectives.

The Governance Bodies and Organisms and the entire management, with their example and commitment, contribute fundamentally to shaping the internal environment.

Risk assessment, evaluation and treatment



The third phase consists in the identification, assessment, and analysis of risks (risk assessment) and includes the definition and implementation of the most suitable mitigation and/or treatment measures. These activities are the responsibility **of the Risk Owners/Line Management** (hereinafter 'Risk Owners'), who are supported by the 2nd level control functions including in particular the Risk Specialists, the Process Owners, the Integrated Risk Management, Integrated Compliance and the Officer in Charge/Administration and Financial Reporting³⁰.

Risk identification is aimed at identifying and describing the main risks which may affect achievement of the company objectives, broken down into business areas, company, organisational functions/ function areas and processes. This activity is carried out periodically in order to monitor the evolution of the risk profile on the basis of internal and external context scenarios.

The determination of the extent of the risks identified is carried out on the basis of specific methodologies, developed in consideration of the main national and international *best practices* and *frameworks* of reference. In particular, risk assessment methodologies are based on elements such as:

- **impact**, understood as the consequences resulting from the occurrence of the risk event;
- **probability** of the event occurring;
- **dimension** of the risk:
 - ✓ **inherent**, determined in the absence of mitigation (or treatment) measures;
 - ✓ **residual**, determined by considering the level of intensity of the inherent risk mitigation and/or treatment measures.

The outcomes of risk assessments enable the Risk Owner to identify the main risks within its competence and constitute key inputs for the definition and implementation of related mitigation and/or treatment measures.

Mitigation and/or treatment measures are defined in relation to the relevance and occurrence of the risk to be guarded against and related to the complexity and nature of the activities managed as well as the specific characteristics of the organizational and/or corporate structure.

Once the mitigation and/or treatment measures have been defined, it is the responsibility of the Risk Owner to implement them and verify their effectiveness in covering the identified risks, as well as of the Process Owner to integrate them into the process design at the regulatory level and to certify their adequacy annually.

The reliability of the mitigation and/or treatment measures depends on the manner used to implement them, as well as their closeness to the risk in terms of logic and timing: the more the control activity is automated and preventive, the greater its effectiveness.

The specialist support provided to the Risk Owners by the 2nd level control functions covers the following main areas:

³⁰ For the relevant compliance areas (financial, mandatory sustainability and tax reporting).

- definition of mitigation and/or treatment measures to be implemented against the identified risks/areas of improvement, also on the basis of the cost-benefit analysis;
- ensuring the definition and updating of common tools on internal processes and *best practices*, in order to help achieve operational homogeneity;
- ensuring the effective and correct application of mitigation and/or treatment measures within individual corporate processes in order to reduce the relevant risks to an acceptable level and ensure the achievement of corporate objectives;
- definition and implementation of mitigation and/or treatment measures across processes and, where possible, applicable to several risks, in order to broaden the degree of risk coverage, avoiding any duplication and redundancy.

Within the framework of the above-mentioned assessments, and with reference to issues of mutual interest, the 2nd level control functions share information, drivers and methods in order to obtain results that are as homogeneous and representative as possible.

In particular:



COMP performs Compliance Risk Assessment for the purpose of assessing Compliance risks on the basis of the broader Compliance Plan defined on an annual basis and updated, where necessary, on the basis of changes in the risk profile and/or new initiatives of particular relevance (e.g. by virtue of regulatory updates and/or changes in the context impacting Eni). The Compliance Plan is shared with the Compliance Managers and the Heads of the other functions involved and forms an integral part of the Compliance Report.

The Compliance Risk Assessment is carried out at two different levels of depth:

- General Risk Assessment: a summary view of Eni's exposure to various Compliance risks, annually prepared through the identification and assessment of Eni's relevant Compliance Areas;
- Risk Assessment Specific: in-depth examination of an individual Compliance Area to identify and assess individual activities at risk (and/or their components) and detect possible *Risk Treatment* actions (design and implementation of controls). Compliance Risk Assessment activities are carried out by COMP in coordination with the Compliance Managers and with the support of the Specialist Compliance Contacts.

On the basis of the results of the Compliance Risk Assessments, COMP supports the Compliance Managers in identifying the necessary mitigation measures and/or treatment of the compliance risks identified. The definition of appropriate mitigation and/or treatment measures helps reduce the detected risks to an acceptable level, thus ensuring the achievement of corporate compliance objectives.



On an annual basis, **RMI** defines the scope of assessment activities and the main quarterly reporting deadlines consistent with the preparation of the four-year Strategic Plan and the formation of the annual consolidated financial statements and communicates the detailed planning of activities to all Risk Owners, their contact persons and risk specialists involved in the activities. Similarly, the operating activities of industrial risk assessment are carried out according to an annual schedule, aligned with the reporting needs of the business, e.g. with the drafting of the insurance plan or budgets/forecasts of construction and/or well intervention activities. On the other hand, risk assessment activities for projects and in-scope acquisitions are carried out during the year in preparation for authorization processes.

RMI oversees several Integrated Risk Assessment activities, distinguished on the basis of their specific object, scope and purpose, such as:

- Annual Risk Assessment: a cycle carried out during the first half of the year to update the identification and assessment of risks that could affect the achievement of the company objectives defined in the approved Four-year strategic plan.
- 4 Y Plan Risk Assessment: a cycle carried out during the second half of the year, to support the process of drafting the Four-year strategic plan.
- Industrial risk assessment: annual and/or quarterly assessment activities of risks related to the management of industrial activities, with particular reference to economic assessments of exposures of assets to accidental risk ("EtR" or "Exposure to Risk"), the physical risk related to climate change and the classification and assessment of construction and/or well intervention activities in relation to the Blow Out risk.
- Specific risk assessment frameworks: analysis of specific risks (Climate Change, Reputational Risks, Cyber Risk and emerging risks) implemented through dedicated methodologies, including ad hoc reporting.

Based on the outcomes of the assessment activities, RMI supports the drafting of the Four-year strategic plan by assessing the impact of the aggregate portfolio of quantitative risks on cash generation targets (integrated risk assessment).

In addition, RMI coordinates the six-monthly Integrated Country Risk (ICR) assessment, which aims to define the integrated risk profile of countries where Eni is present or of potential interest.

Integrated Project & M&A Risk Management activities, on the other hand, are aimed at providing an integrated representation of the main risks of relevant initiatives (e.g. investments in development and/or exploration projects; M&A operations, etc.).

Risk assessment activities are coordinated by RMI with the direct involvement of the Risk Owners and Process Owners.

Based on the results of the Risk Assessments, RMI supports the Risk Owners/Process Owners in defining the mitigation and/or treatment actions to be implemented, as well as in monitoring their actual implementation, through RMI assessment and monitoring cycles.



The **Officer in Charge (OC)** identifies and periodically assesses risks related to Eni's system of internal control on financial and mandatory sustainability reporting and, by supporting the Chief Financial Officer, to Eni's Tax Control Framework. OC structures support the Risk Owners, and the Process Owners where necessary, in the assessment of risks for the purpose of identifying the controls to be implemented according to a risk-based logic articulated on the different dimensions of the Framework.



HSE oversees the continuous process of identifying HSE hazards, assessing their risks/opportunities and impacts, and developing prevention measures³¹. The 1st level (Employer) takes care of risk assessment activities, ensuring that they are documented, communicated, tracked and periodically reviewed, in order to assess their ongoing

³¹ Three levels of HSE support functions are identified with specific reference to Eni's HSE risk management, supervision and control model, as described in the HSE regulatory instruments.

adequacy and effectiveness. At least once a year, the Employer, with the support of the 1st level HSE function, transmits information on the most relevant risks/impacts and the relevant mitigation measures being implemented to the HSE functions at higher levels, in order to allow monitoring/follow-up until they are closed.



INAU - The results of risk assessments carried out by COMP, RMI and OC are forwarded to INAU to support the planning process and the execution of audits. The results of the audits are forwarded to the OC and, where relevant, to the other 2nd level control functions, including COMP and RMI in particular for possible updating of their respective risk assessments.

By way of non-limiting example, the other 2nd level functions/roles, which support the 1st level of control with the activities detailed in the specific regulatory instruments, are listed below: i) Corporate Affairs and Governance³²; ii) Technical Operating Assessment (with regard to Asset Operating Integrity); iii) Health; iv) Security; v) Cyber security; vi) Data Protection Officer; vii) Organisation; viii) Planning and Control; ix) business structures with responsibility for directing, coordinating and monitoring operating activities: e.g. procurement, maintenance, logistics.

Consistent with Eni's management and coordination policies, listed subsidiaries, where applicable, also participate proactively in the risk identification, assessment and treatment phase, ensuring their own information flows to the competent functions of Eni SpA, in compliance with applicable laws and the companies' autonomy and independence.

³² On Corporate Governance, Misuse of Market Information and Transactions involving the interests of Directors and Statutory Auditors and Transactions with Related Parties.

Control Activities



Control activities are **aimed at checking that risk treatment is implemented and integrated in operating activities** in whole or in part. They include a set of various operations, such as approvals, authorisations, checks, comparisons, test of operating performance, controls on IT systems, controls to safeguard company assets, separation of duties, etc.

Control activities do not only respond to fulfilment/prescriptive needs ('check'), driven mainly by external rules, but are a **management tool** ('control') for analysing processes in order to intercept malfunctions, deviations from defined budgets/plans, inefficiencies or diseconomies, direct and regulate their activities and contribute to the achievement of related objectives.

For this reason, control activities are integrated in the processes following the **"by design"** and **"by default"** logic already during the design phase, are defined in order to mitigate multiple risks with the same control activity, where possible, guaranteeing effectiveness at the same time, and apply to all organizational levels.

It is the **Risk Owner** (1st control level) and **Process Owner** (2nd level) **responsibility** to evaluate the need to establish control activities and define the most suitable performance modalities within the area of its responsibility. In particular:

- The Risk Owner identifies, assesses and manages pertinent risks in relation to which it designs and implements specific control activities in order to obtain a reasonable assurance that the risks are mitigated.
- The Process Owner³³, within the relevant regulatory system and the Framework tools and resources described in the Guidelines³⁴ of this Policy, defines the control principles for management of main risks, also for the purposes of the management and coordination activities carried out by Eni SpA on subsidiaries;
- the Process Owner and the Risk Owner take into account the findings of management monitoring (1st and 2nd control level) and independent monitoring carried out by Internal Audit (as defined in the "Monitoring Activities" section below).

Control activities must be **adequate** in terms of **design** and be **effectively operating**. They are defined in relation to the relevance and occurrence of the risk to be guarded against and related to the complexity and nature of the activities managed as well as the specific characteristics of the organizational and/or corporate structure. The effective operation of the controls presupposes their sustainability. **Sustainable control** is: (i) simple: easy to understand and implement; (ii) effective: produces the desired risk mitigation effects; (iii) measurable: its effects can be concretely assessed; (iv) balanced: in the relationship between costs and benefits.

The reliability of the control activity depends on the manner used to implement it, as well as its closeness to the risk in terms of logic and timing: the more the control activity is automated and preventive, the greater is its effectiveness. The choice of a **mix between, preventive and subsequent, manual and automated control activities** is based on a cost benefit analysis. Specifically, without prejudice to ensuring the effectiveness of the control activities, the

³³ Also within the management and coordination activities carried out by Eni SpA on its subsidiaries.

³⁴ See Section A.3.4 "Tools and Resources".

automated controls are given priority, as they tend to be more reliable, usable, traceable and faster. To ensure the reliability of technologies within corporate processes, which also include automated controls, the Risk Owner includes adequate monitoring on the operation of electronic controls, with the support of the pertinent ICT functions, as well as the involvement of said functions in the definition process of the controls relating to the relevant process (early involvement).

For risks to be mitigated, the controls must be implemented and **all Eni personnel** shall **guarantee**, within their competence, **their operation**. To this end, all Eni people shall promptly intervene to undertake all the necessary corrective actions aimed at making the controls operative if they find a malfunction or inadequate operations.

Monitoring Activities



The Framework is subject to changes based on factors inside and outside the company. Controls and/or risk treatment, which were effective in the past, may turn out to be insufficient and no longer applied and/or applicable.

Monitoring is aimed at ensuring that the Framework is adequate and functioning over time. Monitoring is all the activities aimed at verifying that the overall Framework and in the single phases, is effectively designed and operating; it entails a continuous supervision activity and/or assessments of a specific nature performed periodically. The area and frequency of monitoring activities depends on the significance of the risks and effectiveness of risk treatment and controls set up to mitigate them.

Monitoring is documented in order to ensure its traceability, as well as the repeatability of the data.

Monitoring is divided into: i) Management monitoring (*ongoing evaluations*) and ii) independent monitoring (*separate evaluations*). Management monitoring, in turn, is divided into two types: a) line monitoring, carried out by the 1st control level; b) cross-monitoring, carried out by the 2nd control level.

Line monitoring (1st control level)

Line monitoring is **carried out by the Risk Owner** with the aim of analysing the main management phenomena of the relevant processes/activities within his/her competence. It can be carried out continuously or with specific periodic assessments, also making use of KPIs and management dashboards capable of analysing the functioning of the processes and adjusting their design and operation in time according to the outcomes and with a view to reinforcing the safeguards for proper management of the activities.

Monitoring is **integrated in the process activity**, it is performed based on the type of risks to monitor and their significance and with a **frequency** which is higher: i) the greater the internal and/or external occurring changes, ii) the fewer the controls set up to monitor the risks and/or iii) the greater the improvement areas found by the monitoring activity. The contents, frequency and modalities of monitoring activities are expressly defined within the framework of company regulations, which govern the activities and controls.

Cross-monitoring (2nd control level)

Cross-monitoring provides consolidated analyses across functions and processes and is performed by 2nd level control functions³⁵ and, specifically, by Risk Specialists, where existing, Planning and Control functions, the Integrated Risk Management function of Eni SpA (with reference to the monitoring of risk trends), the Integrated Compliance function of Eni SpA, as well as by functions and/or bodies identified by the regulatory instruments adopted by Eni SpA and subsidiaries in compliance with applicable laws or regulations³⁶. In addition, as part of cross-monitoring, the Process Owners ensure the adequacy of process design, including the control

³⁵ Also, through KPIs and management dashboards.

³⁶ Committees established to support the CEO such as the Risk Committee, Eni Regulatory System Committee, etc. are also part of this control level.

principles, by drafting and updating the relevant regulatory instruments. For this purpose, the Process Owners also make use of the outcomes of line and cross-monitoring activities.

Where possible, 1st and 2nd control level functions ensure that monitoring is performed in a **structured manner and according to uniform criteria** and by personnel in possession of sufficient expertise and professional experience to understand the elements subject to monitoring and the implications of the information resulting from the monitoring; in addition, they assure that **monitoring performed for different purposes is implemented, where possible, in an integrated manner**.

In particular:



COMP carries out specific periodic monitoring activities (so-called Compliance Monitoring) through the identification and performance of 2nd level controls and the definition of indicators highlighting compliance risk trends in relation to the compliance areas it oversees. Compliance Monitoring, also in support of Compliance Risk Assessment activities, makes it possible to identify possible areas of improvement and critical issues relating to the management of Compliance risks in order to activate appropriate mitigation measures and support the identification of any emerging risks. Compliance Monitoring activities are carried out on the basis of the broader Compliance Plan defined on an annual basis and updated, where necessary, on the basis of changes in the risk profile and/or new circumstances of particular relevance (e.g. by virtue of regulatory updates and/or changes in the context impacting Eni). In particular, this planning is also fed by the outcomes of the Integrated Compliance process itself, the outcomes of the monitoring activities carried out by the other 2nd level control functions and by INAU. The Compliance Plan is shared with the Compliance Manager and the Heads of the other functions involved.

COMP also participates in the relevant transactions (e.g. M&A) to assess the aspects within its competence and supports management in the control of risks in the compliance areas³⁷ that it oversees.



RMI monitors Eni's Top Risks on a quarterly basis using a set of qualitative and quantitative indicators defined jointly with the Risk Owners. The acquisition of the information necessary for monitoring can take place either directly or by using information flows from Risk Owners and Risk Specialists. As part of their monitoring activities, listed subsidiaries transmit information flows to the extent of their competence. In this case, the results of the monitoring are examined by the BoD of the listed company prior to the Eni BoD.



The **Officer in Charge** regularly verifies the adequacy and effective operation of the financial reporting control system by means of two different monitoring methods:

- i) line monitoring, carried out by persons, ranked differently within the organizational hierarchy, operating directly in corporate processes;
- ii) independent monitoring, carried out by the Internal Audit function of Eni SpA on the basis of an annual plan approved by the Officer in Charge.

As a result of the monitoring activities, corrective action plans are defined, with ownership and timing for achievement, the implementation of which is monitored by the OC's support structure.

³⁷ Such as, but not limited to: antibribery, antitrust, privacy, consumer protection regulations, economic and financial sanctions.



HSE - In agreement with the HSE functions of the business units, the Eni HSE function defines the general criteria for implementing continuous monitoring of HSE performance and representative information of the HSE management systems implemented in the production units/organizational structures pertaining to Level I (employers). In particular:

- 1) the employer, in line with company criteria and in accordance with the indications received from the 2nd and 3rd level HSE Functions, defines the roles and responsibilities for monitoring and reporting activities, and ensures the implementation of the operating procedures for the various stages of detection, communication, recording, filing and reporting to top management³⁸ and to the competent internal control organism/bodies (including compliance bodies) and to the competent 2nd and 3rd level HSE Functions;
- 2) In collaboration with the 2nd level HSE Functions, the 3rd level HSE Function establishes the criteria and methods for monitoring and reporting on health, safety and environmental performance, also for the purpose of communication to the competent Corporate Governance Bodies and Organisms and to the other Eni Functions competent/involved, as well as to respond to requests for detailed information from internal and external stakeholders.

Independent monitoring (3rd control level - Internal Audit function)



INAU - The Eni SpA Internal Audit function performs independent monitoring activities by verifying the overall adequacy and functioning of the overall Framework and/or specific corporate processes, including the effectiveness and actual operation of the monitoring performed by management³⁹ (1st and 2nd control level).

The audits are performed by the Internal Audit function of Eni SpA based on an Annual Audit Plan defined taking into account the significance and coverage criteria of main Eni risks (so-called "top-down, risk based"). Included in the audit plan is the supervision programme pursuant to Eni SpA's Model 231, approved by the Eni SpA SB, for which the Eni SpA Internal Audit function carries out the supervision activities. The Head of the Internal Audit function of Eni SpA activates other unplanned audits at the request of the Governance Bodies and Organisms (as described in section A.3.5 "Roles").

The plan is approved by the BoD of Eni SpA⁴⁰ on an annual basis and in the event it is updated and/or supplemented during the year on the basis of the developments in Eni's Four-year strategic plan, the risk profile, the group's corporate structure and other emerging issues of particular relevance.

The results of each audit are reported in Internal Audit Reports that contain the following, in particular: i) summary assessment of the Internal Control and Risk Management System referred to the audited areas/processes, ii) description of the improvement areas encountered, as well as iii) a corrective action plan drafted by management based on the evidence emerged.

The summary assessment, reported in the Internal Audit Reports by the audit team, as is based on the knowledge and evidence acquired during the audit and on the professional judgment of the Internal Audit Function of Eni SpA, may be affected by the

³⁸ As described in HSE regulatory system.

³⁹ For the purposes, execution, activities, roles and responsibilities of the Eni SpA Internal Audit function, see the *Internal Audit Charter*.

⁴⁰ After receiving the opinion of the CCR of Eni SpA, after consulting with the Chairman of the BoD, the CEO and the BSA of Eni SpA, also as the "Audit Committee" for the purposes of US law.

inherent limitations related thereto; Management, in order to have a complete picture of the Internal Control and Risk Management System, as regards to its own competence integrate that assessment with the results of its own monitoring activity.

The Internal Audit Function of Eni SpA also performs the following:

- independent monitoring activities on Eni's control system on financial reporting in order to verify the adequacy and effective operation of the controls, based on a plan approved by the Officer in Charge of Eni SpA and an "agreed-upon procedures" methodology;
- supervisory activities, at the request of the SB/International SB of the Italian and foreign subsidiaries, provided for in their respective Models 231 and Corporate Responsibility Compliance Models. If the audits involve processes and/or subprocesses of subsidiaries, these audits can be considered as an integration, but not a replacement, of the supervisory activities that the SB/International SB of the Subsidiary must perform based on Model 231 and company Compliance models;
- with reference to the whistleblowing management process, monitoring the channels for the receipt of reports, the management of preliminary investigation activities and the preparation of related periodic reports.

In carrying out the different types of monitoring activities described above, the Internal Audit function of Eni SpA ensures that they are performed, where possible, in an integrated manner with a view to taking advantage of possible synergies, avoiding duplications and making the activities carried out more efficient.

The Internal Audit function of Eni SpA monitors the implementation of corrective actions, defined according to incremental intervention modalities and in line with the critical points in the summary assessment.

The results of the monitoring phase feed into the reporting activities of the business functions concerned and are fundamental to the review and assessment of the Internal Control and Risk Management System. If the results of the monitoring show potential or real inadequacy of the Internal Control and Risk Management System ineffective functioning or the need to improve it to better monitor risks, these results need to be promptly communicated to the people responsible for identifying and creating the necessary corrective actions. Management identifies the common corrective actions and coordinates, where two or more areas are involved, assuring promotion of the experience within the various Eni companies. In particular, corrective actions are implemented in a pervasive manner even in those realities in which the need for them has not been identified, but which management believes, due to similarities in risk and/or process and/or operations, could benefit from them with a view to continuous improvement.

The 2nd⁴¹ and 3rd level control structures work synergistically from the planning phase of their respective activities, sharing information and objectives in order to define coordinated activity plans (see section A.3.4 *"Tools and Resources, Combined Assurance"*).

⁴¹ With particular reference to functions that carry out monitoring activities on specific risks, such as: RMI, COMP, DP, HSE, TOA (on Asset Operating Integrity), Security, Cyber Security, Corporate Affairs and Governance, Health.

Reporting, re-examination and evaluation



The reporting, review and assessment phase, which completes the process, involves a structured analysis of the evidence from the monitoring activity performed on the Internal Control and Risk Management System (including those from external sources, including the Statutory auditors) for the purposes of assessing its adequacy and functioning and possible improvement initiatives.

For Eni SpA, it consists of i) a review and assessment of the Internal Control and Risk Management System by the 3 control levels, to the extent of their competence, in order to guarantee its continuous improvement and ii) the provision to the Eni SpA BoD of the elements necessary for expressing an assessment on the overall adequacy and effectiveness of the Eni Internal Control and Risk Management System.

On a six-monthly basis, with the exception of extraordinary events, which indicate a different frequency, the Eni SpA BoD, after receiving the opinion of the Eni SpA CCR, evaluates the overall adequacy of the Eni Internal Control and Risk Management System, compared to the Eni characteristics and the undertaken risk profile and compatible with company objectives, as well as its effectiveness.

The Eni SpA BoD's assessment model is based on specific information and reporting flows by the 3 control levels; such flows are organised into various levels and structured to provide the Eni SpA Board, at the appropriate times, assessment elements necessary for expressing a periodic evaluation on the adequacy and effectiveness of the Eni Internal Control and Risk Management System.

All the flows supporting the Internal Control and Risk Management System assessments by the Eni SpA BoD go towards the Eni SpA CCR as well, which performs an adequate preliminary activity whose results are reported directly to the Eni SpA BoD, mainly as part of its periodic reports and/or through the issue of specific opinions.

The flows are aligned by time compared to the assessment times of the Internal Control and Risk Management System by the Eni SpA BoD and in line with the contents. For this purpose, the Eni SpA Internal Audit function, for its role regarding Internal Control and Risk Management System matters, provides support to the Governance Bodies and Organisms regarding the analysis and summarised representation of the main Framework aspects shown in these flows, in time to permit their periodic assessments.

The information flow shows, where present, the main areas of improvement regarding the relevant Framework and the actions undertaken and/or to undertake, with indication of the owner and relevant implementation times. The activation modalities and times of these flows are provided in the relevant regulatory instruments.

On a half-yearly basis, on the occasion of the approval of the annual and half-yearly financial report, the CCR of Eni SpA provides the BoD of Eni SpA with its assessment of the overall adequacy and effectiveness of Eni's Internal Control and Risk Management System.

This process of assessing the adequacy and effectiveness of the Internal Control and Risk Management System is mainly based on the results of monitoring activities carried out by: i) the Internal Audit function of Eni SpA (on the Framework as a whole); ii) the Integrated Compliance

function and Heads of Compliance Areas; iii) the Integrated Risk Management function; iv) the Officer in Charge; v) management in their respective areas of responsibility, also taking into account the progress of the initiatives implemented and/or initiated by management itself in a logic of continuous reinforcement of the Framework vi) as well as functions and/or bodies identified by the regulatory instruments adopted by Eni SpA in compliance with laws or regulations applicable to it (in particular concerning HSE and Data Protection) and other flows from specialist/risk specialist functions, such as in particular a) Cyber Security, b) Technical Operating Assessment (with regard to Asset Operating Integrity), c) the consolidated summary of Process Owner certifications on the adequacy of the relevant regulatory instruments, (d) the assessments of the Legal Affairs and Commercial Negotiations function with reference to the main judicial proceedings in progress and the related accounting and reputational impacts.



These flows are also transmitted to the Eni SpA BSA for performance of the duties it is assigned by law concerning the Internal Control and Risk Management System.

Below are the details of the information and reporting flows ensured by the 3 levels of control:

- **1st control level:** meetings with the Line management/Risk Owner i) illustrating the main actions undertaken for the results of the line monitoring activities and/or, where existing, cross-monitoring of 2nd control level functions and independent monitoring by the Eni SpA Internal Audit function, the status of their implementation and any other Framework improvement initiatives identified ; ii) providing, where required, information on specific Internal Control and Risk Management System aspects referred to relevant activities.
- **2nd control level:**
 - ✓ reports required by the regulatory instruments adopted by Eni SpA in compliance to applicable laws or regulations (e.g. on HSE matters);
 - ✓ reports of the Officer in Charge;
 - ✓ reports of the Integrated Compliance function.
 - ✓ reporting on risks of the Integrated Risk Management function;
 - ✓ organizational structure report, including certifications of adequacy of the Regulatory System expressed by the various Process Owners (of Process MSGs and ECG Policy);

- ✓ reports on relevant proceedings of the Legal Affairs and Commercial Negotiations function;
- ✓ other flows defined within the framework of the Process MSG/ECG Policy (e.g. on financial risks, asset integrity, transactions with related parties, disciplinary actions/measures against suppliers in connection with whistleblowing preliminary investigation process /audits).

In particular:



COMP prepares the following types of reports:

- Periodic summary reporting: COMP prepares the Integrated Compliance Report on an annual basis, aimed at providing a summary view of the activities carried out during the period by the Integrated Compliance Function, and also updates the Report every six months. The Integrated Compliance Report and its six-monthly update are submitted in advance to the CEO of Eni SpA and to the BoD, after review by the CCR, the BSA and the Eni SpA SB;
- Specific reporting: at the request of the Governance Bodies and Organisms (for events of particular relevance) and of management (for any relevant issues: e.g. results of Compliance Monitoring activities);
- Ad hoc reporting: within the framework of the authorization notes of relevant transactions, it prepares, within the terms provided for by the ECG Policies/MSGs governing the relevant compliance areas, the paragraphs relating to the checks carried out and the mitigations suggested in relation to those areas.



RMI prepares the following types of reports:

- Periodic reporting: the results of Integrated Risk Assessment and Integrated Country Risk activities are represented by means of specific reporting to management and, where applicable, to the Governance Bodies and Organisms (so-called RMI information). In particular, during the year, RMI prepares:
 - ✓ information on the Annual Risk Assessment and 4Y Plan Risk Assessment, as well as quarterly risk monitoring cycles;
 - ✓ information on the Integrated Risk Assessment to support the development of the four-year Strategic Plan;
 - ✓ the six-monthly Integrated Country Risk report;
 - ✓ further periodic reporting is dedicated to specific risks and includes: i) the annual report on industrial risks (economic assessments of exposures to the incidental risk of assets, and the physical risk related to climate change) and quarterly reports on the classification and assessment of the complexity of construction and/or well intervention activities in relation to the Blow Out risk; ii) reports on risks with reputational impacts and emerging risks.
- Ad-hoc reporting: as part of the Integrated Project & M&A Risk Management, RMI prepares the risk paragraph of the Authorization Notes of relevant transactions and the risk section attached to the Note for further details.



The **Officer in Charge (OC)** oversees the process of establishing, monitoring and assessing the Eni internal control system on financial and mandatory sustainability reporting and, supporting the Chief Financial Officer, the Eni Tax Control Framework

The **OC** prepares the following reports:

- report on the administrative and accounting framework, including the adequacy of the company's organizational structure for the aspects within his competence;
- report on Eni's internal control system on financial reporting in which the OC expresses an overall assessment of its adequacy and effective application. This assessment is made for the purposes of the applicable national and US legislation.



HSE - Several reports are prepared following the process monitoring activities, the main one being the Eni HSE Management Review document. The document covers all 3 management levels of the HSE system (employer lines, the HSE business functions, the Eni HSE function) and is drawn up at defined intervals, unless events occur that, due to their significance, require an immediate review of the organizational system or the HSE management system and the relevant activities. The purpose of the document is to assess and verify the suitability, adequacy and effectiveness of the HSE management system adopted and to lay the foundations for planning monitoring activities. The document is transmitted to the BSA and CCR of Eni SpA.

- **3rd control level:** overall assessment of the Internal Control and Risk Management System by the Eni SpA Internal Audit function.



INAU prepares the following types of reports:

- Audit reports: drawn up following each audit. Each Report is forwarded to the senior managers of the audited structure(s), to the Chairman of the BoD of Eni SpA, to the CEO of Eni SpA, to the Officer in Charge of Eni SpA, as well as to the CCR, the BSA and, for those concerning Eni SpA, to the Eni SpA SB. Internal audit reports concerning the subsidiaries are also forwarded by their management to the corporate control and compliance bodies.
- Periodic summary reporting: INAU submits half-yearly reports to the Governance Bodies and Organisms, aimed at providing information on its activities, outcomes and related suggestions on risk management methods and related containment plans. This periodic report also contains an assessment of the Internal Control and Risk Management System and is intended to support the BoD in its six-monthly assessment of the suitability of the System itself.
- Specific reports: at the request of the Governance Bodies (for events of particular relevance to the Internal Control and Risk Management System) and management (for any issues within their competence).

In addition, INAU, as the technical secretariat of the CCR, is responsible for drafting the outcomes of meetings for reporting to the first useful BoD meeting and periodic reports on the Committee's activities, which also include an opinion on the adequacy of the Internal Control and Risk Management System, to support BoD assessments.

Without prejudice to the reporting and information flows pertaining to the Governance Bodies and Organisms, the 2nd and 3rd level control structures share their respective reports or extracts thereof containing the information of interest.

For subsidiaries, please refer to the description in Section A.3.6 "*Implementation Arrangements for Subsidiaries*".

People and IT Systems



Information is crucial to enable the fulfilment of responsibilities on the Internal Control and Risk Management System and, therefore, for the pursuit of related objectives. The information received, used or sent must be pertinent, in relation to the specific use, clear, timely, accurate, accessible, true and complete, and where possible, defined using uniform language.

IT systems support the collection of internal and external information and the relevant processing in order to provide the information/data necessary for responsibilities to be met. The use of integrated technologies must be favoured to ensure not only adequate, accessible, and more timely information, but also to automate processes and controls.

Each person is provided the information/data necessary for fulfilling their responsibilities as well as information significant for correct functioning and adequacy of the Internal Control and Risk Management System.

A fundamental element that enhances the knowledge base of the Eni people is the understanding of the control 'rationale'. Understanding the control rationale means understanding the underlying risk and ensures greater 'awareness' in the application of the control itself, progressively automating its incorporation into operating activities and, therefore, continuous improvement.

The behaviours and competences expressed by Eni people in the performance of corporate activities, as well as the sharing, also by example, of good practices, proactively contribute to strengthening the Eni Risk and Internal Control Holistic *framework* and to disseminating a risk management culture. To this end, all roles in the Framework also promote and implement training and communication initiatives.

C. EXTERNAL REGULATORY REFERENCES

- Corporate Governance Code (2020)
- CoSO – Committee of Sponsoring Organizations of the Treadway Commission (2013), Internal Control, Integrated Framework
- CoSO – Committee of Sponsoring Organizations of the Treadway Commission (2017), Enterprise Risk Management Framework
- CoSO – Committee of Sponsoring Organizations of the Treadway Commission (2023), Achieving Effective Internal Control Over Sustainability Reporting (ICSR)
- Regulatory System Policy
- Italian Civil Code, with particular reference to Articles 2380 bis, 2381, 2497
- Italian Legislative Decree 231 of 8th June 2001 “Guidelines concerning the administrative liability of legal entities, of companies and associations even without a legal personality, in accordance with Article No. 11 of Law 300 of 29th September 2000)”
- Italian Legislative Decree No. 58/1998 (Testo Unico della Finanza, i.e. Consolidated Law on Finance)
- ISO 37301:2021 “Compliance management systems - Requirements with guidance for use”
- Law 262/2005 “Provisions for the protection of savings and the regulation of financial markets”
- Sarbanes-Oxley Act of 2002 (SOX)
- Sector Standards defined by the Global Reporting Initiative (GRI), an independent, internationally recognized organization for the definition of sustainability reporting standards

D. DEFINITIONS AND ACRONYMS

DEFINITIONS

RELIABILITY (of the information): information that has the characteristics of clarity and completeness such as to induce informed investment decisions by investors. The information is considered clear if it facilitates the understanding of complex aspects of the business reality, without however becoming excessive and superfluous.

ASSURANCE PROVIDER: 2nd and 3rd level control business function that monitors the evolution of risks, both enterprise/cross and specific risks, and/or the implementation of the relevant control measures.

RELIABILITY: (of the information): the information that has the characteristics of correctness and compliance with generally accepted accounting standards and has the requirements required by the laws and regulations applied.

COMPLIANCE: compliance with specific local and/or international provisions and regulations, issued by the legislator, by sector authorities, by certification bodies, as well as by internal company regulatory instruments.

CONTROLS: means the control activities and, more generally, the tools and resources of the Eni Risk and Internal Control Holistic *framework*.

AUTOMATED CONTROLS: the specific controls effected by the information system in carrying out certain actions; contrasts with manual controls (e.g. automated reconciliations, pre-defined data lists, data coherence controls).

MANUAL CONTROLS: controls carried out manually or using office applications (as opposed to automated controls).

PREVENTIVE CONTROLS: controls designed to prevent undesired event or result (as opposed to subsequent controls).

SUBSEQUENT CONTROLS: controls designed to identify ex post undesired events or results (as opposed to preventive controls).

RISK MANAGEMENT: intended as all the coordinated activities, methods and resources set up to allow the identification, assessment and analysis of corporate risks, adoption of risk treatment and related monitoring and reporting.

GOVERNANCE BODIES AND ORGANISMS: this refers to the administrative, control and supervisory bodies (BoD, CCR, BSA, SB) and the Top Management (Chairman and CEO).

RISK IMPACT: result, effect or consequence that the occurrence of an event would determine in a given period (e.g. economic-financial effects such as increases in costs or reduction of revenues, etc.). An event may have several consequences, which may be positive or negative compared to the predicted or predictable situation. The consequences can be expressed quantitatively or qualitatively.

MODEL 231: Organisation, Management and Control Model of Eni SpA (in accordance with Italian Legislative Decree 231 of 2001) approved by the Eni SpA Board or by the Board or equivalent body of the Italian Subsidiary.

ENI PEOPLE: directors, officers, members of the corporate bodies, Management and employees of Eni.

ENI FOUR-YEAR STRATEGIC PLAN: document drafted by the Eni competent Planning and consolidated planning and control function and approved by the BoD of Eni SpA.

MAIN RISKS: potential events, the occurrence of which might influence the achievement of Eni objectives and affect the company's value.

RISK PROFILE: intended as all of the identified main risks, assessed based on specific criteria (likelihood and impact cluster), prioritised based on level (or scoring) and indicated graphically on a matrix. It can be represented at Eni level and Business Area.

SPECIALIST COMPLIANCE CONTACT: supports the Area Compliance Manager in relation to the activities under their responsibility, which include the identification, assessment and treatment actions, also through the design of appropriate mitigation measures and the provision of specialist advice to the Risk Owners and other internal functions concerned, as well as the provision of specialist training.

COMPLIANCE MANAGER: this means both the Compliance Process Owner and the Process Owners responsible for processes to which relevant Compliance Area(s) belong.

RISK: a potential event the occurrence of which may influence the achievement of company objectives.

INHERENT RISK: represents the level of risk determined not taking into account the existence of effective operation of specific control actions and techniques aimed at eliminating the risk or reducing it.

RESIDUAL RISK: represents the level of risk determined taking into account already existing mitigation actions.

RISK OWNER/LINE MANAGEMENT: organizational unit manager that identifies, assesses and manages risks they are responsible for and identifies and implements specific risk treatment measures for such risks. The Risk Owner monitors the main risks, adequacy and effectiveness of controls to supervise them using, where existent, functions with specifically identified duties considering the specific case and significance of the risk (so-called Risk Specialist).

RISK SPECIALIST: organizational functions/units, supporting the Risk Owner, which contribute to the risk assessment and monitoring process due to their specific risk expertise and in consideration of the specific case and significance of the risk.

ACRONYMS

CEO: Chief Executive Officer of Eni SpA

BoD: Board of Directors

CCR: Control and Risk Committee

BSA: Board of Statutory Auditors

ENRICH: Eni Risk and Internal Control Holistic Framework

SB: 231 Supervisory Body

INAU: Internal Audit Function of Eni SpA

RMI: Integrated Risk Management function of Eni SpA

COMP: Integrated Compliance Function of Eni SpA

HSE: Health, Safety, Environment

OC: Officer in Charge (of preparing company's financial reports of Eni SpA)

TOA: Technical Operating Assessment Function of Eni SpA