Annual Report 2022

Eni Plenitude SpA Società Benefit

WHO WE ARE

We are a **Benefit Corporation (Società Benefit)** of the energy world.

We believe that only **a just transition** can generate future-proof change.

We work to be **people and companies best ally** in the challenge of **energy awareness**.

WHAT WE DO

We adopt an **integrated approach to sustainability**, from **energy production** to its **responsible use**.

We invest in **technological innovation** to offer products and services that enable **virtuous daily choices**.

HOW WE DO IT

We inspire communities to join us in becoming **ambassadors for the change**.

We share our expertise to promote **ethical behavior**, starting internally.

We promote an **inclusive culture** to attract and develop talent.

WHY WE DO IT

We believe that together, through **conscious choices**, we can reach the **net zero-emission** goal.

We want to take care of our planet, starting with energy.

Corporate Bodies

Board of Directors[1]	
Chairman	Rita Marino[2]
Chief Executive Officer	Stefano Goberti[3]
Directors	Luca De Santis
	Annalisa Muccioli
	Elisabetta Purlalli
Board of Statutory Auditors[4]	
Chairman	Michele Casò
Statutory Auditors	Roberto Colussi Patrizia Ferrari
Alternate Auditors	Monica di Oronzo Tiziano Onesti
Audit firm[5]	PricewaterhouseCoopers S.p.A.

[1] Appointed by the Shareholders' Meeting of July 31, 2020 for three financial years, expiring on the date of approval of the 2022 Financial Statements.

[2] Elected by the Board of Directors on November 4, 2021 and confirmed by the Shareholders' Meeting of December 16, 2021.

[3] Appointed Chief Executive Officer by the Board of Directors on November 4, 2021.

[4] Appointed by the Shareholders' Meeting of November 28, 2022 for three financial years, expiring on the date of approval of the 2024 Financial Statements.

[5] Appointment confirmed by the Shareholders' Meeting of March 22, 2022 for three financial years, expiring on the date of approval of the 2024 Financial Statements.

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Basis for preparing the data presented

This management report presents the information of the Plenitude Group for the disclosed years, including, with respect to the original scope, information on the companies and business units subject to the Reorganization summarized below.

In particular, in order to allow for a like-for-like comparison, the comparative periods have been 'combined' by including from January 1, 2020, i.e. from the date of first consolidation by Eni of the transferred assets, the economic and financial results and operating data of the assets acquired by the Eni Group, both through the contribution on June 30, 2021 of the Italian assets, and the subsequent purchases of investments (Eni New Energy US Inc, a holding company that groups together the US assets in the renewable energy sector and Eni Energy Solutions BV, a holding company that groups together the assets in Northern Europe and Kazakhstan) and the assets in Australia (whose actual transfer took place on June 30, 2022). The effects on equity resulting from these transactions are shown under the item 'Effect of Reorganization' in the Statement of reconciliation of Equity later in this report. Conversely, the figures for acquisitions from third parties (in the three-year period 2020-2022) have been included in the pro-forma values starting from the acquisition date.

It should also be noted that, as permitted by IFRS 3, the balance sheet as of December 31, 2021 was retrospectively adjusted to incorporate the results of the final Purchase Price Allocations (PPA) relating to the following acquisitions:

- the acquisition from Glennmont Partners and PGGM Infrastructure Fund of 100% of a portfolio of 13 onshore wind farms in operation, with a total capacity of 315 MW, was finalized in July 2021;
- on July 23, 2021, the Company signed an agreement to acquire a portfolio of nine renewable energy projects in Spain controlled by Azora Capital. The transaction initially involved the acquisition of three operational wind farms located in northern Spain, with a total capacity of approximately 100 MW, whose closing took place on October 22, 2021. In addition, the acquisition includes five large photovoltaic projects in an advanced state of development for about 1 GW.
- in October 2021, the acquisition of the company Dhamma Energy Group ('Dhamma'), owner of a platform for the development of solar plants in France and Spain, from its founding partners was finalized. Dhamma's portfolio of plants includes a pipeline of projects at various stages of maturity amounting to almost 3 GW, spread across the two countries, as well as plants already in operation or at an advanced stage of construction in France for about 120 MW.
- at the beginning of November 2021, an agreement was finalized for the acquisition of 100% of Be Power SpA, which, through its subsidiary Be Charge, was the second largest Italian operator with over 5,000 electric vehicle charging points on public land at the acquisition date.

Quite the opposite, there is no impact on the comparative profit and loss account from the effects of final allocations.

Highlights

Business developments

On December 29, 2021, Plenitude signed a sale and purchase agreement with Solar Konzept International for the acquisition of the entire share capital of SKGR Energy SA. At the acquisition date, Solar Konzept Greece owns a platform for the development of photovoltaic plants in Greece and its plant portfolio includes a pipeline of projects of around 800 MW, which will allow further development of the renewables portfolio in the country. The sale was finalized on January 12, 2022. The transaction marks the Group's entry into the Greek renewable energy market and is part of its growth plan and integration with the retail business.

On November 1, 2021, Eni North Sea Wind Limited signed an agreement with Equinor New Energy Limited and SSE Renewables Offshore Windfarms Holding Limited to acquire 200 shares, equal to 20% of the share capital of Doggerbank Offshore Wind Farm Project 3 HoldCo Limited (hereinafter 'Dogger Bank C'). The transaction was completed on February 10, 2022. Dogger Bank C is the third phase of the world's largest offshore wind farm (3.6 GW) currently under construction.

In February 2022, through an advertising campaign linked to the Sanremo Festival, the transition from Eni gas e luce to the new Plenitude brand was announced, which was then officially launched on March 7, 2022. During the year 2022, investments were made in advertising and communication projects, both in Italy and Spain, which helped strengthen the brand's positioning and indicators, ensuring competitiveness and thus supporting the company's business activities despite the macroeconomic scenario.

On February 18, 2022, Eni New Energy US Inc. entered into a sale and purchase agreement with BayWa r.e. Solar Asset Holdings LLC for the acquisition of the entire share capital of Corazon Energy Class B LLC, Guajillo Energy Storage LLC and Corazon Energy Services LLC (hereinafter jointly 'Corazon'). Corazon owns a photovoltaic plant in Texas with a total capacity of 266 MW.

In March 2022, GreenIT, the joint venture between Plenitude and Italy's CDP Equity, engaged in the development of power generation capacity from renewable sources, signed an agreement to acquire the entire portfolio of Gruppo Fortore Energia, consisting of four onshore wind farms operating in Italy, with a total capacity of 110 MW (Eni's share 56 MW).

In April 2022, GreenIT signed an agreement with the Copenhagen Infrastructure Partners (CIP) fund for the construction and operation of two floating offshore wind farms in Sicily and Sardinia, with a planned total capacity of around 750 MW.

In April 2022, Plenitude announced an investment in EnerOcean, S.L., a Spanish company developing W2Power, an innovative technology for floating wind turbines. The agreement is structured as a long-term partnership focused on the implementation of W2Power technology as a competitive solution for the development of the floating offshore wind industry globally. Plenitude will contribute capital and expertise to EnerOcean's development program, with a 25% stake in the company which will continue to operate independently.

In July 2022, Plenitude and HitecVision signed an agreement to expand the business of the Norwegian joint venture Vårgrønn with the aim of consolidating its presence among the most important players in the offshore wind industry. The transaction was finalized in October when Plenitude contributed 100% of its shares in Eni North Sea Wind to Vårgrønn, a company that in turn holds 20% shares in Dogger Bank (UK), which is developing major offshore wind projects. As a result of the transaction, HitecVision increased its stake in Vårgrønn from 30.4% to 35% through a capital contribution.

In September, the European Climate, Infrastructure and Environment Executive Agency (CINEA) selected the project of Be Charge, the electric mobility operator integrated in Plenitude, for the implementation of one of the largest high-speed electric vehicle charging networks in Europe, along the main European transport corridors (TEN-T), in parking areas and major urban nodes, by 2025.

In September, Plenitude entered into a new partnership with Infrastrutture SpA for the development of solar and wind power projects in Italy and Spain, through the acquisition of 65% of Hergo Renewables SpA, a company that holds a portfolio of projects in the two countries with a total capacity of around 1.5 GW.

In October, Plenitude inaugurated the 104.5 MW Spanish wind farm El Monte, in the Castilla La Mancha region, built in cooperation with strategic partner Azora Capital. The plant will produce around 300 GWh per year, equivalent to the domestic consumption of 100,000 households.

In December, Plenitude, through its subsidiary Eni New Energy SpA, acquired 100% of PLT (PLT Energia S.r.l and SEF S.r.l. and their respective subsidiaries and investees), an Italian group with a portfolio of renewable assets of over 400 MW (>80% wind) of assets in Italy, 80% already operational and 20% under construction with start-up expected by 2024, and 1.2 GW of projects under development (>80% wind), in Italy and Spain, 60% of which are at an advanced stage of maturity. The PLT group also supplies around 90,000 retail customers in Italy.

In January 2023, Plenitude started production at the 'Golden Buckle Solar Project' in Brazoria County, Texas. The plant has a capacity of 263 MW and an expected annual solar energy production of between 400 and 500 GWh.

Commodity price trends

During 2022, the increase in commodity prices already recorded in the latter part of the 2021 financial year continued, also as a consequence of geopolitical tensions in Eastern Europe. The average prices of the first, second and fourth quarters were in line with the already particularly high prices of the last quarter of 2021, while the third quarter reached its highest peaks, with the average for the quarter about twice as high as the other three quarters of the financial year. Prices were also characterized by high volatility with significant daily variations and rapidly declined at the end of the year. For the Retail business, this resulted in significantly higher purchase costs on unhedged volumes, reflecting weather conditions (lower temperatures at the beginning of the year with higher gas consumption and higher temperatures in the summer months with higher electricity consumption) and a lower-than-expected churn out rate. Conversely, the Renewables business benefited from higher realization prices for the part of production not covered by long-term agreements or regulated prices, thus confirming the resilience of the integrated business model.

The rising price scenario and the August peaks are also reflected in the fair value of hedging derivatives, with a significant increase in the cash flow hedge reserve up to the third quarter and subsequent reabsorption in the fourth quarter.

Finally, the price increase led to a rise in working capital and related cash requirements.

Summary operating review

Customer portfolio growth, previously driven by power and foreign subsidiaries, stabilized due to higher prices and a related lower churn rate for the incumbent companies, in those markets where Plenitude is an attacker. However, the increase in power customers continued in line with targets.

The non-commodity business has continued to benefit from the boost given to the energy efficiency market by tax breaks.

Installed capacity in renewable generation at the end of 2022 doubled compared to the end of 2021 as a result of both acquisitions and the commissioning of new plants. Electricity production in 2022 is more than double that of 2021.

The number of installed charging points at the end of 2022 is also more than double the number at the end of 2021.

Results

The Group's 2022 financial year ended with an operating result of €61 million and a net loss attributable to Eni Plenitude of €129 million, a deterioration compared to 2021.

However, it should be noted that in both years, the operating result and the net result are affected by non-recurring income and expenses that make the two years not comparable and not representative of normal operating performance. Net of these non-recurring income and expenses, detailed in the section Financial review of the Plenitude Group, the 2022 adjusted operating result is €347 million and the 2021 adjusted operating result is €361 million, a deterioration of €14 million, or 4%. The decrease is attributable to the Retail segment, due to the particularly high procurement costs mentioned above for the portion of purchases not covered by derivative transactions, and to the Electric Mobility segment in the start-up phase. These downturns were almost entirely offset by growth in the results of the Renewables segment, which benefited from the results of acquired operating assets and higher realization prices for the portion of production not covered by long-term agreements or regulated prices.

Adjusted net profit of €143 million decreased by 37% from €226 million in 2021. In fact, the decrease in operating result was compounded by higher finance expenses, due to the increase in both debt and interest rates, and a higher tax rate resulting from the distribution of positive pre-tax results in countries (mainly Italy) with higher ordinary taxation compared to foreign countries where losses were generated.

The presence of very high extraordinary taxation on profits in Italy, added to the non-recurring costs in the operating result, resulted in a net loss attributable to Eni Plenitude of €129 million.

The price increase resulted in a significant cash requirement for working capital and thus depressed the net cash flow from operating activities, which was a negative €373 million (positive €226 million in 2021). Disbursements for capital expenditure (€481 million), for acquisitions of consolidated companies and investments (€1,255 million) and other changes related to investment/disinvestment activities (negative €176 million), net of proceeds from disposals (€166 million) thus resulted in a negative free cash flow of €2,119 million, to which must be added the borrowing of acquired companies (€203 million) and other positive changes of €88 million, mainly attributable to contributions by minority shareholders in companies that are not wholly owned. The combination of these facts led to a €2,235 million deterioration in net debt, which went from net financial assets of €295 million at the end of 2021 to net debt of €1,940 million at the end of 2022.

Financial highlights

Key quantitative and financial data			
2020		**2022**	**2021**
6,000 Sales from operations	(€ million)	12,638	7,274
500 Pro rata adjusted EBITDA [a]		**673**	**606**
512 - *Retail*		486	554
(12) - *Renewables*		211	54
0 - *Electric mobility*		(24)	(2)
477 Adjusted EBITDA [a]		**654**	**602**
343 Operating profit (loss)		61	287
306 Adjusted operating profit (loss) [a]		**347**	**361**
170 Adjusted net profit (loss) [a]		**143**	**226**
185 Net profit (loss)		**(109)**	**161**
291 Comprehensive income (loss)		(1,181)	1,754
379 Net cash flow from operating activities	(€ million)	(373)	226
241 Capital expenditure [c]		481	366
203 Investments in and purchases of consolidated companies [c]		1,255	2,251
4,595 Total assets at year end		18,830	16,971
1,656 Shareholders' equity including non-controlling interest		5,350	6,485
227 Net borrowings including lease liabilities as per IFRS 16 [b]		1,946	(295)
278 Net borrowings including lease liabilities as per IFRS 16, pro rata adjusted [a] [b]		2,738	204
1,883 Net capital employed		7,296	6,190
0.14 Leverage including lease liabilities as per IFRS 16		0.36	(0.05)
0.12 Gearing		0.27	(0.05)

(a) For the definition of adjusted results see note on Non-GAAP measures on page 30.

(b) Excluding finance liabilities associated with assets held for sale.

(c) Net pro rata adjusted investments 2022, i.e. including the portion of capital expenditure and financial investments made by equity-accounted investees, amounted to €2,106 million.

Key operating and sustainability data

Key operating and sustainability data			
2020		**2022**	**2021**
1,573 Employees in service at year end	(number)	2,347	2,027
- TRIR (Total Recordable Injury Rate)		0.23	-
9,697 Number of Retail and Business customers	(thousands of supply points)	10,069	10,040
7,683 Gas sales	(millions of cubic metres)	6,842	7,847
12.520 Electricity sales to end customers	(Terawatt-hours)	18.766	16.491
307 Energy generation from renewable sources	(Gigawatt-hours)	2,553	956
311 Installed capacity from renewable sources at year end	(megawatt)	2,198	1,127
3,394 Installed charging points [a]	(number)	13,093	6,246

(a) For comparative purposes only, the 2020 pro forma figure has been included

Operating review

Market scenario

The macroeconomic scenario, which had seen a significant turnaround in 2021 as economies gradually reopened and post-pandemic production activities resumed, was negatively affected by the rise in energy prices also as a consequence of the conflict in Ukraine.

Natural gas consumption in Italy decreased by almost 10% to 2020 levels, due to both the recessionary dynamics induced by rising commodity prices and milder temperatures.

Similar facts, albeit with a reduced impact, characterized electricity consumption with a decrease of about 1% in 2021.

During the year, gas prices, both those recorded at the Dutch TTF hub and those at the Italian Virtual Trading Point (the Italian acronym is PSV) were characterized by extreme volatility, with an average increase of over 160% compared to 2021. Since the increase in the TTF was less than proportional to the increase in the PSV (+163% to +166%), the spread between the two indices increased to 15€/000m^3 in 2022, compared to 1€/000m^3 on average in 2021.

A similar trend was seen in the purchase price of electricity (PUN, the Italian acronym for the national single price) on the Day-Ahead Market (Italian acronym MGP), which, as an annual average, increased by more than 140% compared to 2021.

The increase in prices has not been fully reflected in increased sales revenues due to both the time lag with which they adjust to the reference prices and the reductions on ancillary components (so-called system charges) introduced by the government with the aim of calming the price increase for end consumers. Similarly, the increase in market prices was not fully reflected in purchase prices because the Group hedges its exposures with derivative contracts that meet the requirements of hedge accounting and were partly entered into at prices prior to the increase.

The pricing scenario was also reflected in the fair value of hedging derivatives, with a significant increase in the cash flow hedge reserve until the third quarter, when prices were at their peak, and an almost complete reabsorption in the fourth quarter as prices fell to end-2021 levels.

Retail

The Plenitude Group sells gas, power and services on the retail and small business market in Italy, France, Greece, the Iberian Peninsula and Slovenia, through the Slovenian subsidiary Adriaplin, which also operates in the natural gas distribution segment.

As of December 31, 2022, the Group served 10.1 million supply points, up slightly from 10.0 million at the end of 2021. In the 2022 financial year, the volumes sold by the Group amounted to 6,842 million cubic metres for gas (a decrease of 1,006 million cubic metres compared to 2021) and 18.8 terawatt-hours for electricity (an increase of 2.3 terawatt-hours compared to 2021).

Retail gas sales decreased by 12.8% compared to 2021, due to lower sales in Italy in the residential segment and abroad (especially in France).

Retail sales of electricity to end customers increased by 13.8%, benefiting from growth in Italy and the development of business abroad.

Group gas sales

2020	(millions of cubic metres)	2022	2021	change	% var.
5,172	**ITALY**	**4,651**	**5,142**	**(492)**	**-9.6%**
3,956	Retail	3,340	3,881	(541)	-13.9%
1,216	Business	1,311	1,261	49	3.9%
2,511	**INTERNATIONAL SALES**	**2,191**	**2,705**	**(514)**	**-19.0%**
	European markets:				
2,079	*France*	1,691	2,167	(476)	-22.0%
343	*Greece*	325	389	(64)	-16.5%
89	*Slovenia*	79	85	(6)	-6.7%
	Iberian Peninsula	96	64	32	49.8%
7,683	**TOTAL RETAIL GAS SALES**	**6,842**	**7,847**	**(1,006)**	**-12.8%**
5,179	Retail	**4,362**	**5,187**	**(825)**	**-15.9%**
2,504	Business	**2,480**	**2,660**	**(180)**	**-6.8%**

Group power sales (free customers)

2020	(TWh)	2022	2021	change	% var.
7.241	**ITALY**	**9.143**	**7.669**	**1.474**	**19.2%**
5.559	Retail	6.557	5.806	0.751	12.9%
1.682	Business	2.587	1.863	0.724	38.8%
5.279	**INTERNATIONAL SALES**	**9.623**	**8.822**	**0.801**	**9.1%**
	European markets:				
4.742	France	5.073	5.433	(0.360)	-6.6%
	Iberian Peninsula	3.684	2.650	1.034	39.0%
0.537	Greece	0.866	0.739	0.127	17.1%
12.520	**TOTAL POWER SALES**	**18.766**	**16.491**	**2.275**	**13.8%**
8.533	Retail	**12.105**	**11.351**	**0.754**	**6.6%**
3.987	Business	**6.661**	**5.140**	**1.521**	**29.6%**

Customers – Group

2020	(thousands of POD)	2022	2021	change	% var.
	Gas:				
5,607	Italy	5,415	5,492	(77)	-1%
761	France	603	685	(82)	-12%
298	Greece	289	298	(9)	-3%
	Iberian Peninsula	49	57	(8)	-15%
14	Slovenia	14	14		
	Power:				
2,185	Italy	2,723	2,329	394	17%
695	France	500	694	(194)	-28%
	Iberian Peninsula	220	268	(48)	-18%
137	Greece	256	203	53	26%
9,697		**10,069**	**10,040**		
9,574	Retail	**9,938**	**9,920**	**18**	**0.2%**
123	Business	**131**	**120**	**11**	**8.9%**

Power generation from renewable sources

In relation to the activity of energy production from renewable sources, the Plenitude Group operates its own production plants – ensuring their operation and maintenance in accordance with industry standards – and pursues its growth strategies through the organic development of a diversified and balanced portfolio of assets, complemented by selective asset and project acquisitions and strategic partnerships at national and international level.

The Group's installed capacity at December 31, 2022 was 2.2 gigawatts and it is broken down by country and technology as follows:

2020			2022	2021	change	% var.
307	**Energy production from renewable sources***	(gigawatt-hours)	**2,553**	**956**	**1,597**	**167%**
191	*of which: photovoltaic*		*1,135*	368	767	208%
116	*onshore wind*		*1,418*	588	830	141%
112	*of which: Italy*		*818*	400	418	105%
196	*outside Italy*		*1,735*	556	1,179	212%
311	**Installed capacity from renewable sources at year end**	(megawatt)	**2,198**	**1,127**	**1,071**	**95%**
80	*of which: photovoltaic (including installed storage capacity)*	%	54	*48*		
20	*onshore wind*		46	*52*		

* Energy production from renewable sources related to consolidated subsidiaries is 1,982 GWh in 2022, 686 GWh in 2021, 224 GWh in 2020

As of December 31, 2022, installed capacity from renewable sources doubled compared to 2021, mainly due to the construction of the Brazoria photovoltaic plant (263 MW) in the United States, as well as the acquisition of the assets of Fortore Energia (56 MW) and PLT (308 MW) in Italy, the Corazon photovoltaic plant (266 MW) in the United States and the assets of Cuevas in Spain (105 MW).

The energy production from renewable sources almost tripled compared to the previous year, mainly due to the contribution of asset acquisitions in operation and the fact that the plants acquired in 2021 contributed to the operating figures for the full year 2022, in Italy, the US, France and Spain.

Installed capacity from renewable sources at year end

2020		(technology)	(megawatt) 2022	2021	change	% var.
112	**ITALY**	photovoltaic	**175**	**116**	**59**	**51%**
136	**OUTSIDE ITALY**		**1,010**	**426**	**584**	**137%**
64	*Australia*	*photovoltaic/storage*	*64*	*64*		
	France	*photovoltaic*	*114*	*108*	*6*	*6%*
72	*United States*	*photovoltaic/storage*	*782*	*254*	*528*	*208%*
	Spain	*photovoltaic*	*50*			
248	**Total installed photovoltaic capacity**		**1,185**	**542**	**643**	119%
	ITALY	onshore wind	**669**	**350**	**319**	**91%**
63	**OUTSIDE ITALY**		**344**	**235**	**109**	
	Spain	*onshore wind*	*233*	*129*	*104*	*81%*
48	*Kazakhstan*	*onshore wind*	*96*	*91*	*5*	*5%*
15	*United States*	*onshore wind*	*15*	*15*		
63	**Total installed onshore wind capacity**		**1,013**	**585**	**428**	**73%**
311	**Total installed capacity at year end (including installed storage capacity)**		**2,198**	**1,127**	**1,071**	**95%**
7	*of which installed storage capacity*		*7*	*7*	*0*	*0%*

Electric mobility

In a mobility market context that expects a constant increase in the number of electric vehicles on the roads in Italy and Europe, the Plenitude Group, with its acquisition of Be Charge, has one of the largest and most extensive networks of public charging infrastructures for electric vehicles.

As of December 31, 2022, there were more than 13,000 recharging points distributed throughout the country: the stations are smart and user-friendly, monitored 24 hours a day by a help desk and accessible via a mobile application. Within the industry chain, Be Charge plays both the role of owner and operator of the charging network (CSO - Charge Station Owner and CPO - Charge Point Operator), and the role of charging and electric mobility service provider interfacing with electric vehicle users (EMSP - Electric Mobility Service Provider). Be Charge charging stations are: Quick (up to 22 kW) in alternating current, Fast (up to 150 kW) or HyperCharge (above 150 kW) in direct current.

	31.12.2022			31.12.2021		
(number)	AC*	DC**	Total	AC*	DC**	Totale
Installed charging stations:						
- Italy	12,052	900	12,952	6,063	183	6,246
- Outside Italy	47	94	141			-
	12,099	**994**	**13,093**	**6,063**	**183**	**6,246**

* AC: alternating current (Alternating electric Current - AC), up to 22 kW

** DC:direct current (Continuous electric Current or DC), including 'fast' charging points, from 50 kW to 150 kW, and ‘ultra fast', with higher power up to 400 kW

Financial review of the Plenitude Group

PROFIT AND LOSS ACCOUNT					
2020	(€ million)	**2022**	**2021**	**change**	**% var.**
6,012	Sales from operations	12,638	7,289	5,349	73.4%
75	Other income and revenues	112	94	18	19.1%
(5,630)	Operating expenses	(12,239)	(6,925)	(5,314)	76.7%
63	Other operating income (expense)	(125)	83	(208)	-250.6%
(171)	Depreciation, amortization and impairments	(325)	(254)	(71)	28.0%
(6)	Write-off	0	0	0	..
343	**Operating profit (loss)**	**61**	**287**	**(226)**	**-78.7%**
(60)	Finance income (expense)	(84)	(37)	(47)	..
(2)	Net income (expenses) from investments	88	(2)	90	..
281	**Profit (loss) before income taxes**	**65**	**248**	**(183)**	**-73.8%**
(96)	Income taxes	(174)	(87)	(87)	100.0%
34	*Tax rate (%)*	268	35	233	..
185	**Net profit (loss)**	**(109)**	**161**	**(270)**	**-167.7%**
	attributable to:				
182	**- Plenitude shareholders**	**(129)**	**149**	**(278)**	**-186.6%**
3	- Non-controlling interest	20	12	8	66.7%

Net profit (loss)

The Group's 2022 financial year ended with an operating profit of €61 million and a net loss attributable to Plenitude of €129 million, a deterioration compared to 2021.

Since the results are affected by non-recurring income and expenses that make the two years not comparable and not representative of normal operating performance, the following is a reconciliation of reported and adjusted results by business segment.

Results by business segment

2020	(€ million)	2022	2021	change	% var.
520	**Combined EBITDA**	**386**	**541**	**(155)**	**-29%**
	Exclusion of special items:				
20	expenses for leaving incentives	63	(6)	69	..
(72)	commodity derivatives	202	(28)	230	..
9	other	3	95	(92)	-97%
(43)	**Special items of the EBITDA**	**268**	**61**	**207**	**..**
477	**Adjusted EBITDA**	**654**	**602**	**52**	**9%**
491	- *Retail*	486	554	(68)	-12%
(14)	- *Renewables*	192	50	142	...
0	- *Electric mobility*	(24)	(2)	(22)	...
(171)	Amortization, depreciation, impairments and write-offs [a]	(308)	(241)	(67)	28%
306	**Adjusted operating profit (loss)**	**347**	**361**	**(14)**	**-4%**
325	- *Retail*	278	349	(71)	-20%
(19)	- *Renewables*	101	15	86	..
0	- *Electric mobility*	(32)	(3)	(29)	..
(48)	Net finance income (expense) [a]	(85)	(26)	(59)	..
(2)	Income (expenses) from investments	(5)	(2)	(3)	..
(86)	Income taxes [a]	(114)	(107)	(7)	7%
33.6	*Tax rate %*	*44.4*	*32.1*	*12*	*38%*
170	**Adjusted net profit (loss)**	**143**	**226**	**(83)**	**-37%**
	of which:				
3	- adjusted net profit (loss) from non-controlling interest	20	12	8	67%
167	**- adjusted net profit (loss) attributable to Plenitude shareholders**	**123**	**214**	**(91)**	**-43%**
182	**Net profit (loss) attributable to Plenitude shareholders**	**(129)**	**149**	**(278)**	**-187%**
(15)	Exclusion of special items	252	65	187	..
167	**Adjusted net profit (loss) attributable to Plenitude shareholders**	**123**	**214**	**(91)**	**-43%**

(a) Excluding special items.

The adjusted operating results (EBITDA and EBIT) show:

- the worsening of the Retail sector as a consequence of the effect of the volatility of the procurement costs of the portion of purchases not covered by derivative transactions, linked to weather conditions (lower temperatures at the beginning of the year with higher gas consumption and higher temperatures in the summer months with higher electricity consumption) and to the lower customer exits from the portfolio than expected during hedging;
- the improvement in the Renewables segment, which benefited from higher production resulting from both acquisitions and the commissioning of new plants, as well as higher realization prices for the portion of production not covered by long-term agreements or regulated prices;
- the start-up phase of the Electric Mobility segment with loss-making operating results.

Profit and loss analysis

Sales from operations

2020	(€ million)	2022	2021	change	% var.
3,754	Natural gas	5,383	4,150	1,233	29.7%
2,090	Electricity sales to end customers	4,157	2,626	1,531	58.3%
0	Electricity sales on the stock exchange	2,473	47	2,426	n.s.
156	Services and other	378	343	35	10.2%
6,000	**Total Retail**	**12,391**	**7,166**	**5,225**	**72.9%**
12	**Renewables**	**281**	**108**	**173**	**160.2%**
	Electric mobility	**150**	**23**	**127**	**n.s.**
	Consolidation adjustments	(184)	(8)	(176)	n.s.
6,012	**Total combined sales from operations**	**12,638**	**7,289**	**5,349**	**73.4%**

The breakdown by geographic area is as follows:

2020	(€ million)	2022	2021	change	% var.
4,216	Italy	8,322	4,585	3,737	81.5%
1,529	France	2,388	1,733	655	37.8%
0	Iberian Peninsula	1,009	502	507	101.0%
225	Greece	820	418	402	96.2%
37	Slovenia	69	42	27	64.3%
5	Kazakhstan	15	9	6	66.7%
0	Stati Uniti	15	0	15	n.s.
6,012		**12,638**	**7,289**	**5,349**	**73.4%**

The increase in sales resulted mainly from price increases. The item 'Electricity sales on the stock exchange' of €2,473 million includes electricity sales on the so-called 'Day-Ahead Market' in the amount of €2,450 million. These revenues increased compared to the previous period essentially because Plenitude resold on the market all the quantities of electricity purchased with forward contracts from Eni (for a total of €2,184 million) and subsequently repurchased on the same market the quantities needed for deliveries to its customers, according to the forecasted time profiles. Furthermore, energy produced from renewable sources purchased from Group companies and third parties was sold for a total of €266 million. Revenues of the Electric Mobility segment of €150 million (€23 million in 2021) include revenues from the resale of electricity of €140 million in 2022 (€21 million in 2021).

Other income and revenue

Other income and revenue amounted to €112 million (€94 million in 2021) and mainly consisted of the fees linked to tax credit disposal transactions for €22 million, recovery of costs related to core business activities for €20 million (€69 million in 2021), GSE (Gestione Servizi Energetici) incentives for €15 million (€13 million in 2021), other services provided to distributors in France for €12 million, incentives received from the French authorities for €12 million and income for time-barred and non-existence of payables for €16 million (€12 million in 2021).

Operating expenses

Operating expenses amounted to €12,239 million, as shown in the table below.

2020	(€ million)	2022	2021	change	% var.
2,303	Costs for raw, ancillary and consumable materials and goods	9,685	3,496	6,189	177.0%
2,845	Service costs	1,982	2,992	(1,010)	-33.8%
180	Net impairments (reversals) of trade and other receivables	164	160	4	2.5%
164	Payroll and related costs	260	149	111	74.5%
8	Net provisions/(utilizations) for risks	7	1	6	n.s.
130	Other expenses	141	127	14	11.0%
5,630		**12,239**	**6,925**	**5,314**	**76.7%**

Costs for raw, ancillary and consumable materials and goods mainly refer to the purchase of natural gas and electricity and increased due to the effect of price increases, as well as the repurchase of electricity on the so-called 'Day-Ahead Market' described above.

Service costs mainly relate to gas and electricity logistics costs of €1,202 million (€2,378 million in 2021), sales and advertising costs of €277 million (€243 million in 2021) and IT costs of €110 million (€90 million in 2021). The decrease in gas and power logistics costs is related to government interventions that reduced system charges.

Net impairments of trade and other receivables are determined based on the evaluation of the possibility of recovering receivables from retail customers for the sale of natural gas and electricity.

The increase in **payroll and related costs** derives mainly from the expenses related to "post-retirement - benefits" resulting from the trade union agreement for the exit, on November 30, 2022, of 197 employees, as well as to the average increase in the number of employees.

Net provisions for risks of €7 million increased by €6 million compared to 2021 as a result of provisions of €15 million arising mainly from the increase in provisions for disputes of €13 million in Italy and France, partially offset by utilizations of €5 million for charges to the same provisions.

Other expenses of €141 million (€127 million in 2021) mainly include the purchase of energy efficiency certificates in France for €73 million (€77 million in 2021), indirect taxes and duties for €19 million (€11 million in 2021), charges from settlements, contractual penalties and compensation for €14 million (€10 million in 2021), commissions paid to the factoring company for the disposal of tax credits for €14 million, the contribution due for the Gestione Fondo Bombole Metano for €10 million (€8 million in 2021), and expenses from time-barred and non-existence of receivables for €2 million (€4 million in 2021).

Other operating (expense) income

Other net operating expense of €125 million (net operating income of €83 million in 2021) relates to derivatives hedging commodity price risk which, although not for trading purposes, do not meet the formal requirements for hedge accounting. The expenses resulted from the downward price scenario at the end of the year, which led to the reabsorption of the positive fair values of the previous year on derivatives purchased at fixed price.

Depreciation, amortization and impairments

2020	(€ million)	2022	2021	change	% var.
16	Tangible assets	77	38	39	102.6%
148	Intangible assets	217	191	26	13.6%
7	Right-of-use assets	14	10	4	40.0%
171	**Depreciation and amortization**	**308**	**239**	69	28.9%
	Impairment losses (reversals)	17	15	2	13.3%
171		**325**	**254**	**71**	**28.0%**

Depreciation of tangible assets mainly relates to plants producing energy from renewable sources, including the photovoltaic plants of Evolvere SpA Società Benefit. Amortization of intangible assets mainly relates to customer portfolios and their acquisition costs of €140 million (€122 million in 2021), IT projects and concessions of €65 million (€62 million in 2021) and work on assets under concession of €4 million (€4 million in 2021).

Net finance expense

2020	(€ million)	2022	2021	change	% var.
(11)	Finance expense related to net borrowings	(47)	(22)	(25)	113.6%
(21)	Fees and costs for factoring transactions	(15)	(6)	(9)	150.0%
(5)	Fees for non-utilization of credit lines	(6)	(5)	(1)	20.0%
(15)	Foreign currency translation differences	(11)	1	(12)	n.s.
(12)	Fair value adjustment of Evolvere put option	0	(11)	11	-100.0%
4	Other net finance income (expense)	(5)	6	(11)	n.s.
(60)		**(84)**	**(37)**	**(47)**	**127.0%**

Net finance expenses related to borrowings worsened by €25 million, mainly due to higher average net borrowings arising from acquisitions during the year in addition to the increase in rates. The €6 million fee for non-utilization of credit lines (€5 million in 2021) relates to the €500 million revolving credit line granted by Eni at the time of transfer, which expired in 2022 (€2 million) and to the loan agreements dependent on the IPO (€4 million). Other net finance expenses of €5 million mainly related to charges for discounting tax credits for €9 million, partially offset by interest income charged to customers for late payments in the amount of €6 million.

Net income from investments

The increase in **net income from investments** of €90 million was mainly due to: (i) the positive effects recognized following the contribution to the Norwegian joint venture Vårgrønn, of the net assets held by the former subsidiary Eni North Sea Wind Ltd, essentially represented by the interest held in Dogger Bank (20%); and (ii) the capital gain realized on the disposal of Gas Distribution Company of Thessaloniki-Thessaly SA completed in the last quarter of 2022.

Income taxes

2020	(€ million)	2022	2021	change
	Pre-tax profit			
244	Italy	367	412	(45)
37	Outside Italy	(302)	(164)	(138)
	Accrued income taxes			
77	Italy	248	135	113
19	Outside Italy	(74)	(48)	(26)
	Tax rate (%)			
32%	Italy	68%	33%	35%
51%	Outside Italy	25%	29%	-5%

The high tax rate (above 100%) stems from the presence of very high extraordinary taxation on profits in Italy and distribution of positive pre-tax results in countries (mainly Italy) with higher ordinary taxation compared to foreign countries where losses were generated.

For a description of the main determinants of the tax rate, please refer to Note 32 - 'Income taxes' in the consolidated financial statements.

Summarized Group balance sheet[6]

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

SUMMARIZED GROUP BALANCE SHEET

(€ million)	Dec. 31, 2022	Dec. 31, 2021	change
Fixed assets			
Property, plant and equipment	1,846	845	1,001
Right-of-use assets	216	125	91
Intangible assets	4,144	3,283	861
Equity-accounted investments and other investments	676	695	(19)
Receivables and securities held for operating activities	17	20	(3)
Net payables related to capital expenditure	(250)	(414)	164
	6,649	**4,554**	**2,095**
Net working capital			
Inventories	33	20	13
Trade receivables	2,561	2,088	473
Trade payables	(1,658)	(1,746)	88
Net tax assets (liabilities)	(530)	(853)	323
Provisions	(73)	(47)	(26)
Other current assets (liabilities)	435	2,138	(1,703)
	768	**1,600**	**(832)**
Provisions for employee benefits	**(129)**	**(99)**	**(30)**
Assets held for sale including related liabilities	**8**	**135**	**(127)**
CAPITAL EMPLOYED, NET	**7,296**	**6,190**	**1,106**
Equity attributable to equity holders of Eni Plenitude	5,253	6,435	(1,182)
Non-controlling interest	97	50	47
Total equity	**5,350**	**6,485**	**(1,135)**
Net borrowings (cash) before lease liabilities as per IFRS 16	**1,745**	**(414)**	**2,159**
Lease liabilities	201	119	82
Net borrowings (cash) including lease liabilities as per IFRS 16	**1,946**	**(295)**	**2,241**
TOTAL LIABILITIES AND EQUITY	**7,296**	**6,190**	**1,106**
Leverage	**0.36**	**(0.05)**	**0.41**
Gearing	**0.27**	**(0.05)**	**0.31**

6 For the reconciliation to the statutory schemes, see the section 'Reconciliation of the summarized group balance sheet and statement of cash flow to statutory schemes'.

Fixed assets

Property, plant and equipment, amounting to €1,846 million, relates to plant and machinery (€1,489 million), assets under construction (€333 million), land and buildings (€14 million) and other assets (€8 million), and industrial and commercial equipment (€2 million). The increase of €1,001 million is the effect of acquisitions of companies (€800 million), investments for the year (€275 million) and exchange rate differences and other changes (€16 million), net of depreciation and impairment (€90 million).

Right-of-use assets of €216 million are recognized in accordance with IFRS 16 and comprise €161 million in rights to use land and other assets, and €55 million in office building leases. These increased by €91 million due to acquisitions (€73 million), new rights acquired (€34 million) and exchange rate gains (€2 million), only partially offset by depreciation for the year (€14 million) and by disposals (€4 million).

Intangible assets amounted to €4,144 million, of which €2,928 million for assets with an indefinite useful life represented by goodwill in the Retail segment (€1,214 million), the Renewables segment (€996 million) and the Electric Mobility segment (€718 million). The remainder includes €358 million of customer portfolios and customer acquisition costs, €727 million of concessions, software licences and development costs, €50 million of work on assets under concession, €71 million of other intangible assets and €10 million of assets under construction and advances. The increase of €861 million relates to €871 million in acquisitions and €207 million in investments, net of €217 million in amortization.

Equity-accounted investments and other investments amounting to €676 million mainly relate to the company Vårgrønn AS (€370 million), the companies Novis Renewables Holding (€74 million), Novis Renewables LLC (€4 million) and Bluebell (€73 million) for activities in the United States, and the companies GreenIt (€74 million) and Siel Agrisolare Srl (€21 million) in Italy. The item also includes advances of €15 million paid for the acquisition of companies in the renewable energy sector; the transaction will be concluded upon completion of the development phase of the wind and solar plants under construction. The €19 million decrease is related to the reversal of the book value of the investments in Dogger Bank following its transfer into Vårgrønn AS, partially offset by the related increase in book value of the investment in Vårgrønn AS (€358 million), to the net exchange losses (€-21 million), to the net capital losses from shareholders' equity valuation (€20 million), to the reversal of the advances paid in 2021 following the acquisition and consolidation of Energía Eólica Boreas SLU (€16 million) and to the decrease for dividend distribution (€10 million), in part offset by the acquisitions and capital subscriptions (€270 million), by the positive effects connected to the valuation of the investments with effect on OCI (€115 million) and by entry into the consolidation scope of the joint venture investment in Siel Agrisolare Srl, 51% held by SEF Srl (€21 million).

Financing receivables held for operating purposes of €17 million essentially refer to receivables from Hergo Renewables SpA (€5 million), security deposits from the PLT Group (€5 million), receivables of Evolvere SpA Società Benefit (€3 million), and the escrow account relationship with Eni to guarantee loans granted by the latter to Company employees.

Net payables related to capital expenditure of €250 million include €226 million for the net deferred payment of part of the purchase price for the PLT Group by Eni New Energy SpA, €13 million for the deferred payment of part of the purchase price for Eni Plenitude Renewables Luxembourg Sarl, Be Power SpA and SEA SpA, and €8 million related to the debt for the Brazoria project.

Net working capital

Inventories of €33 million mainly relate to the resale of extracommodity goods.

Trade receivables of €2,561 million are recorded net of an allowance for doubtful accounts of €565 million. The increase in net trade receivables of €473 million is related to higher unit prices.

Trade payables amounted to €1,658 million and decreased by €88 million compared to the previous year due to the effects of the reduction in gas and power logistics costs as well as the decrease in prices at the end of the year.

Net tax liabilities of €530 million mainly refer to the liability for the Extraordinary Solidarity Contribution instituted for the year 2023 in the amount of €136 million, net payables for excise duties and surcharges of €65 million (€181 million in 2021), other tax liabilities payable in France (mainly VAT and excise duties) of €170 million (€247 million in 2021), net payables to Eni and subsidiaries for tax consolidation and Group VAT of €32 million and net deferred taxes (mainly related to the fair value gain of derivatives) of €74 million (€518 million in 2021).

Provisions of €73 million mainly relate to contingent liabilities for agent termination indemnities of €19 million, legal disputes of €21 million, site decommissioning and restoration costs of €24 million, and other risks of €9 million. The increase of €26 million is mainly due to changes in the scope of consolidation (€15 million) and to provisions, net of utilizations, for disputes of €8 million.

Other net current assets of €435 million are mainly attributable to net assets from the valuation of derivatives of €585 million (€2,485 million in 2021), the tax credits acquired as part of the energy efficiency activity of €1,269 million (€434 million in 2021), receivables from distributors of €309 million and advances paid to contractors of €106 million (€51 million in 2021), offset by payables to factoring companies for the sale of the tax credit accrued based on the long-term Ecobonus and Superbonus measures of €760 million (€294 million in 2021) and short-term Ecobonus and Superbonus measures of €245 million (€54 million in 2021), security deposits received of €222 million (€223 million in 2021), liabilities from customer contracts of €159 million (€4 million in 2021), other payables to customers of €271 million (€197 million in 2021), deferred revenue of €75 million of the company Brazoria County Solar relating to the tax credit paid to the tax equity partner in 2022, deferred revenue of €55 million (€16 million in 2021) and payables to personnel of €19 million (€16 million in 2021).

The decrease of €1,703 million resulted mainly from the decrease in the fair value of hedging derivatives due to price movements.

Provisions for employee benefits

Provisions for employee benefits of €129 million relate to commitments made as part of corporate restructuring operations in the amount of €99 million (€66 million in 2021), termination benefits in the amount of €14 million (€16 million in 2021), deferred incentives in the amount of €8 million (€7 million in 2021), health plans in the amount of €4 million (€6 million in 2021), the so-called 'gas fund' in the amount of €2 million (€3 million in 2020), jubilee awards in the amount of €1 million (€1 million in 2021) and foreign plans in the amount of €1 million. The increase of €30 million resulted from the €73 million provision relating to the 2022 restructuring operation, offset by disbursements for the year of €25 million (mainly relating to restructuring provisions), a revised estimate of €11 million (also relating to restructuring provisions), and the reclassification of €6 million of charges relating to corporate restructuring to liabilities.

Assets held for sale

Assets held for sale of €8 million consist of the tangible fixed assets of the company PLT. During the year, the sale of the shareholding in the joint venture Gas Distribution Company of Thessaloniki-Thessaly SA to the other shareholder was completed for €165 million, with the recognition of a capital gain on disposal of €30 million.

Statement of comprehensive income (loss)

2020	(€ million)	2022	2021
185	**Combined net profit (loss)**	**(109)**	**161**
0	***Items that are not reclassified to profit or loss in later periods***	***3***	***0***
0	Remeasurements of defined benefit plans	4	0
0	Share of other comprehensive income (loss) on equity-accounted investments		0
0	Tax effect	(1)	0
106	***Items that may be reclassified to profit or loss in later periods***	***(1,075)***	***1,593***
(7)	Currency translation differences	35	8
158	Change in the fair value of cash flow hedge derivatives	(1,534)	2,203
0	Share of other comprehensive income (loss) on equity-accounted investments	14	(7)
(45)	Tax effect	410	(611)
106	**Total other components of comprehensive income (loss)**	**(1,072)**	**1,593**
291	**Total combined comprehensive income (loss)**	**(1,181)**	**1,754**
	attributable to:		
288	**- Plenitude shareholders**	**(1,202)**	**1,742**
3	- Non-controlling interest	21	12

The negative fair value of hedging derivatives is the consequence of the reversal of the large reserve accumulated at the end of 2021 as a result of the increase in gas and electricity prices. As the Group has fixed-price binding sales contracts, it hedges its variable-price purchase exposures using fixed-price swaps. The increase in prices resulted in significant fair values gains at the end of 2021, which were reabsorbed in 2022 with the realization of profits, which contributed to containing purchase costs.

Equity

Equity amounted to €5,350 million, down €1,135 million from the previous year, essentially due to the comprehensive loss of €1,181 million.

Statement of reconciliation of equity

(€ million)		
Equity including non-controlling interest at January 1, 2021	**1,656**	
Combined net profit (loss)	161	
Change in fair value of cash flow hedge derivatives, net of tax effect	1,592	
Share of 'Other comprehensive income (loss)' of equity-accounted investments	(7)	
Currency translation differences	8	
Dividends distributed	(186)	
Capital increases	3,389	
Effect of Reorganization	(131)	
Other changes	2	
Total changes		**4,828**
Equity including non-controlling interest at December 31, 2021		**6,484**
attributable to:		
- Plenitude shareholders		**6,434**
- Non-controlling interest		50
Equity including non-controlling interest at January 1, 2022	**6,484**	
Final PPA 2021	1	
Adjusted equity including non-controlling interest at January 1, 2022	**6,485**	
Combined net profit (loss)	(109)	
Change in fair value of cash flow hedge derivatives, net of tax effect	(1,124)	
Share of 'Other comprehensive income (loss)' of equity-accounted investments	14	
Remeasurements of defined benefit plans for employees, net of tax effect	3	
Currency translation differences	35	
Transactions with third-party shareholders	26	
Effect of Reorganization	20	
Other changes	0	
Total changes		**(1,135)**
Equity including non-controlling interest at December 31, 2022		**5,350**
attributable to:		
- Plenitude shareholders		**5,253**
- Non-controlling interest		97

Leverage and net borrowings

(€ million)	Dec. 31, 2022	Dec. 31, 2021	change
Financial debt and bonds	2,567	2,128	439
- Short-term debt	*2,005*	*1,319*	*686*
- Long-term debt	*562*	*809*	*(247)*
Cash and cash equivalents	(818)	(2,542)	1,724
Financing receivables	(4)		(4)
Net borrowings before lease liabilities as per IFRS 16	**1,745**	**(414)**	**2,159**
Lease liabilities	201	119	82
Net borrowings after lease liabilities as per IFRS 16	**1,946**	**(295)**	**2,241**
Equity including non-controlling interest	**5,350**	**6,485**	**(1,135)**
Leverage before lease liabilities as per IFRS 16	**0.33**	**(0.06)**	**0.39**
Leverage including lease liabilities as per IFRS 16	**0.36**	**(0.05)**	**0.41**

The €2,241 million deterioration in **net borrowings** is mainly due to the acquisitions in the year. For a more detailed analysis, please refer to the comment on the summarized Group cash flow statement.

Leverage, the ratio of net borrowings to equity, was a positive 0.36 compared to a negative 0.05 in the previous year.

Summarized Group cash flow statement[7]

Eni Plenitude's summarized Group cash flow statement derives from the statutory statement of cash flow . It enables investors to understand the connection existing between changes in cash and cash equivalents (deriving from the statutory cash flow statement) and in net borrowings (deriving from the summarized cash flow statement) that occurred during the reporting cycle. The measure enabling such a link is the "free cash flow", that is, the surplus or deficit of cash left over after the investment financing. Starting from free cash flow, which is a non-GAAP performance measurement, it is possible to determine either: (i) changes in cash and cash equivalents for the period by adding/deducting cash flows relating to financing debts/receivables (issuance/repayment of debt and receivables related to financing activities), shareholders' equity (dividends paid, net repurchase of own shares, capital issuance) and the effect of changes in the consolidation scope and of exchange rate differences; and (ii) change in net borrowings for the period by adding/deducting cash flows relating to shareholders' equity and the effect of changes in the consolidation and of exchange rate differences.

SUMMARIZED GROUP CASH FLOW STATEMENT

2020	(€ million)	2022	2021	change
185	**Net profit (loss)**	**(109)**	**161**	**(270)**
	Adjustments to reconcile net profit to net cash provided by operating activities:			
165	- depreciation, amortization and other non-monetary items	383	221	162
	- net gains on disposal of assets	(29)		(29)
99	- dividends, interests, taxes and other changes	204	98	106
(72)	Changes in working capital related to operations	(728)	(218)	(510)
2	Dividends received, taxes paid, interest (paid) received	(94)	(36)	(58)
379	**Net cash provided by operating activities**	**(373)**	**226**	**(599)**
(241)	Capital expenditure	(481)	(366)	(115)
(203)	Investments and purchase of consolidated subsidiaries and businesses	(1,255)	(2,251)	996
	Disposals of investments and tangible and intangible assets	166		166
(5)	Other cash flow related to investing activities	(176)	366	(542)
(70)	**Free cash flow**	**(2,119)**	**(2,025)**	**(94)**
(99)	Changes in short- and long-term finance debt	323	1,361	(1,038)
(6)	Payments of lease liabilities	(18)	(8)	(10)
(49)	Dividends paid and changes in non-controlling interest and reserves	86	3,040	(2,954)
(1)	Exchange differences of cash and cash equivalents and other changes	4		4
(225)	**NET CHANGE IN CASH AND CASH EQUIVALENTS**	**(1,724)**	**2,368**	**(4,092)**

2020	(€ million)	2022	2021	change
(70)	**Free cash flow**	**(2,119)**	**(2,025)**	**(94)**
	Changes in lease liabilities	(40)	(9)	(31)
(67)	Borrowings of acquired companies	(209)	(529)	320
(49)	Dividends paid and changes in non-controlling interest and reserves	86	3,040	(2,954)
	Effect of reorganization	21	54	(33)
(1)	Exchange differences and other changes in net borrowings	20	(9)	29
(187)	**CHANGE IN NET BORROWINGS AFTER LEASE LIABILITIES**	**(2,241)**	**522**	**(2,763)**

The price increase resulted in a significant absorption of working capital and thus depressed the net cash flow from operating activities, which was a negative €373 million (positive €226 million in 2021). Disbursements for capital expenditure (€481 million), acquisitions of consolidated companies and investments (€1,255 million), and the change in financing receivables and payables for investments (negative €176 million), net of proceeds from divestments (€166 million) thus resulted in a negative free cash flow of €2,119 million, to which must be added the borrowing of acquired companies (€209 million) and other positive changes of €87 million, mainly attributable to contributions by minority shareholders in companies that are not wholly owned. The combination of these facts led to a €2,241 million deterioration in net borrowings, which went from net cash of €295 million at the end of 2021 to net debt of €1,946 million at the end of 2022.

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[7] For the reconciliation to the statutory schemes, see the section 'Reconciliation of the summarized group balance sheet and statement of cash flow to statutory schemes'.

Non-GAAP measures (Alternative performance measures)

Management evaluates the underlying performance of the business segments on the basis of Non-GAAP financial measures, which are not provided by IFRS ("Alternative performance measures"), that exclude from EBITDA, operating profit and reported net profit a number of expenses and income that management determines to be extraordinary or unrelated to business operations (special items) before and after tax, respectively, which include, in particular: expenses for leaving incentives, impairment and reversal of assets and the fair value of commodity hedging derivatives that do not qualify for formal hedge accounting.

EBITDA

EBITDA is an Alternative Performance Indicator, not identified as an accounting measure under IFRS, and is determined by adding depreciation, amortization, write-offs and net impairments (reversals) of tangible, intangible and right-to-use assets to 'Operating Profit'.

Adjusted EBITDA

Adjusted EBITDA is defined as EBITDA for the period adjusted for operating income and expenses that management determines to be extraordinary or unrelated to business operations (special items).

Adjusted pro rata EBITDA

Adjusted pro rata EBITDA is determined by adding the relevant pro rata results of the major joint ventures and associates held at period end to the adjusted EBITDA.

Adjusted operating profit and net profit

Adjusted operating profit and net profit are obtained by excluding special items from reported operating profit and net profit. The tax effect related to the components excluded from the calculation of adjusted net profit is determined on the basis of the nature of each income component subject to exclusion.

Special items

Income components are classified as special items, if material, when: (i) they arise from events or transactions whose occurrence is non-recurring, i.e., those transactions or events that do not recur frequently in the ordinary course of business; (ii) they arise from events or transactions that are not representative of the normal course of business, even if they occurred in prior financial years or are likely to occur in subsequent years. Classified under Special Items are the accounting effects of commodity derivatives measured at fair value that do not meet the accounting requirements to be classified as hedges under IFRS, the ineffective portion of hedging derivatives, and the accounting effects of derivatives whose underlying physical transactions are expected in future reporting periods. Both the suspended fair value component related to commodity derivatives and the accrued components will be charged to the results of future reporting periods when the underlying asset occurs.

Pursuant to CONSOB Resolution No. 15519 of 27 July 2006, income components arising from non-recurring events or transactions are disclosed, when substantial, separately in management comments and in financial reporting.

Leverage

Leverage is a Non-GAAP measurement of the Group's financial structure, showing the degree of indebtedness, and is calculated as the ratio of net financial debt to equity including non-controlling interests. Leverage is used to assess the solidity and efficiency of the Group balance sheet in terms of incidence funding sources between third-party funding and equity.

Gearing

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

Free cash flow

Free cash flow represents the link between the cash flow statement, which expresses the change in cash and cash equivalents between the beginning and end of the period of the statutory cash flow statement, and the change in net borrowings between the beginning and end of the period of the summarized cash flow statement. Free cash flow represents the cash surplus or deficit remaining after funding investments and determines either: (i) changes in cash and cash equivalents for the period by adding/deducting cash flows relating to financing debts/receivables (issuance/repayment of debt and receivables related to financing activities), shareholders' equity (dividends paid/capital issuance) and the effects of changes in the consolidation scope and of exchange rate differences on the cash and cash equivalents; and (ii) changes in net borrowings for the period by adding/deducting cash flows relating to shareholders' equity and the effect of changes in the scope consolidation and of exchange rate differences.

Net borrowings

Net borrowings is calculated as financial debt less cash and cash equivalents and short-term financial receivables not related to operating activities. Financial assets that are functional to the conduct of operations qualify as instrumental to operations.

Adjusted pro rata net borrowings

Adjusted pro rata net borrowings is determined by adding to net borrowings the pro rata value of net borrowings attributable to the main joint ventures and associates in the portfolio at the end of the period.

Special items

2020	(€ million)	2022	2021
(43)	**Special items of the EBITDA**	**268**	**61**
20	expenses for leaving incentives	63	(6)
(72)	commodity derivatives	202	(28)
9	other	3	95
6	**Amortization, depreciation, impairments and write-offs**	**18**	**13**
	of which:		
6	*- impairment losses/reversals of tangible, intangible and right-of-use assets and write-offs*	*18*	*13*
12	**Net finance income (expense)**	**(1)**	**11**
0	**Income (expense) from investments**	**(93)**	**0**
	of which:		
	- gain from disposal of Gas Distribution Company of Thessaloniki-Thessali SA	*(30)*	
	- economic effects of Storm transaction	*(74)*	
10	Income taxes	60	(20)
(15)	**Total special items of net profit (loss)**	**252**	**65**

Reconciliation of summarized group balance sheet and statement of cash flow to statutory schemes

Summarized Group balance sheet

Summarized Group balance sheet

Items of Summarized Group Balance Sheet (where not expressly indicated, the item derives directly from the statutory scheme) (€ million)	Notes to the Consolidated Financial Statements	Dec. 31, 2022 Amounts from statutory scheme	Amounts from combined summarized Group scheme
Fixed assets			
Property, plant and equipment			1,846
Right-of-use assets			216
Intangible assets			4,144
Equity-accounted investments and other investments			676
Receivables and securities held for operating activities:			17
- current	(see note 6)	2	
- non-current	(see note 17)	15	
Net payables related to capital expenditure, made up of:			(250)
- payables related to capital expenditure	(see note 19)	(263)	
- receivables related to capital expenditure	(see note 7)	25	
- other current payables related to capital expenditure	(see note 10)	(3)	
- other non-current payables related to capital expenditure	(see note 10)	(9)	
Total fixed assets			**6,649**
Net working capital			
Inventories			33
Trade receivables	(see note 7)		2,561
Trade payables	(see note 19)		(1,658)
Net tax assets (liabilities), made up of:			(530)
- current income tax payables		(170)	
- non-current income tax payables	(see note 9)	(8)	
- other current tax liabilities	(see note 10)	(356)	
- other non-current tax liabilities	(see note 10)	(3)	
- deferred tax liabilities		(194)	
- payables for Italian consolidated accounts and VAT	(see note 19)	(99)	
- receivables for Italian consolidated accounts and VAT	(see note 7)	11	
- current income tax receivables		13	
- other current tax assets	(see note 10)	149	
- other non-current tax assets	(see note 10)	6	
- non-current income tax receivables	(see note 10)	1	
- deferred tax assets	(see note 23)	120	
Provisions			(73)
Other net current assets, made up of:			435
- other receivables	(see note 7)	455	
- other (current) assets	(see note 10)	5,945	
- other (non-current) assets	(see note 10)	1,782	
- other payables	(see note 19)	(585)	
- other (current) liabilities	(see note 10)	(5,493)	
- other (non-current) liabilities	(see note 10)	(1,669)	
Total net working capital			**768**
Provisions for employee benefits			**(129)**
Assets held for sale including related liabilities			**8**
made up of:			
- assets held for sale		8	
- liabilities directly related to assets held for sale			
CAPITAL EMPLOYED, NET			**7,296**
Equity including non-controlling interest			**5,350**
Net borrowings			
Total debt, made up of:			*2,567*
- long-term debt		562	
- current portion of long-term debt		68	
- short-term debt		1,937	
less:			
Cash and cash equivalents			*(818)*
- financing receivables held for non-operating activities			*(4)*
Net borrowings before lease liabilities as per IFRS 16			**1,745**
Lease liabilities, made up of:			201
- long-term lease liabilities		189	
- current portion long-term lease liabilities		12	
Total net borrowings after lease liabilities as per IFRS 16 [1]			**1,946**
TOTAL LIABILITIES AND EQUITY			**7,296**

[1] For more details on the composition of net borrowings, see also page 27.

Summarized Group balance sheet

Items of Summarized Group Balance Sheet (where not expressly indicated, the item derives directly from the statutory scheme) (€ million)	Notes to the Consolidated Financial Statements	Dec. 31, 2021 Amounts from statutory scheme	Amounts from Plenitude consolidated summarized scheme [2]	Combined perimeter delta	Amounts from combined summarized Group scheme [2]
Fixed assets					
Property, plant and equipment			796	49	845
Right-of-use assets			123	2	125
Intangible assets			3,281	2	3,283
Equity-accounted investments and other investments			695		695
Receivables and securities held for operating activities:			20		20
- current	(see note 6)	12			
- non-current	(see note 17)	8			
Net payables related to capital expenditure, made up of:			(414)		(414)
- payables related to capital expenditure	(see note 19)	(404)			
- other current payables related to capital expenditure	(see note 10)	(1)			
- other non-current payables related to capital expenditure	(see note 10)	(9)			
Total fixed assets			**4,501**	**53**	**4,554**
Net working capital					
Inventories			20		20
Trade receivables	(see note 7)		2,088		2,088
Trade payables	(see note 19)		(1,746)		(1,746)
Net tax assets (liabilities), made up of:			(853)		(853)
- current income tax payables		(18)			
- other current tax liabilities	(see note 10)	(435)			
- other non-current tax liabilities	(see note 10)	(1)			
- deferred tax liabilities		(525)			
- payables for Italian consolidated accounts and VAT	(see note 19)	(14)			
- receivables for Italian consolidated accounts and VAT	(see note 7)	73			
- current income tax receivables		5			
- other current tax assets	(see note 10)	50			
- non-current tax assets	(see note 10)	6			
- deferred tax assets	(see note 23)	6			
Provisions			(47)		(47)
Other net current assets (liabilities), made up of:			2,141	(3)	2,138
- other receivables	(see note 7)	80			
- other (current) assets	(see note 10)	5,872			
- other (non-current) assets	(see note 10)	1,126			
- other payables	(see note 19)	(367)			
- other (current) liabilities	(see note 10)	(3,508)			
- other (non-current) liabilities	(see note 10)	(1,062)			
Total net working capital			**1,603**	**(3)**	**1,600**
Provisions for employee benefits			**(99)**		**(99)**
Assets held for sale including related liabilities			**135**		**135**
made up of:					
- assets held for sale		135			
- liabilities directly related to assets held for sale					
CAPITAL EMPLOYED, NET			**6,140**	**50**	**6,190**
Equity including non-controlling interest			**6,504**	**(19)**	**6,485**
Net borrowings					
Total debt, made up of:			2,061	67	2,128
- long-term debt		809			
- current portion of long-term debt		59			
- short-term debt		1,193			
less:					
Cash and cash equivalents			(2,542)		(2,542)
Net borrowings before lease liabilities as per IFRS 16			**(481)**	**67**	**(414)**
Lease liabilities, made up of:			117	2	119
- long-term lease liabilities		109			
- current portion long-term lease liabilities		8			
Total net borrowings after lease liabilities as per IFRS 16 [1]			**(364)**	**69**	**(295)**
TOTAL LIABILITIES AND EQUITY			**6,140**	**50**	**6,190**

[1] For more details on the composition of net borrowings, see also page 27.

[2] Values include the effects of the final allocation of the CEF3, GreenEnergy, Finpower, Eolica Lucana, Dhamma, Anchor and Be Power acquisitions.

Summarized Group cash flow statement

Summarized Group cash flow statement

Items of the summarized Group cash flow statement and confluence/reclassification of items in the statutory scheme (€ million)	2022			
	Amounts from statutory scheme	Amounts of the Group Plenitude summarized scheme	Combined perimeter delta	Values of the combined summarized Group scheme
Net profit (loss)		**(108)**	**(1)**	**(109)**
Adjustments to reconcile net profit (loss) to net cash provided by operating activities:				
Depreciation, amortization and other non-monetary items		385	(2)	383
- depreciation, amortization and impairments	325			
- share of profit (loss) of equity-accounted investments	20			
- net change in provisions for employee benefits	40			
Net gains on disposal of assets		(29)	0	(29)
Dividends, interest, income taxes and other changes		201	3	204
- interest income	(8)			
- interest expense	37			
- income taxes	174			
- other changes	(2)			
Changes in working capital related to operations		(733)	5	(728)
- inventories	(4)			
- trade receivables	(418)			
- trade payables	(147)			
- provisions for contingencies	8			
- other assets and liabilities	(172)			
Dividends received, taxes paid, interest (paid) received		(93)	(1)	(94)
- dividends received	10			
- interest received	9			
- interest paid	(31)			
- income taxes paid, net of tax receivables received	(81)			
Net cash provided by operating activities		**(377)**	**4**	**(373)**
Investing activities:		(532)	51	(481)
- tangible assets	(325)			
- intangible assets	(207)			
Investments and purchase of consolidated subsidiaries		(1,255)	0	(1,255)
- investments	(984)			
- consolidated subsidiaries, net of cash and cash equivalent acquired	(271)			
Other cash flow related to capital expenditure, investments and disposals		(174)	(2)	(176)
- financing receivables held for operating activities	(8)			
- net change in accounts payable and receivable in relation to investments	(166)			
Disposals of investments and consolidated subsidiaries		166	0	166
- investments	*166*			
Free cash flow		**(2,172)**	**53**	**(2,119)**
Changes in short- and long-term finance debt		374	(51)	323
- increase in long-term debt	(143)			
- repayments of long-term debt	(383)			
- increase (decrease) in short-term debt	900			
Repayment of lease liabilities		(15)	(3)	(18)
Dividends paid and changes in non-controlling interest and reserves		85	1	86
- own capital contribution	92			
- acquisition of additional interest in consolidated companies	(6)			
- dividends paid	(1)			
Changes in scope of consolidation and exchange differences on cash and cash equivalents		4	0	4
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		**(1,724)**	**0**	**(1,724)**

Summarized Group cash flow statement

Items of the summarized Group cash flow statement and confluence/reclassification of items in the statutory scheme	2021			
(€ million)	Amounts from statutory scheme	Amounts of the Group Plenitude summarized scheme	Combined perimeter delta	Amounts of the combined summarized Group scheme
Net profit (loss)		**203**	**(42)**	**161**
Adjustments to reconcile net profit (loss) to net cash provided by operating activities:				
Depreciation, amortization and other non-monetary items		203	18	221
- depreciation, amortization and impairments	235			
- write-offs	0			
- share of profit (loss) of equity-accounted investments	(3)			
- other changes	2			
- net change in provisions for employee benefits	(31)			
Dividends, interest, income taxes and other changes		93	5	98
- dividend income	0			
- interest income	(7)			
- interest expense	12			
- income taxes	88			
Changes in working capital related to operations		(206)	(12)	(218)
- inventories	(7)			
- trade receivables	(532)			
- trade payables	493			
- provisions for contingencies	(6)			
- other assets and liabilities	(154)			
Dividends received, taxes paid, interest (paid) received		(41)	5	(36)
- dividends received	10			
- interest received	8			
- interest paid	(10)			
- income taxes paid, net of tax receivables received	(49)			
Net cash provided by operating activities		**252**	**(26)**	**226**
Incesting activities		(260)	(106)	(366)
- tangible assets	(53)			
- intangible assets	(207)			
Investments and purchase of consolidated subsidiaries		(1,851)	(400)	(2,251)
- investments	(48)			
- consolidated subsidiaries, net of cash and cash equivalent acquired	(1,803)			
Net disposals of financing receivables held for operating purposes		(35)	35	0
Net change in accounts payable and receivable in relation to investments		385	(19)	366
Free cash flow		**(1,509)**	**(516)**	**(2,025)**
Changes in short- and long-term finance debt		774	587	1,361
- increase in long-term debt	11			
- repayments of long-term debt	(30)			
- increase (decrease) in short-term debt	793			
Repayment of lease liabilities		(8)	0	(8)
Dividends paid and changes in non-controlling interest and reserves		3,115	(75)	3,040
- own capital contribution	3,300			
- dividends paid	(185)			
Changes in scope of consolidation and exchange differences on cash and cash equivalents				0
- effect of currency translation differences and other changes on cash and cash equivalents				
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		**2,372**	**(4)**	**2,368**

PROFIT AND LOSS ACCOUNT (reconciliation of consolidated data with combined data)

(€ million)	**2022** Amounts from consolidated scheme	**2022** Combined perimeter delta	**2022** Amounts from combined scheme
Sales from operations	12,638	0	12,638
Other income and revenues	112	0	112
Operating expenses	(12,239)	0	(12,239)
Other operating income (expense)	(125)	0	(125)
Depreciation and amortization	(325)	0	(325)
Write-offs	0	0	0
Operating profit (loss)	**61**	**0**	**61**
Finance income (expense)	(83)	(1)	(84)
Net income (expenses) from investments	88	0	88
Profit (loss) before income taxes	**66**	**(1)**	**65**
Income taxes	(174)	0	(174)
Net profit (loss)	**(108)**	**(1)**	**(109)**
attributable to:			
- Plenitude shareholders	**(128)**	**(1)**	**(129)**
- Non-controlling interest	20	0	20

(€ million)	2021 Amounts from consolidated scheme	2021 Combined perimeter delta	2021 Amounts from combined scheme
Sales from operations	7,274	15	7,289
Other income and revenues	93	1	94
Operating expenses	(6,895)	(30)	(6,925)
Other operating income (expense)	83	0	83
Depreciation and amortization	(235)	(19)	(254)
Write-offs	0	0	0
Operating profit (loss)	**320**	**(33)**	**287**
Finance income (expense)	(29)	(8)	(37)
Net income (expenses) from investments	0	(2)	(2)
Profit (loss) before income taxes	**291**	**(43)**	**248**
Income taxes	(88)	1	(87)
Net profit (loss)	**203**	**(42)**	**161**
attributable to:			
- Plenitude shareholders	**191**	**(42)**	**149**
- Non-controlling interest	12	0	12

Risk factors and uncertainties

Preamble

The main business risks, identified and actively managed by the Plenitude Group, are country risk and regulatory risk. These risks, and the methods of managing them, are described below. For a description of financial risks, see the specific section of the Notes on the consolidated financial statements.

Country risk

The Group's activities are mainly located in the countries of the European Union, the United Kingdom and the United States. Therefore the Group has no significant interests in politically or economically unstable countries.

In any case the Plenitude Group periodically monitors the political, social and economic risks of the countries in which it operates, paying attention also to any penalizing changes in the legislative framework, in particular those relating to regulation of the gas and electricity sectors, in order to minimize the effects for the Group.

Risks related to the regulation of the gas and electricity sector in Italy

The Regulatory Authority for Energy, Networks and the Environment (ARERA), by virtue of its founding Law No. 481/95, monitors the price levels of natural gas and defines the economic conditions for the supply of gas to customers who have the right to access the tariff conditions established by the same Authority (so-called protected customers).

The Authority’s decisions in this matter may limit the ability of gas operators to pass increases in the cost of the raw material onto the final price or limit the recognition of costs and risks typical of doing business with protected customers.

Customers entitled to the gas protection service are domestic customers and condominiums with consumption not exceeding 200,000 standard cubic metres (sm^3)/year. In 2013, the Authority reformed the structure of gas tariffs for protected customers in the residential segment, switching to hub indexing of the component covering the cost of the raw material – forward quotations recorded at the Dutch TTF hub – instead of the previous, predominantly oil-linked one, in a market context in which gas hub quotations were significantly lower than those of long-term oil-indexed contracts, introducing incentive tools for operators to promote the renegotiation of long-term supply contracts. Given the context of rising prices between 2021 and 2022, ARERA has launched a series of investigations to evaluate interventions on commodity prices in favour of consumers, with particular reference to gas. As a result of a survey carried out on gas import contracts, with Resolution 374/2022/R/GAS ARERA determined the passage of the reference of the raw material from TTF to PSV with monthly updating of the CMEM component to cover the wholesale natural gas procurement costs for customers under protection conditions.

Law No. 124 of August 4, 2017, the ‘Annual Market and Competition Law’ had initially set July 1, 2019 as the end of the Authority's price protection for the electricity (for domestic customers and small businesses connected to low voltage) and natural gas (for domestic customers as defined above) sectors. The law converting Decree-Law No. 91/2018 (the so-called *Milleproroghe* (Thousand Extensions)) – Law No. 108 of September 21, 2018 – had postponed this deadline to July 1, 2020. Decree-Law No. 162/2019 (the so-called DL Milleproroghe) – Law No. 124/17 was further amended; in particular, for SMEs that are not micro-enterprises, for the electricity supply service, the date was set at January 1, 2021 (the service was then awarded in July 2021 through a tender defined by ARERA with resolution 491/2020/R/eel), while for micro-enterprises for electricity and for households for gas and electricity, it was set at January 1, 2022.

With Law 21/2021 converting DL Milleproroghe 183/2020, the date of leaving the protected market was further amended. In particular, the deadline was postponed from 2022 to 2023 for household customers in the natural gas market, and for micro-enterprises and household customers in the electricity market. As of January 1, 2021, small businesses with more than 10 employees and an annual turnover or a balance sheet total of more than €2 million were expected to be no longer entitled to greater electricity protection; ARERA regulated the tender procedure for assigning the service with effect from 1.7.2021 (from 1.1.21 to 30.6.21, the service was assigned temporarily to operators of greater protection). The assignees of the service were mainly the operators already present in the greater protection service (except for one geographical area, assigned to a free market operator) and the results of the tender showed an alignment with the remuneration of the greater protection service (in 6 out of 9 areas the tender ended with a zero raise). The design of the tender was shown to be functional not so much for liberalization as for tariff continuity vis-à-vis end customers. The 2022 Budget Law No. (Law 233/21) introduced the deadline of January 10, 2024; the date by which ARERA will regulate and assign the graduated protection service to domestic electricity customers who had not yet chosen a free market supplier at that time, guaranteeing continuity of electricity supply.

Therefore, this framework laid down: the abolition of tariff protection confirmed, without derogations, for domestic gas customers and micro-enterprise electricity customers on January 1, 2023, while providing the possibility of derogating from this date, until January 10, 2024, for domestic electricity customers. With Resolution 491/2021/R/eel, ARERA regulated the tender procedure for assigning the graduated protection service for micro-businesses with effect from 1.1.2023 (later postponed to 1.4.2023). ARERA, in a report to government and parliament in June 2022, officially requested the postponement of the end of protection for domestic gas customers to 2024. On 8.09.2022, the Ministry of Ecological Transition (MiTE) published the Ministerial Decree on criteria and methods for overcoming regulated price regimes and on the criteria for ensuring the supply of electricity to micro-enterprises (≤ 15 kW) that, as of January 1, 2023 (later postponed regulatorily to April 1), do not have a supplier on the free market. The same Ministerial Decree (Art. 3, paragraph 5) provided that at the expiry of the period of supply of the Gradual Protection Service (STG), the customer who has not opted for a free market offer will be supplied by the same STG operator on the basis of its most convenient free market offer.

In this context, Decree Law No. 176 of November 18, 2022 (*Aiuti Quater* - Aid C) was introduced, which established in Art. 5 the further extension in the natural gas sector:

- postponement to January 10, 2024 of the deadline for the removal of price protection in the gas sector provided for by the Annual Competition Law No. 124/2017 (Article 1, paragraph 59);
- extension to January 10, 2024 (instead of January 1, 2023) of the deadline from which suppliers and operators of the service of last resort are required to offer vulnerable customers a preferential tariff for the supply of natural gas (amendment to Article 22, paragraph 2-bis.1, Legislative Decree 164/2000).

In view of the abolition of gas and power protection tariffs, measures have been introduced to facilitate the consumer's choice on the free market with adequate information and by providing tools for comparing the market offers from operators. To this end, ARERA has envisaged that operators, in addition to their market offers, will also provide customers, as of March 2018, with a variable price offer and a fixed price offer for gas and electricity at free prices but with comparable contractual conditions regulated by ARERA ('PLACET' offers). There is also a special web portal managed by the purchasing entity, Acquirente Unico, on behalf of ARERA (Portale Offerte) which compares all the gas and electricity offers available. ARERA has recently proposed guidelines – not yet officially decided – on this area of regulation aimed at increasing the possibility of comparing commercial offers on the basis of price.

In implementing the 2022 Budget Law in the gas and electricity retail sector, ARERA, among the measures to combat exceptional increases in energy prices, defined the procedures for the 10-month instalment plan, without interest, for amounts relating to invoices issued in the period between January 1, 2022 and April 30, 2022, which all sellers (both protective services and free market) are required to offer to domestic electricity and natural gas customers who cannot pay the bills issued in this period. Procedures are defined to provide sellers with an advance on the amounts to be paid in instalments exceeding 3% of the amount of the bills issued to all the domestic end customers served by each of them by the end of the month following the one in which the

instalment plan is proposed to the end customer.
In the following quarters, there were no specific indications on instalment payments for households. On the other hand, firstly Decree Law Ukraine B (No. 21/22) and lastly Decree Law *Aiuti Quater* (Aid C) (No. 176/22) provided for instalment provisions for companies with utilities located in Italy and in their name. Currently, pursuant to Decree Law *Aiuti Quater* (Aid C), companies are entitled to request the payment in instalments of the amounts due as consideration for the energy component of electricity and natural gas for uses other than thermoelectric uses and exceeding the average amount accounted for, consumption being equal, in the reference period between January 1, and December 31, 2021 for consumption effected between October 1, 2022 and March 31, 2023 and invoiced by September 30, 2023. Adherence to the instalment plan is an alternative to the use of tax credits.
In this regard, for the first quarter of 2023, the Budget Law 2023 (Law 197/2022) confirmed the tax credits for the purchase of electricity and natural gas already provided for in 2022 (as sanctioned by previous 'emergency' decrees) by updating their values:

- Energy-intensive enterprises: 45% tax credit.
- Gas companies: 45% tax credit.
- Enterprises with electricity meters with an available power of 4.5 kW or more, other than energy-intensive enterprises: 35% tax credit.
- Non-gas companies: 45% tax credit.

On the 'high bills' front, there were successive emergency regulatory provisions that reduced VAT to 5 per cent for civil and industrial gas uses in 2022, and zeroed the General System Charges for domestic and non-domestic power users. Lastly, Budget Law 2023 (No. 197/2022) provides for the following concessions.

GAS

- The 5% VAT reduction for supplies of methane gas used for combustion for civil and industrial purposes accounted for in invoices issued for estimated or actual consumption in January, February and March 2023 is also confirmed for Q1 2023. If supplies are accounted for on the basis of estimated consumption, the 5% VAT also applies to the difference resulting from the amounts recalculated on the basis of actual consumption referring, also in percentage terms, to the months of January, February and March 2023.
- The provisions of paragraph 13 shall also apply to the supply of thermal energy produced with natural gas in execution of an energy service contract accounted for the estimated or actual consumption for the period from 1/01/2023 to 31/03/2023.
- In order to contain for Q1 2023 the effects of price increases in the gas sector, ARERA sets a negative component of the OGdS for the natural gas sector for consumption brackets up to 5,000 cubic metres per year, up to the amount of €3,043 million, while maintaining the zeroing of all other rates of these charges to the value of €500 million.
- District heating supplies, accounted for in invoices issued for estimated or actual consumption in January, February and March 2023, are subject to 5% VAT. Where such supplies are accounted for on the basis of estimated consumption, the 5% VAT rate also applies to the difference arising from the amounts recalculated on the basis of actual consumption referring, also in percentage terms, to the months of January, February and March 2023. By order of the Director of the Revenue Agency, after consulting ARERA, to be issued by 28/02/2023, the methods for the implementation of this paragraph shall be determined.

POWER

- The cancellation of general system charges in the electricity sector for domestic and non-domestic low-voltage users, for other uses, with available power up to 16.5 kW is also confirmed for Q1 2023.

On the subject of high bills and contract renewals, two regulations have recently intervened.

Article 3 of Decree Law *Aiuti bis* (Aid A) (No. 115/2022) established that until 30/04/2023 the effectiveness of any contractual clause allowing the electricity and natural gas supply company to unilaterally change the general terms and conditions of the contract relating to the definition of the price is suspended, even if the counterparty's right of withdrawal is contractually recognized. Until the same date, notices communicated for the aforementioned purposes before the date of entry into force of this decree shall also be ineffective, unless the contractual changes have already been completed.

The subsequent DL Milleproroghe (No. 198/2022) under Article 11 postponed from April 30 to June 30, 2023 the deadline for suspending the effectiveness of any contractual clause that allows the electricity and natural gas supplier to unilaterally amend the general terms and conditions. At the same time, however, it clarified the non-application of the ban on updating economic conditions upon expiry, subject to the contractually stipulated notice periods and without prejudice to the counterparty's right of termination. The aforementioned decree law will be converted by February 23, 2023.

Law No. 205 of December 27, 2017, containing the State budget, Article 1(4) established the principle that ‘in contracts for the supply of electricity and gas, the right to consideration is limited to two years both in relations between domestic users or micro-enterprises (...) or professionals (...) and the seller, and in relations between the distributor and the seller, as well as in those with the transmission operator and with the other parties in the chain.’ This principle did not apply, as stated in paragraph 5 of the same law, ‘where the failure to record consumption data or the erroneous recording of such data results from the established liability of the user.’ Subsequent legislative updates already in force by the Budget Law 2020 (Law No. 160/2019) have modified the legal provisions on the application of the short statute of limitations in case of liability of end customers.

The Regional Administrative Court annulled the ARERA resolution on the exercise of the right to the limitation period by customers (Resolution 184/2020/R/com) for lack of consultation.

In 2021, ARERA completed its regulation on the subject, establishing:

- a principle of responsibility on the part of distributors in informing sales companies of the existence of the so-called ‘impeding causes’ provided for by law that prevent the running of the statute of limitations, based in particular on wilful misconduct on the part of the customer (603/2021/R/com);
- a reimbursement mechanism in favour of sellers who are not responsible for late billing, so that they may be reimbursed for the losses incurred as a result of the statute of limitations being recognized to the customer (604/2021/R/com).

However, the Regional Administrative Court partially annulled Resolution 603, which establishes a duty of disclosure - within a defined timeframe and in a defined manner - on the part of distributors vis-à-vis sales companies; this opens the scenario to probable contradictions in the matter and could have an impact on obtaining refunds.

Gas Settlement

The company has been consistently penalized by an over-allocation of levies with significant cash and financial effects that are incompatible with safeguarding the economic and financial equilibrium of the operators.

The over-allocation was not timely compensated by the adjustment sessions (2020 accruals settled in December 2022 and subsequent accruals still to be paid).

The outlined picture with cash and financial impacts requires the identification of responsibilities, types of errors and solutions, including through:

- the initiation of a regulatory structural review process to avoid a recurrence;
- pending the structural intervention mentioned in the previous point, immediate transitional regulatory intervention to curb these facts.

Incentives for energy efficiency measures

Decree Law No. 4 of January 27, 2022 (so-called *Sostegni ter* (Support B)) intervened in the area of Superbonus - Ecobonus - Measures to counter fraud in the area of tax and economic benefits (Art. 28). The rule limits the possibility of credit assignment under the Superbonus or Ecobonus, establishing:

o in the case of the choice of a discount on the bill, the option of assigning the credit by the person who carried out the interventions with a prohibition on subsequent assignments;

o in the case of assignment of credit, the right to assign the credit by the original beneficiary, with a prohibition on subsequent assignments.

For credits assigned before 7/2, assignment to other parties is permitted only once. Subsequent amendments determined the current Superbonus credit assignment rules, which were consolidated in the following terms by Art. 9 of Decree Law *Aiuti Quater* (Aid C) (No. 176/22):

o with regard to the assignment of credit and invoice discounting referred to in Art. 121, paragraph 1, points (a) and (b) of Decree Law No. 34/2020, the possibility of three further assignments is allowed only if made in favour of banks and financial intermediaries;

o the aforementioned provisions also apply to tax credits subject to communications of the option to assign the credit or invoice discount sent to the Revenue Agency prior to the date of entry into force of the law converting this decree.

Renewables

With Decree-Law No. 4 of January 27, 2022 (the so-called *Sostegni ter* (Support B)), a number of urgent measures were defined, including a major intervention on energy produced by renewable energy plants, with the aim of containing the effects of price increases in the electricity sector. In particular, it introduced a two-way compensation mechanism on the price of energy based on the difference between the average historical reference price of the plant and the market price in the zone. This delta, applied to the energy produced from February to December 2022, will result in a flow from or to the GSE, thus affecting part of the profits of renewable energy producers, linked to the impact of increases in gas prices on electricity prices.

The Group-owned plants affected by the measure are photovoltaic plants that are not incentivized or are incentivized with a fixed premium from the Feed-in Tariff and wind farms that are not incentivized, since they have an installed capacity of more than 20 kW, supplied at market prices or with contracts at an average price 10% higher than the historical reference price.

Further open issues concerning the production of electricity from renewable sources derive from the Italian implementation of EU Regulation 2022/1854 within the Budget Law 2023 (Law no. 197 of December 29, 2022, *State Budget for the financial year 2023 and multi-year budget for the three-year period 2023-2025*) in force since January 1, specifically: paragraphs 30-38 concerning the price cap on revenues from production from infra-marginal sources; paragraphs 115-121 concerning the Temporary Solidarity Contribution 2023.

In detail:

- Establishment of the Temporary Solidarity Contribution to be borne by persons carrying out in the territory of the State, for the subsequent sale of goods, the activities of: production of electricity, production of gas, resale of electricity and gas, production, distribution and trade of petroleum products (excluding small/micro enterprises engaged in the retail trade of automotive fuel, ATECO code 473000), final import of electricity, natural gas or methane gas, petroleum products (or the introduction into the territory of the State of these goods from other EU States). The contribution is determined by applying a rate of 50% to the IRES taxable income for the tax period prior to the one in progress on January 1, 2023, which exceeds the average income earned in the four tax periods prior to the one in progress on January 1, 2022 by at least 10%. The Extraordinary Contribution is due if at least 75 per cent of the revenues of the tax period prior to the one in progress on January 1, 2023 derive from the activities covered by the contribution. The amount of the extraordinary contribution may not exceed 25% of the net assets at the end of the financial year preceding the one in progress on January 1, 2022;

- Limits on revenues over the period December 1, 2022 - June 30, 2023 achievable from the sale (both market and bilateral) of electricity produced from the sources indicated in Article 7 of the EU Regulation. The limit (or price cap), equal to 180 €/MWh, will be financially settled with the GSE - through a one-way contract - based on the difference between this limit and a market price equal to the monthly average of hourly zonal prices weighted on actual production in the case of non-programmable plants and arithmetically in the case of programmable plants. For the operational implementation, ARERA is mandated to express its opinion within 30 days of the measure coming into force.

Risks related to the regulation of the gas and electricity sector: foreign subsidiaries

Spain

On December 27, Royal Decree Law 20/2022 on measures to respond to the economic and social consequences of the war in Ukraine and to support the reconstruction of the island of La Palma and other vulnerable situations was published in the State Official Gazette (BOE). Among the measures introduced related to the energy sector:

- extensions in favour of the spread of self-consumption,
- extension of tax relief on electricity,
- 18-month suspension of tender procedures for the allocation of access capacity to network nodes,
- introduction of a specific (transitional) procedure for obtaining an environmental impact assessment for renewable electricity projects,
- simplified procedure for the authorization of projects and/or reduction of deadlines,
- by March 31, 2023 new Transmission Network Planning to include urgent, strategic and priority actions for the energy transition.

Proposal to update the remuneration parameters applicable to certain electricity generation plants, with a view to their application to the regulatory semi-period starting on January 1, 2023 (Consultation open until next January 20): the proposal was published for consultation on Thursday, December 29, 2022 by the Ministerio para la Transición Ecológica y el Reto Demográfico. The text updates the remuneration parameters for the regulatory period between January 1, 2023 and December 31, 2025, revising the estimates of standard revenues from the sale of energy on the market (for the years 2023, 2024 and 2025, respectively 207.88 €/MWh, 129.66 €/MWh and 78.19 €/MWh) and the parameters directly related to them and, for those plants whose operating costs essentially depend on the price of fuel, the revision of the evolution of fuel costs. The main technology involved would be wind power.

France

In 2022, the French government limited the increase in regulated electricity tariffs for households and small professionals to +4% and froze regulated gas tariffs for households. For 2023, the government increased the frozen regulated electricity and gas tariffs by 15%. Although suppliers will continue to be compensated for 2023, this freeze will continue to have a negative impact on the competitiveness of alternative suppliers. Moreover, the amount of compensation is based on sales prices, which are set by the government below the suppliers' real costs.

The ad hoc compensation mechanism introduced in 2022 for apartment blocks has also been extended until the end of 2023 and now covers both electricity and gas consumption. The government also introduced a new support mechanism for SME electricity consumption until 2023. The compensation that suppliers will give to their customers (both condominiums and SMEs) will be financed by the government. Therefore, their financial and commercial impact is limited. However, their operational implementation will mobilize a large number of internal teams and will have an impact on our ability to carry out our normal activities.

In 2022, the government increased, ex-post by 20 TWh, the volume of ARENH sold to alternative suppliers. For 2023, the government has decided to return to the 100 TWh/year limit. This has an overall negative impact on our business, as ARENH's procurement is significantly cheaper than the wholesale market.

As far as white certificates are concerned, the government has increased the obligation by 25% in 2022, which means that we will have to increase the production and procurement of white certificates (EEC) and revise the EEC prices in our contracts.

Kazakhstan

The government intends to introduce the single offtaker mechanism for the centralized purchase of electricity in Kazakhstan. The mechanism envisages a single point of purchase and sale by a state-owned entity, which will also purchase the electricity produced by renewable power plants. Although the mechanism does not affect the current auction system or existing corporate PPAs, it could create obstacles to the development of bilateral (network-based) PPAs and the company's ability to develop new initiatives through the bilateral PPA framework. Mitigation action: Currently, the industry has submitted to the Mazhilis (lower chamber of parliament) a proposal for an exception for the sale of RES plants to a single supplier. Lobbying for the exception is ongoing.

The National System Operator is raising the issue of the introduction of fines/penalties at the regulatory level for inadequate forecasts by RES plants, i.e. for causing negative or positive imbalances due to the non-predictability of production from RES. Possible mitigation action: the only upward solution could be the introduction of acceptable deviations of 15-20% for such RES imbalances. The proposal is only at the discussion stage and has not yet been submitted to Mazhilis.

The RES regulatory framework is currently uncertain: two investors have concluded cooperation agreements with the government to realize large-scale projects of 1 GW each. In the absence of regulation for bilateral PPAs, the mechanism for implementing these large-scale projects is unknown and entails great risks for investors.

The tariff agreed as part of an agreement with investor A was 19 KZT/kWh, but after the auction in November 2022, the government asked the investor to reduce the tariff to the auction price of 12 KZT/kWh. Mitigation action: The company must constantly participate in auctions and work on the development of regulations without pursuing intergovernmental agreements.

Greece

Recently, the Greek government enacted the so-called Temporary Mechanism for the return of excess revenues from suppliers. The mechanism is as follows: a temporary restitution of 'excess revenues', based on excess revenues from supply activities during a defined period. The Monthly Reasonable Maximum Retail Price, is the average physical cost of electricity, the supplier's reasonable margin, system losses, operating costs, bad debts and other uncertainties. The details will be defined by a special Ministerial Decree after the Regulator's proposal. The average monthly supply price is the monthly weighted average price of each supplier. The Δ between the above, plus any other hedging gains and losses, will be the 'excess revenue'. If Δ is positive, it will be returned (taxed) at 100%. If the Δ is negative, no return is applied, but is offset against the results of the following month. The Ministry of Environment and Energy, in cooperation with the Ministry of

Finance (which issues the tax imputation decisions), ends up extending the first time period for the taxation of surpluses of supply companies, so that instead of covering the quarter August-October 2022, as initially announced, it finally covers the six-month period August 2022-January 2023. After the publication of the ministerial decision, the RAE will have to send letters to companies to submit the necessary data, now for the period until January. It should be noted that of the resulting amounts, companies will be asked to pay 60% immediately, while 40% will be collected after the end of the mechanism, when the final settlement will take place.

The decision of the Ministry of Foreign Affairs to 'activate' the provision of additional subsidies to companies up to 35kVA and bakeries, regardless of supply, caused enormous problems for suppliers, before getting the 'green light' for this from the Commission. The consequence is that suppliers are now caught in an incredible dilemma, in which among other things they must either ask their customers for reimbursement, or accept that they have lost these amounts, 'sacrificing' funds through no fault of their own. As is well known, the 'premiere' of the measure took place in April 2022, when the ministry asked suppliers to provide extra subsidies to this group of consumers (and in fact retroactively from January 2022). Since then, the application of extra subsidies has been repeated in every monthly update of the Ministry to suppliers. However, with the Commission's approval of the scheme, conditions were set for the beneficiaries that were not foreseen in any of the Ministry's previous letters. In fact, the suppliers only discovered the existence of this crisis for the beneficiaries recently, i.e. at the beginning of 2023, when the implementing decree of the approval decision was issued.

A general condition that DG Comp's 'green light' poses retrospectively is that the measure only concerns companies up to 35kVA (and bakeries) that have not received state aid exceeding certain limits. Therefore, the extra subsidies were wrongly paid out horizontally for the whole of 2022 (as the ministry wanted), as customers of suppliers who exceeded the state aid limit may have received extra support. This means that for these customers the supply companies cannot collect the capital spent to cover the electricity subsidies.

Slightly lower than the installed capacity of 'green' generation with which 2022 ended, are the 'green' investments that have received Definitive Connection Conditions from ADMIE, but have not even proceeded to sign a connection contract with the Operator. It is indicative that at the end of last year, RES units connected to the transmission grid and distribution network and with a guaranteed 'tariff' reached 10,154 GW. At the same time, of the stations with a total capacity of 11.3 GW with Definitive Conditions of Connection from ADMIE, 8.9 GW of the projects are 'swamped', as they have not signed a contract to enter the next authorization phase. The above figures show that bogged-down projects represent a 'brake' on the prospect of achieving RES penetration targets by 2030. This is because they tie up valuable electrical 'space' in the transmission grid, which could be used by healthy 'green' investments that would increase the share of renewables in the national energy mix. In this context, according to available information, the Ministry intends to adopt specific filters, with the approval of the relevant legislation. In particular, projects that have received a final connection offer until December 31, 2020 will have to submit an application for a connection contract within three months of the approval of the legislation in order to maintain it. Accordingly, for projects covering the period 2021-2022, there will be 6 months and 12 months for projects receiving connection conditions after 2022.

Involvement in legal actions and proceedings with regulatory authorities

Eni Plenitude is a party in a number of civil actions and administrative arbitral and other judicial proceedings arising in the ordinary course of business. In addition to the provision for litigation accrued in the financial statements, it is possible that Eni Plenitude may incur other liabilities in the future, even significant ones, as a result of: (i) the uncertainty as to the final outcome of legal proceedings for which it has been decided that the outcome is not probable or that the estimate of the liability is unreliable; (ii) the occurrence of further developments or the emergence of new evidence and information that may lead to a revision of the judgment on the probability of losing the case or may provide sufficient elements for a reliable estimate of the amount of the obligation; and (iii) the inaccuracy of estimates of provisions due to the complex process of determining them, which involves subjective judgements by management. Several legal proceedings in which Eni Plenitude or its subsidiaries are involved concern the alleged violation of consumer protection regulations. Violations of laws and regulations, including the consumer protection regulations, by Eni Plenitude, its business partners, agents or others acting in its name or on its behalf may expose Eni Plenitude and its employees to the risk of criminal and civil sanctions that could damage the Company’s reputation.

Outlook

For 2023, adjusted EBITDA is expected to grow and adjusted EBIT is expected to remain stable.

Significant investments are planned to continue mainly in the segments under development (Renewables) and start-up (Electric Mobility) for the growth of these segments.

Commitment to sustainable development

Introduction

The main commitments made by the company and its subsidiaries in the area of sustainable development are set out below, with special reference to the areas of personnel management and health, safety and the environment. In this regard, it should also be noted that, as provided for by Italian law with reference to Benefit Corporations, in compliance with Law no. 208 of December 28, 2015, starting from financial year 2022 Eni Plenitude SpA Società Benefit will attach the Impact Report to its financial statements, in order to report on the impact generated during the entire year with respect to its common benefit purposes. This document discusses initiatives and objectives related to the common benefit purposes, complementing the Sustainability Report, which contains the overall representation of Plenitude’s sustainability approach. The Impact Report is one of the 'integrated' reporting tools on sustainability issues, which supports Plenitude's growth path as a Benefit Corporation.

People

At December 31, 2022, the Group employed 2,360 people.

Employees	31.12.2022	31.12.2021
Italy	1,676	1,445
Outside Italy	684	593
	2,360	**2,038**

The increase of 322 staff compared with December 31, 2021 was caused by the following:

- - increases:
  - 324 resources hired on open-ended contracts;
  - 29 resources hired on fixed-term contracts
  - 189 resources entered the scope of consolidation following the acquisition of control mainly of the PLT Group (175 resources) and OVO Energy France S.A. (merged in December 2022 by Eni G&P France S.A. - 11 resources);
  - 48 resources transferred from other Group companies.
- - reductions:
  - 121 resources that left due to consensual termination pursuant to Art. 4;
  - 130 resources whose employment ended due to death, dismissal, resignation, consensual termination also due to retirement;
  - 9 resources due to the end of their fixed-term contract;
  - 8 resources transferred to other Eni Group companies.

The breakdown by category is as follows:

Employees	31.12.2022	31.12.2021
Executives	90	67
Middle managers and white collar workers	2,215	1,929
Blue collar workers	55	42
	2,360	**2,038**

The distribution of permanent employees by age group is the following:

Age group	31.12.2022	%
< 30	315	13.3%
30-39	750	31.8%
40-49	670	28.4%
50-59	556	23.6%
> 60	69	2.9%
	2,360	**100.0%**

At December 31, 2022, the consolidated subsidiaries employed 2,347 people.

Employees in service	31.12.2022	31.12.2021
Executives	91	69
Middle managers and white collar workers	2,201	1,916
Blue collar workers	55	42
	2,347	**2,027**

The number of employees in service is obtained by subtracting those employees seconded to other companies from employees on the payroll and adding those seconded from other companies.

There are 54 employees of Eni Plenitude SpA and its subsidiaries who during 2022 were seconded to other Eni Group companies, other entities, on leave or excluded from service, while those seconded from other Eni Group companies to Eni Plenitude SpA and subsidiaries numbered 41.

Training

The training program at Eni Plenitude SpA Società Benefit and its subsidiaries involved resources for a total of 58,060 hours, of which 39,705 hours were delivered at Eni Plenitude and 18,355 hours at its Italian and foreign subsidiaries. This training was managed largely with the support of Eni Corporate University SpA, with the help of qualified external teachers and partly with internal teaching.

The economic commitment for the year involved a total investment of €1,744,160, of which €1597752 was made to Eni Corporate University SpA. The economic commitment of Eni Plenitude, in particular, amounted to €1,296,629.

The following should be highlighted as regards the year:

- the ongoing commitment to the institutional training of new recruits and middle management using the Eni Corporate University SpA;
- the significant commitment to training and information on environmental, health, safety and quality issues, for a total of 11,376 hours, with particular reference to compulsory HSEQ training;

- training initiatives with the aim of extending to personnel in Italy and abroad all knowledge of compliance, in order to disseminate the guidelines, regulations and internal procedures designed to ensure observance of the laws in conducting the business of Eni Plenitude;
- attendances at refresher and advanced seminars held at Eni Corporate University SpA or other qualified external organizations, for the development and reinforcement of the transversal skills and specialist know-how of resources operating in the various corporate areas. E.g. Energy Transition with 751 hours and Agile with 1,611 hours;
- targeted and ad hoc training aimed at supporting the business transformation process by developing a transversal and widespread culture in Big Data and Advanced Analytics and the skills required for the new roles to be played. Digital training was also provided, with different levels of depth depending on the roles held. Finally, a company-wide Service Design training program was guaranteed to support innovation activities. A total of 10,112 hours of training were provided in these areas at Eni Plenitude and at the subsidiaries;
- training programs developed with in-house teaching in order to share skills and the most effective work methods for process management;
- training initiatives for the trainers of our commercial partners to ensure they are fully up-to-date and to further the effectiveness of sales and customer care.

Incentive and remuneration systems

Eni Plenitude SpA, in keeping with the merit-based policy linked to roles and responsibilities, consolidated its variable incentive system for executives related to performance assessments, setting individual targets in line with the company's general objectives. In 2022, performance assessment involved almost all executives and middle managers, identified on the basis of their assigned operating and management responsibilities. The incentive policy is linked to the achievement of results and the level of contribution provided. Furthermore, in 2022 the incentive system was confirmed for the sales force operating in Europe. A long-term incentive system in line with the practices and policies of the Eni Group is in place for executives with greater responsibilities and impact on the result of operations.

Health, safety and environment responsibility

Eni Plenitude is committed to achieving the highest standards of worker safety and environmental protection through the continuous dissemination of the culture and best practices on safety and the environment. Eni Plenitude also pursues the objective of constantly improving its performance in the area of prevention and mitigation of risks to the health and safety of its workers and service providers at the sites where it business activities are carried out.

Eni’s strategies and actions for health, safety and the environment are carried out in accordance with what is set out in the corporate policies and outlined in the HSE Management System Guideline (MSG), also adopted at Plenitude. It is implemented through the adoption of management systems that consider the specificity of activities, sites and the continuous improvement of processes.

Eni Plenitude’s commitment of economic resources to protecting the health of its workers and the environment, as well as the implementation of prevention measures to guarantee safety in the workplaces where the company operates, is in line with 2021 and amounted to €5.2 million in 2022 (€5.0 million in 2021), of which €3.1 million (€3.0 million in 2021) on Health and Safety activities and €2.1 million (€2.0 million in 2021) on Transversal and Environmental activities.

Regarding the control of greenhouse gas emissions, 2022 ended with a final balance of $CO_{2\ eq.}$ emissions of 4,869 tonnes, in line with 2021, of which approximately 68% was related to Adriaplin's industrial activities and most of the remaining emissions to the consumption of Plenitude’s and Evolvere's company cars.

Furthermore, thanks to the production of green energy from the Renewables business unit, emissions of 1,211 ktonnes of $CO_{2\ eq}$. were avoided in 2022; this is in fact the amount of $CO_{2\ eq.}$ that would have been released into the atmosphere for the same electricity production with the current generation mix of the various producing countries. Avoided emissions are increasing significantly (512 ktonnes in 2021) in connection with the implementation of programs to develop energy generated from renewable sources.

The risk control system is based on the regular monitoring of HSE indicators and on a structured audit plan covering all sites, organized over several levels of control according to the following types:

- Technical audits to ascertain the adoption of the integrated HSEQ management system and its correct implementation;
- Audits on the acquisition, maintenance and renewal of management system certifications;
- Audits on HSE compliance with applicable regulations;
- Specific audits on targeted issues (e.g. audits following reports, events, accidents or incidents) or at construction sites.

Plenitude works in close synergy with contractors, promoting a culture based on shared ethical and sustainability principles to be reflected in company policies.

Support activities on all safety aspects continued apace for the sites in Italy and abroad. In addition, 7 Safety and Environment Pacts were implemented between SEA SpA and Eni New Energy SpA and the respective third-party companies to which installation/maintenance work is contracted; these are formal, reciprocal commitments that all employers working on the site make personally to always operate in a way that safeguards people and the environment.

In the area of accident prevention, the Total Recordable Injury Rates (TRIR) was 0.23, in relation to a single work-related accident of minor significance, which occurred to contract staff of the SEA company. In previous years it was 0.

In addition to safeguarding the physical well-being of employees, the company's responsibility for health protection is extends increasingly beyond a strictly business operational dynamic to a more social perspective, with the constant implementation of programs aimed at promoting health as well as the control and prevention campaigns, also for the Covid pandemic.

Health protection activities are structured according to a management system that is strongly focused on prevention, where health monitoring is combined with the integrated annual standard programs for environmental surveys.

Other information

Transactions with related parties

Transactions carried out by Eni Plenitude SpA and by the companies included in the consolidation scope with related parties involve essentially the purchase of gas and electricity, the provision of services, the funding and use of financial resources with the parent company Eni SpA and with companies directly or indirectly controlled by the latter. There are also relationships with other companies owned or controlled by the State, mainly with those that manage electricity and natural gas transmission and distribution networks. All transactions undertaken were part of the ordinary operations and were carried out in the interest of the Group companies.

Under the provisions of applicable laws, the company has adopted internal procedures to ensure transparency and the material and procedural correctness of transactions with related parties, carried out by the company itself or by its subsidiaries.

The amounts of trade, financial and other transactions with related parties and a description of the most significant types of operations, as well as the impact of these relations and transactions on the balance sheet, financial results and company cash flows are disclosed in the Notes on the (consolidated and separate) financial statements.

Transactions with the parent company and with companies subject to its control and coordination

Eni Plenitude SpA is subject to the control and coordination of Eni SpA. Relations with Eni SpA and with the companies subject to its control and coordination mainly form part of transactions with related parties and are commented on in the previous point.

Treasury shares and parent company shares

In accordance with Article 40, paragraph 2, letter d) of Legislative Decree No. 127/91, it is hereby certified that Eni Plenitude and its subsidiaries do not hold, nor have they been authorized by their respective Shareholders' Meetings to purchase treasury shares in Eni Plenitude or in the ultimate parent company Eni SpA.

Subsequent events

In December, Plenitude, through its US subsidiary Eni New Energy US, signed an agreement to acquire an 81 MW photovoltaic plant in Kellam (Texas, USA), reaching a total installed capacity in the US of 878 MW. The closing of the transaction took place on January 30, 2023.

In January 2023, Plenitude and Simply Blue Group, an Irish developer of blue economy projects, signed an agreement to jointly develop a pipeline of new floating offshore wind projects in Italy. The first two floating offshore wind projects, 'Messapia' in Apulia and 'Krimisa' in Calabria (with an installed capacity of 1.3 GW and 1.1 GW respectively), have already been submitted to the competent authorities.

Branches

In accordance with Article 2428 of the Italian Civil Code, it is hereby stated that Eni Plenitude SpA does not have any branches.

Obligations under Resolution 11/07 of the Italian Regulatory Authority for Energy, Networks and the Environment (ARERA)

The company sells natural gas and electricity and is therefore subject to the obligations of accounting and administrative unbundling set out in ARERA's Resolution no. 11/07.

For the Board of Directors

Stefano Goberti

Chief Executive Officer

Consolidated financial statements 2022

Eni Plenitude SpA Società Benefit

Consolidated balance sheet

(€ million)	Note	December 31, 2022 Total amount	December 31, 2022 *of which with related parties*	December 31, 2021* Total amount	December 31, 2021* *of which with related parties*
ASSETS					
Current assets					
Cash and cash equivalents	(5)	818	*240*	2,542	*2,352*
Other current financial assets	(6)	6		12	*11*
Trade and other receivables	(7)	3,052	*627*	2,241	*236*
Inventories	(8)	33		20	
Income tax receivables	(9)	13		5	
Other current assets	(10)	6,094	*5,519*	5,922	*5,583*
		10,016		**10,742**	
Non-current assets					
Property, plant and equipment	(11)	1,846		796	
Right-of-use assets	(12)	216		123	
Intangible assets	(13)	4,144		3,281	
Equity-accounted investments	(15)	661		665	
Other investments	(16)	15		30	
Other non-current financial assets	(17)	15		8	
Deferred tax assets	(23)	120		6	
Income tax receivables	(9)	1			
Other non-current assets	(10)	1,788	*872*	1,132	*801*
		8,806		**6,041**	
Assets held for sale	(18)	**8**		**135**	
TOTAL ASSETS		**18,830**		**16,918**	
LIABILITIES AND EQUITY					
Current liabilities					
Short-term debt	(20)	1,937	*1,743*	1,193	*1,086*
Current portion of long-term debt	(20)	68	*2*	59	*3*
Current portion of long-term lease liabilities	(12)	12		8	
Trade and other payables	(19)	2,604	*989*	2,531	*882*
Income tax payables	(9)	170		18	
Other current liabilities	(10)	5,853	*5,231*	3,944	*3,488*
		10,644		**7,753**	
Non-current liabilities					
Long-term debt	(20)	562	*64*	809	*480*
Long-term lease liabilities	(12)	189		109	
Income tax payables	(9)	8		0	
Provisions	(21)	73		47	
Provisions for employee benefits	(22)	129		99	
Deferred tax liabilities	(23)	194		525	
Other non-current liabilities	(10)	1,681	*470*	1,072	*501*
		2,836		**2,661**	
TOTAL LIABILITIES		**13,480**		**10,414**	
EQUITY	(25)				
Share capital		770		770	
Reserve of cash flow hedge net of tax effect		527		1,634	
Cumulative currency translation differences		40		6	
Other reserves		4,044		3,853	
Profit (loss)		(128)		191	
Equity attributable to equity holders of Eni Plenitude		**5,253**		**6,454**	
Non-controlling interest		**97**		**50**	
TOTAL EQUITY		**5,350**		**6,504**	
TOTAL LIABILITIES AND EQUITY		**18,830**		**16,918**	

* Information about the definitive purchase price allocation of business combinations made in 2021 is provided in note 26 – Other information

Consolidated profit and loss account

(€ million)	Note	2022 Total amount	2022 *of which with related parties*	2021 Total amount	2021 *of which with related parties*
Sales from operations		12,638	*1,985*	7,274	*77*
Other income and revenues		112	*15*	93	*14*
TOTAL REVENUE AND OTHER INCOME	(28)	**12,750**		**7,367**	
Purchases, services and other	(29)	(11,815)	*(8,139)*	(6,593)	*(3,870)*
Net (impairments) reversals of trade and other receivables	(7) (29)	(164)	*(2)*	(160)	
Payroll and related costs	(29)	(260)		(142)	
Other operating income (expense)	(24)	(125)	*(125)*	83	*81*
Depreciation, amortization and impairments of tangible, intangible and right-of use assets	(11) (12) (13) (29)	(325)		(235)	
OPERATING EXPENSES		**(12,689)**		**(7,047)**	
OPERATING PROFIT (LOSS)		**61**		**320**	
Finance income		31		12	
Finance expense		(122)	*(30)*	(42)	*(14)*
Derivative financial instruments		8	*(5)*	1	*1*
FINANCE INCOME (EXPENSE)	(30)	**(83)**		**(29)**	
Share of profit (loss) from equity-accounted investments		(20)		3	
Other gain (loss) from investments		108	*30*	(3)	
INCOME (EXPENSE) FROM INVESTMENTS	(15) (31)	**88**		**0**	
PROFIT BEFORE INCOME TAXES		**66**		**291**	
Income taxes	(32)	(174)		(88)	
PROFIT (LOSS)		**(108)**		**203**	
Attributable to:					
Eni Plenitude		**(128)**		**191**	
Non-controlling interest		20		12	
Earnings (losses) per share (€ per share)	(33)	**(0.12)**		**0.25**	

Consolidated statement of comprehensive income (loss)

(€ million)	Note	2022	2021
Profit (loss)		**(108)**	**203**
Items of other comprehensive income (loss):			
Items that are not reclassified to profit or loss in later periods			
Remeasurements of defined benefit plans	(22) (25)	4	
Tax effect	(25)	(1)	0
		3	**0**
Items that may be reclassified to profit or loss in later periods			
Currency translation differences	(25)	35	6
Change in the fair value of cash flow hedge derivatives	(25)	(1,534)	2,203
Share of other comprehensive income (loss) on equity-accounted investments	(25)	14	
Tax effect	(25)	410	(611)
		(1,075)	**1,598**
Total items of other comprehensive income (loss)		**(1,072)**	**1,598**
Total comprehensive income (loss)		**(1,180)**	**1,801**
Attributable to:			
Eni Plenitude		**(1,201)**	**1,789**
Non-controlling interest		21	12

Consolidated statement of changes in equity

(€ million)	Note	Equity attributable to equity holders of Eni Plenitude						Non-controlling interest	Total equity
		Share capital	Reserve of cash flow hedge net of tax effect	Cumulative currency translation differences	Other reserves	Profit (loss)	**Total**		
Balance at December 31, 2021	(25)	**770**	**1,634**	**6**	**3,852**	**191**	**6,453**	**50**	**6,503**
Final PPA 2021					1		**1**		**1**
Post-PPA balance at December 31, 2021		**770**	**1,634**	**6**	**3,853**	**191**	**6,454**	**50**	**6,504**
Profit (loss)						**(128)**	**(128)**	**20**	**(108)**
Items of other comprehensive income (loss):									
Items that are not reclassified to profit or loss in later periods									
Remeasurements of defined benefit plans net of tax effect					3		**3**		**3**
Items that may be reclassified to profit or loss in later periods									
Currency translation differences				34			**34**	1	**35**
Change in the fair value of cash flow hedge derivatives net of tax effect			(1,124)				**(1,124)**		**(1,124)**
Share of other comprehensive income (loss) on equity-accounted investments					14		**14**		**14**
		0	**(1,124)**	**34**	**17**	**0**	**(1,073)**	**1**	**(1,072)**
Total comprehensive income (loss) of the year		**0**	**(1,124)**	**34**	**17**	**(128)**	**(1,201)**	**21**	**(1,180)**
Transactions with shareholders									
Transactions with third-party shareholders							**0**	26	**26**
Allocation of 2021 net profit					191	(191)	**0**		**0**
		0	**0**		**191**	**(191)**	**0**	**26**	**26**
Other changes in equity			17	0	(17)		**0**		**0**
Balance at December 31, 2022		**770**	**527**	**40**	**4,044**	**(128)**	**5,253**	**97**	**5,350**

continued Consolidated statement of changes in equity

(€ million)	Note	Share capital	Reserve of cash flow hedge net of tax effect	Cumulative currency translation differences	Other reserves	Profit (loss)	Total	Non-controlling interest	Total equity
		Equity attributable to equity holders of Eni Plenitude							
Balance at December 31, 2020	(25)	**750**	**42**		**532**	**225**	**1,549**	**38**	**1,587**
Profit (loss)						**191**	**191**	**12**	**203**
Items of other comprehensive income:									
Items that may be reclassified to profit or loss in later periods									
Currency translation differences				6			6		6
Change in the fair value of cash flow hedge derivatives net of tax effect			1,592				1,592		1,592
		0	**1,592**	**6**	**0**	**0**	**1,598**	**0**	**1,598**
Total comprehensive income of the year		**0**	**1,592**	**6**	**0**	**191**	**1,789**	**12**	**1,801**
Transactions with shareholders									
Capital increase for the acquisition of the 'Attività Rinnovabili Italia' business		20			12		32		32
Capital contributions from the shareholder Eni					3,300		3,300		3,300
Dividend distribution of Eni gas e luce (€0.246 per share)						(185)	(185)		(185)
Dividend distribution of other companies							0		0
Allocation of 2020 net profit					40	(40)	0		0
		20	**0**	**0**	**3,352**	**(225)**	**3,147**		**3,147**
Other changes in equity									
Other changes				0	(32)		(32)		(32)
Balance at December 31, 2021		**770**	**1,634**	**6**	**3,852**	**191**	**6,453**	**50**	**6,503**

(€ million)	Note	Share capital	Reserve of cash flow hedge net of tax effect	Other reserves	Profit (loss)	Total	Non-controlling interest	Total equity
		Equity attributable to equity holders of Eni Plenitude						
Balance at December 31, 2019	(25)	**750**	**(71)**	**568**	**149**	**1,396**	**22**	**1,418**
Profit (loss)					**225**	**225**	**3**	**228**
Items of other comprehensive income:								
Items that may be reclassified to profit or loss in later periods								
Change in the fair value of cash flow hedge derivatives net of tax effect			113			**113**		**113**
		0	0	0	0	**113**	0	**113**
Total comprehensive income of the year		**0**	**113**	**0**	**225**	**338**	**3**	**341**
Transactions with shareholders								
Dividend distribution of Eni gas e luce (€0.20 per share)					(150)	**(150)**		**(150)**
Dividend distribution of other companies						**0**	(1)	**(1)**
Allocation of 2019 net profit				(1)	1	**0**		**0**
		0	0	(1)	(149)	**(150)**	(1)	**(151)**
Other changes in equity								
Other changes				(35)		**(35)**	14	**(21)**
Balance at December 31, 2020		**750**	**42**	**532**	**225**	**1,549**	**38**	**1,587**

Consolidated statement of cash flows

(€ million)	Note		2022		2021
Profit (loss)			(108)		203
Adjustments to reconcile profit (loss) to net cash provided by operating activities:					
Depreciation, amortization and impairments of tangible, intangible and right-of use assets	(11) (12) (13) (29)		325		235
Share of (profit) loss from equity-accounted investments			20		(3)
Net gains on disposal of assets			(29)		
Dividends			0		0
Interest income			(8)		(7)
Interest expense			37		12
Income taxes	(32)		174		88
Other changes			(2)		2
Changes in working capital:					
- inventories		(4)		(7)	
- trade receivables		(418)		(532)	
- trade payables		(145)		493	
- provisions		8		(6)	
- other assets and liabilities		(174)		(154)	
Cash flow from changes in working capital			(733)		(206)
Change in the provisions for employee benefits			40		(31)
Dividends received			10		10
Interest received			9		8
Interest paid			(31)		(10)
Income taxes paid, net of tax receivables received			(81)		(49)
Net cash provided by operating activities			**(377)**		**252**
- of which with related parties	(35)		*(6.479)*		*(3.741)*
Investing activities:					
- tangible assets	(11)		(325)		(53)
- intangible assets	(13)		(207)		(207)
- consolidated subsidiaries and businesses net of cash and cash equivalents acquired	(26)		(984)		(1.803)
- investments	(15) (16)		(271)		(48)
- financing receivables held for operating purposes			(11)		(35)
- change in payables in relation to investing activities			(166)		385
Cash flow from investing activities			(1.964)		(1.761)
Disposals:					
- non-consolidated investments			166		
- financing receivables held for operating purposes			3		
Cash flow from disposals			169		
Net cash used in investing activities			**(1.795)**		**(1.761)**
- of which with related parties	(35)		*68*		*(249)*
Increase in long-term financial debt	(20)		(143)		11
Repayments of long-term financial debt	(20)		(383)		(30)
Payments of lease liabilities	(12)		(15)		(8)
Increase (decrease) in short-term financial debt	(20)		900		793
			359		**766**
Dividends paid to the shareholder Eni					(185)
Dividends paid to non-controlling interest			(1)		
Capital contribution from the shareholder Eni			0		3.300
Capital contribution from non-controlling interest			92		
Purchase of additional interests in consolidated subsidiaries			(6)		
Net cash used in financing activities			**444**		**3.881**
- of which with related parties	(35)		*(2.352)*		*4.679*
Effect of currency translation differences and other changes			4		
Net increase (decrease) in cash and cash equivalents			**(1.724)**		**2.372**
Cash and cash equivalents - beginning of the year	(5)		2.542		170
Cash and cash equivalents - end of the year	(5)		818		2.542

Notes on the Consolidated Financial Statements

1 Significant accounting policies, estimates and judgments

Basis of preparation

The Consolidated Financial Statements of Eni Plenitude SpA Società Benefit and its subsidiaries (collectively referred to as Eni Plenitude or the Group) have been prepared on a going concern basis in accordance with International Financial Reporting Standards (IFRS)[1] as issued by the International Accounting Standards Board (IASB) and adopted by the European Union (EU) pursuant to article 6 of the EC Regulation No. 1606/2002 of the European Parliament and of the Council of July 19, 2002, and in accordance with article 9 of the Italian Legislative Decree No. 38/05[2].

The Consolidated Financial Statements have been prepared under the historical cost convention, taking into account, where appropriate, value adjustments, except for certain items that under IFRSs must be measured at fair value as described in the accounting policies that follow. The principles of consolidation and the significant accounting policies that follow have been consistently applied to all years presented, except where otherwise indicated.

The 2022 Consolidated Financial Statements, approved by the Board of Directors of Eni Plenitude on March 9, 2023, were audited by the external auditor PricewaterhouseCoopers SpA. The external auditor of Eni Plenitude, as the main external auditor, is wholly in charge of the auditing activities of the Consolidated Financial Statements; when there are other external auditors, PricewaterhouseCoopers SpA takes the responsibility of their work.

The Consolidated Financial Statements are presented in euros and all values are rounded to the nearest million euros (€ million), except where otherwise indicated.

Significant accounting estimates and judgments

The preparation of the Consolidated Financial Statements requires the use of estimates and assumptions that affect the assets, liabilities, revenue and expenses recognized in the financial statements, as well as amounts included in the notes thereto, including disclosure of contingent assets and contingent liabilities. Estimates made are based on complex judgments and past experience of other assumptions deemed reasonable in consideration of the information available at the time. Although the Company uses its best estimates and judgments, actual results could differ from the estimates and assumptions used. The accounting estimates and judgments relevant for the preparation of the Consolidated Financial Statement are described below.

Principles of consolidation

Subsidiaries

The Consolidated Financial Statements comprise the financial statements of the parent company Eni Plenitude SpA Società Benefit and those of its subsidiaries, being those entities over which the Company has control, either directly or indirectly, through exposure or rights to their variable returns and the ability to affect those returns through its power over the investees. To have power over an investee, the investor must have existing rights that give it the current ability to direct the relevant activities of the investee, i.e. the activities that significantly affect the investee's returns.

Subsidiaries are consolidated, on the basis of consistent accounting policies, from the date on which control is obtained until the date that control ceases.

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1 IFRSs include also International Accounting Standards (IAS), currently effective, as well as the interpretations developed by the IFRS Interpretations Committee, previously named International Financial Reporting Interpretations Committee (IFRIC) and initially Standing Interpretations Committee (SIC).

2 As applied to Eni Plenitude, there are no differences between IFRSs as issued by the IASB and those adopted by the EU, effective for the year 2022.

Assets, liabilities, income and expenses of consolidated subsidiaries are fully recognized with those of the parent in the Consolidated Financial Statements, taking into account the appropriate eliminations of intragroup transactions (see the accounting policy for ‘Intragroup transactions’); the parent's investment in each subsidiary is eliminated against the corresponding parent's portion of equity of each subsidiary. Non-controlling interests are presented separately on the balance sheet within equity; the profit or loss and comprehensive income (loss) attributable to non-controlling interests are presented in specific line items, respectively, in the profit and loss account and in the statement of comprehensive income (loss)[3].

Taking into account the lack of any material[4] impact on the representation of the financial position and performance of the Group[5], the Consolidated Financial Statements do not consolidate subsidiaries that are immaterial, both individually and in the aggregate.

When the proportion of the equity held by non-controlling interests changes, any difference between the consideration paid/received and the amount by which the related non-controlling interests are adjusted is attributed to the Eni Plenitude owners’ equity. Conversely, the sale of equity interests with loss of control determines the recognition in the profit and loss account of: (i) any gain or loss calculated as the difference between the consideration received and the corresponding transferred net assets; (ii) any gain or loss recognized as a result of the remeasurement of any investment retained in the former subsidiary at its fair value; and (iii) any amount related to the former subsidiary previously recognized in other comprehensive income which may be reclassified subsequently to the profit and loss account[6]. Any investment retained in the former subsidiary is recognized at its fair value at the date when control is lost and shall be accounted for in accordance with the applicable measurement criteria.

Interests in joint arrangements

Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Investments in joint ventures are accounted for using the equity method as described in the accounting policy for ‘The equity method of accounting’.

Investments in associates

An associate is an entity over which Eni Plenitude has significant influence, that is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control of those policies.

Investments in associates are accounted for using the equity method as described in the accounting policy for ‘The equity method of accounting’.

Investments in subsidiaries, joint arrangements and associates are presented separately in the annex ‘Investments owned by Eni Plenitude SpA as of December 31, 2022’, which is an integral part of these notes. This annex also includes the changes to the scope of consolidation.

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3 In tax equity partnerships, the tax equity partner is classified as a non-controlling interest and so presented on the balance sheet within equity attributable to non-controlling interests; furthermore, the related profit or loss and comprehensive income (loss) are presented in the specific line items for non-controlling interests, respectively, in the profit and loss account and in the statement of comprehensive income (loss).

4 According to IFRSs, information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.

5 Unconsolidated subsidiaries are accounted for as described in the accounting policy for ‘The equity method of accounting’; for further information, see the annex ‘Investments owned by Eni Plenitude SpA Società Benefit as of December 31, 2022’.

6 Conversely, any amount related to the former subsidiary previously recognized in other comprehensive income, which may not be reclassified subsequently to the profit and loss account, are reclassified in another item of equity.

Consolidated companies' financial statements, as well as their reporting packages prepared for the Group's Consolidated Financial Statements, are audited by external auditors.

The equity method of accounting

Investments in joint ventures, associates and immaterial unconsolidated subsidiaries, are accounted for using the equity method[7].

Under the equity method, investments are initially recognized at cost, allocating it, similarly to business combinations procedures, to the investee's identifiable assets/liabilities; any excess of the cost of the investment over the share of the net fair value of the investee's identifiable assets and liabilities is accounted for as goodwill, not separately recognized but included in the carrying amount of the investment. If this allocation is provisionally recognized at initial recognition, it can be retrospectively adjusted within one year from the acquisition date, to reflect new information obtained about facts and circumstances that existed as of the acquisition dat. Subsequently, the carrying amount is adjusted to reflect: (i) the investor's share of the profit or loss of the investee after the date of acquisition, adjusted to account for depreciation, amortization and any impairment losses of the equity-accounted entity's assets based on their fair values at the date of acquisition; and (ii) the investor's share of the investee's other comprehensive income. Distributions received from an equity-accounted investee reduce the carrying amount of the investment. In applying the equity method, consolidation adjustments are considered (see also the accounting policy for 'Subsidiaries'). Losses arising from the application of the equity method in excess of the carrying amount of the investment, recognized in the profit and loss account within 'Income (Expense) from investments', reduce the carrying amount, net of the related expected credit losses (see below), of any financing receivables towards the investee for which settlement is neither planned nor likely to occur in the foreseeable future (the so-called long-term interests), which are, in substance, an extension of the investment in the investee. The investor's share of any losses of an equity-accounted investee that exceeds the carrying amount of the investment and any long-term interests (the so-called net investment), is recognized in a specific provision only to the extent that the investor has incurred legal or constructive obligations or made payments on behalf of the investee.

Whenever there is objective evidence of impairment (e.g. relevant breaches of contracts, significant financial difficulty, probable default of the counterparty, etc.), the carrying amount of the net investment, resulting from the application of the abovementioned measurement criteria, is tested for impairment by comparing it with the related recoverable amount, determined by adopting the criteria indicated in the accounting policy for 'Impairment of non-financial assets'. When an impairment loss no longer exists or has decreased, any reversal of the impairment loss is recognized in the profit and loss account within 'Income (Expense) from investments'. The impairment reversal of the net investment shall not exceed the previously recognized impairment losses.

The sale of equity interests with loss of joint control or significant influence over the investee determines the recognition in the profit and loss account of: (i) any gain or loss calculated as the difference between the consideration received and the corresponding transferred share; (ii) any gain or loss recognized as a result of the remeasurement of any investment retained in the former joint venture/associate at its fair value[8]; and (iii) any amount related to the former joint venture/associate previously recognized in other comprehensive income which may be reclassified subsequently to the profit and loss account[9]. Any investment retained in the former joint venture/associate is recognized at its fair value at the date when joint control or significant influence is lost and shall be accounted for in accordance with the applicable measurement criteria.

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[7] Joint ventures, associates and immaterial unconsolidated subsidiaries are accounted for at cost less any impairment losses, if this does not result in a misrepresentation of the Group's financial position and performance.

[8] If the retained investment continues to be classified either as a joint venture or an associate and so accounted for using the equity method, no remeasurement at fair value is recognized in the profit and loss account.

[9] Conversely, any amount related to the former joint venture/associate previously recognized in other comprehensive income, which may not be reclassified subsequently to the profit and loss account, are reclassified in another item of equity.

Business combination

Business combinations are accounted for by applying the acquisition method. The consideration transferred in a business combination is the sum of the acquisition-date fair value of the assets transferred, the liabilities incurred and the equity interests issued by the acquirer. The consideration transferred includes also the fair value of any assets or liabilities resulting from contingent considerations, contractually agreed and dependent upon the occurrence of specified future events. Acquisition related costs are accounted for as expenses when incurred.

The acquirer shall measure the identifiable assets acquired and liabilities assumed at their acquisition-date fair values[10], unless another measurement basis is required by IFRSs. The excess of the consideration transferred over the Group's share of the acquisition-date fair values of the identifiable assets acquired and liabilities assumed is recognized, on the balance sheet, as goodwill; conversely, a gain on a bargain purchase is recognized in the profit and loss account.

Any non-controlling interests are measured as the proportionate share in the recognized amounts of the acquiree's identifiable net assets at the acquisition date excluding the portion of goodwill attributable to them (partial goodwill method).

In a business combination achieved in stages, the purchase price is determined by summing the acquisition-date fair value of previously held equity interests in the acquiree and the consideration transferred for obtaining control; the previously held equity interests are remeasured at their acquisition-date fair value and the resulting gain or loss, if any, is recognized in the profit and loss account. Furthermore, on obtaining control, any amount recognized in other comprehensive income related to the previously held equity interests is reclassified to the profit and loss account, or in another item of equity when such amount may not be reclassified to the profit and loss account.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the provisional amounts recognized at the acquisition date shall be retrospectively adjusted within one year from the acquisition date, to reflect new information obtained about facts and circumstances that existed as of the acquisition date.

Significant accounting estimates and judgments: investments and business combinations

The assessment of the existence of control, joint control, significant influence over an investee requires that the management makes complex judgments on the basis of the characteristics of the investee's structure, arrangements between parties and other relevant facts and circumstances. Significant accounting estimates by management are required also for measuring the identifiable assets acquired and the liabilities assumed in a business combination at their acquisition-date fair values. For such measurement, to be performed also for the application of the equity method, Eni Plenitude adopts the valuation techniques generally used by market participants taking into account the available information; for the most significant business combinations, Eni Plenitude engages external independent evaluators.

Intragroup transactions

All balances and transactions between consolidated companies, and not yet realized with third parties, including unrealized profits arising from such transactions have been eliminated.

Unrealized profits arising from transactions between the Group and its equity-accounted entities are eliminated to the extent of the Group's interest in the equity-accounted entity; such accounting treatment is applied also for transfer of businesses to equity-accounted investees (so-called downstream transactions). In both cases, the unrealized losses are not eliminated as the transaction provides evidence of an impairment loss of the asset transferred.

Foreign currency translation

The financial statements of foreign operations having a functional currency other than the euro, that represents the parent's functional currency, as well as the presentation currency of the Consolidated Financial Statements, are translated into euros using the spot exchange rates on the balance sheet

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10 Fair value measurement principles are described in the accounting policy for 'Fair value measurements'.

date for assets and liabilities, historical exchange rates for equity and average exchange rates for the profit and loss account and the statement of cash flows.

The cumulative resulting exchange differences are presented in the separate component of Eni Plenitude owners' equity 'Cumulative currency translation differences'.[11] Cumulative amount of exchange differences relating to a foreign operation are reclassified to the profit and loss account when the entity disposes the entire interest in that foreign operation or when the partial disposal involves the loss of control, joint control or significant influence over the foreign operation. On a partial disposal that does not involve loss of control of a subsidiary that includes a foreign operation, the proportionate share of the cumulative exchange differences is reattributed to the non-controlling interests in that foreign operation. On a partial disposal of interests in joint arrangements or in associates that does not involve loss of joint control or significant influence, the proportionate share of the cumulative exchange differences is reclassified to the profit and loss account. The repayment of share capital made by a subsidiary having a functional currency other than the euro, without a change in the ownership interest, implies that the proportionate share of the cumulative amount of exchange differences relating to the subsidiary is reclassified to the profit and loss account.

The financial statements of foreign operations which are translated into euros are denominated in the foreign operations' functional currencies which generally is the U.S. dollar. The main foreign exchange rates used to translate the financial statements into the parent's functional currency are indicated below:

(currency amount for 1 €)	Annual average exchange rate 2022	Exchange rate at December 31, 2022	Annual average exchange rate 2021	Exchange rate at December 31, 2021
U.S. dollar	1.05	1.07	1.18	1.13
Pound Sterling	0.85	0.89	0.86	0.84
Kazakhstani Tenge	485.69	493.88	504.68	492.48
Australian dollar	1.52	1.57	1.57	1.56

Significant accounting policies

The most significant accounting policies used in the preparation of the Consolidated Financial Statements are described below.

Property, plant and equipment

Property, plant and equipment are carried using the cost model and initially recognised at their purchase price or construction cost including any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. For assets that necessarily take a substantial period of time to get ready for their intended use, the purchase price or construction cost comprises the borrowing costs incurred in the period to get the asset ready for use that would have been avoided if the expenditure had not been made.

In the case of a present obligation for dismantling and removal of assets and restoration of sites, the initial carrying amount of an item of property, plant and equipment includes the estimated (discounted) costs to be incurred when the removal event occurs; a corresponding amount is recognized as part of a specific provision (see the accounting policy for 'Decommissioning and restoration liabilities').

Property, plant and equipment are never revalued for financial reporting purposes.

Expenditures on upgrading, revamping and reconversion are recognized as items of property, plant and equipment when it is probable that they will increase the expected future economic benefits of the asset. Assets acquired for safety or environmental reasons, although not directly increasing the

[11] When the foreign subsidiary is partially owned, the cumulative exchange difference, that is attributable to the non-controlling interests, is allocated to and recognized as part of 'Non-controlling interest'.

future economic benefits of any particular existing item of property, plant and equipment, qualify for recognition as assets when they are necessary for running the business.

Depreciation of tangible assets begins when they are available for use, i.e. when they are in the location and condition necessary for it to be capable of operating as planned. Property, plant and equipment are depreciated on a systematic basis over their useful life. The useful life is the period over which an asset is expected to be available for use by the Company. When tangible assets are composed of more than one significant part with different useful lives, each part is depreciated separately. The depreciable amount is the asset's carrying amount less its residual value at the end of its useful life, if it is significant and can be reasonably determined. Land is not depreciated, even when acquired together with a building. Tangible assets held for sale are not depreciated (see the accounting policy for 'Assets held for sale including related liabilities'). Changes in the asset's useful life, in its residual value or in the pattern of consumption of the future economic benefits embodied in the asset, are accounted for prospectively.

Assets to be handed over for no consideration are depreciated over the shorter term between the duration of the concession or the asset's useful life.

Replacement costs of identifiable parts in complex assets are capitalized and depreciated over their useful life; the residual carrying amount of the part that has been substituted is charged to the profit and loss account. Non-removable leasehold improvements are depreciated over the earlier of the useful life of the improvements and the lease term. Expenditures for ordinary maintenance and repairs are recognized as an expense as incurred.

The carrying amount of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from their use or disposal; any arising gain or loss is recognized in the profit and loss account.

Leases

A contract is, or contains, a lease, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration[12]; such right exists whether, throughout the period of use, the customer has both the right to obtain substantially all of the economic benefits from use of the identified asset and the right to direct the use of the identified asset.

At the commencement date of the lease (i.e. the date on which the underlying asset is available for use), a lessee recognizes on the balance sheet an asset representing its right to use the underlying leased asset (hereinafter also referred as right-of-use asset) and a liability representing its obligation to make lease payments during the lease term (hereinafter also referred as lease liability)[13]. The lease term is the non-cancellable period of a contract, together with, if reasonably certain, periods covered by extension options or by the non-exercise of termination options.

In particular, the lease liability is initially recognized at the present value of the following lease payments[14] that are not paid at the commencement date: (i) fixed payments (including in-substance fixed payments), less any lease incentives receivable; (ii) variable lease payments that depend on an index or a rate[15]; (iii) amounts expected to be payable by the lessee under residual value guarantees; (iv) the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and (v) payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease payments are discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the lessee's incremental borrowing rate. The latter is determined considering the term of the lease, the frequency and currency of the contractual lease payments, as well as the features of the lessee's economic

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12 The assessment of whether the contract is, or contains, a lease is performed at the inception date, that is the earlier of the date of a lease agreement and the date of commitment by the parties to the principal terms and conditions of the lease.

13 Eni Plenitude applies the recognition exemptions allowed for short-term leases (for certain classes of underlying assets) and low-value leases, by recognising the lease payments associated with those leases as an expense on a straight-line basis over the lease term.

14 Eni Plenitude, in accordance with the practical expedient allowed by the accounting standard, does not separate non-lease components from lease components.

15 Conversely, the other kinds of variable lease payments (e.g. payments that depend on the use of an underlying leased asset) are not included in the carrying amount of the lease liability, but are recognized in the profit and loss account as operating expenses over the lease term.

environment (reflected in the country risk premium assigned to each country where Eni Plenitude operates).

After the initial recognition, the lease liability is measured on an amortized cost basis and is remeasured, normally, as an adjustment to the carrying amount of the related right-of-use asset, to reflect changes to the lease payments due, essentially, to: (i) modifications in the lease contract not accounted as a separate lease; (ii) changes in indexes or rates (used to determine the variable lease payments); or (iii) changes in the assessment of contractual options (e.g. options to purchase the underlying asset, extension or termination options).

The right-of-use asset is initially measured at cost, which comprises: (i) the amount of the initial measurement of the lease liability; (ii) any initial direct costs incurred by the lessee[16]; (iii) any lease payments made at or before the commencement date, less any lease incentives received; and (iv) an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease. After the initial recognition, the right-of-use asset is adjusted for any accumulated depreciation[17], any accumulated impairment losses (see the accounting policy for ‘Impairment of non-financial assets’) and any remeasurement of the lease liability.

Significant accounting estimates and judgments: lease transactions

With reference to lease contracts, management makes significant estimates and judgments related to: (i) determining the lease term, making assumptions about the exercise of extension and/or termination options; (ii) determining the lessee's incremental borrowing rate; (iii) identifying and, where appropriate, separating non-lease components from lease components, where an observable stand-alone price is not readily available, taking into account also the analysis performed with external experts; (iv) identifying the variable lease payments and the related characteristics in order to include them in the measurement of the lease liability.

Intangible assets

Intangible assets are identifiable non-monetary assets without physical substance, controlled by the Company and able to generate future economic benefits, and goodwill. Intangible assets are initially recognized at cost as determined by the criteria used for tangible assets. Intangible assets are never revalued for financial reporting purposes.

Intangible assets with finite useful lives are amortized on a systematic basis over their useful life; the amortization is carried out in accordance with the criteria described in the accounting policy for ‘Property, plant and equipment’.

Goodwill and intangible assets with indefinite useful lives are not amortized. For the recoverability of the carrying amounts of goodwill and other intangible assets see the accounting policy for ‘Impairment of non-financial assets’.

Costs of obtaining a contract with a customer are recognized on the balance sheet if the Company expects to recover those costs. The intangible asset arising from those costs is amortized on a systematic basis, that is consistent with the transfer to the customer of the goods or services to which the asset relates, and is tested for impairment.

Costs of technological development activities are capitalized when: (i) the cost attributable to the development activity can be measured reliably; (ii) there is the intention and the availability of financial and technical resources to make the asset available for use or sale; and (iii) it can be demonstrated that the asset is able to generate probable future economic benefits.

The carrying amount of intangible assets is derecognized on disposal or when no future economic benefits are expected from its use or disposal; any arising gain or loss is recognized in the profit and

[16] Initial direct costs are incremental costs of obtaining a lease that would not have been incurred if the lease had not been obtained.

[17] Depreciation charges are recognized on a systematic basis from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. Nevertheless, if the lease transfers ownership of the underlying asset to the lessee by the end of the lease term, or if the cost of the right-of-use asset reflects that the lessee will exercise a purchase option, the right-of-use asset is depreciated from the commencement date to the end of the useful life of the underlying asset.

loss account.

Impairment of non-financial assets

Non-financial assets (tangible assets, intangible assets and right-of-use assets) are tested for impairment whenever events or changes in circumstances indicate that the carrying amounts for those assets may not be recoverable.

The recoverability assessment is performed for each cash-generating unit (hereinafter also CGU) represented by the smallest identifiable group of assets that generate cash inflows that are largely independent of the cash inflows from other assets or group of assets.

CGUs may include corporate assets which do not generate cash inflows independently of other assets or group of assets but which contribute to the future cash flows of more CGUs; the portions of corporate assets are allocated to a specific CGU or, if not possible, to a group of CGUs on a reasonable and consistent basis. Goodwill is tested for impairment at least annually, and whenever there is any indication of impairment, at the lowest level within the entity at which it is monitored for internal management purposes. Right-of-use assets, which generally do not generate cash inflows independently of other assets or groups of assets, are allocated to the CGU to which they belong; the right-of-use assets which cannot be fully attributed to a CGU are considered as corporate assets.

The recoverability of a CGU is assessed by comparing its carrying amount with the recoverable amount, which is the higher of the CGU's fair value less costs of disposal and its value in use. Value in use is the present value of the future cash flows expected to be derived from continuing use of the cash generating unit and, if significant and reliably measurable, the cash flows expected to be obtained from its disposal at the end of its useful life, after deducting the costs of disposal. The expected cash flows are determined on the basis of reasonable and supportable assumptions that represent management's best estimate of the range of economic conditions that will exist over the remaining useful life of the cash-generating unit, giving greater weight to external evidence.

The value in use of CGUs which include material right-of-use assets is calculated, normally, by ignoring lease payments included in the measurement of the lease liabilities.

With reference to commodity prices, management uses the price scenario adopted for economic and financial projections and for the evaluation of investments over their entire life.

For the determination of value in use, the estimated future cash flows are discounted using a rate that reflects a current market assessment of the time value of money and of the risks specific to the asset that are not reflected in the estimated future cash flows. In particular, the discount rate used is the Weighted Average Cost of Capital (WACC) adjusted for the specific country risk of the CGU/asset. These adjustments are measured considering information from external parties. Value in use is calculated net of the tax effect as this method results in values similar to those resulting from discounting pre-tax cash flows at a pre-tax discount rate derived, through an iteration process, from a post-tax valuation.

When the carrying amount of the CGU, including goodwill allocated thereto, determined taking into account any impairment loss of the non-current assets belonging to the CGU, exceeds its recoverable amount, the excess is recognized as an impairment loss. The impairment loss is allocated first to reduce the carrying amount of goodwill; any remaining excess is allocated to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the CGU, up to the related recoverable amount.

When an impairment loss no longer exists or has decreased, a reversal of the impairment loss is recognized in the profit and loss account. The impairment reversal shall not exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. An impairment loss recognized for goodwill is not reversed in a subsequent period[18].

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[18] Impairment losses recognized for goodwill in an interim period are not reversed also when, considering conditions existing in a subsequent interim period, they would have been recognized in a smaller amount or would not have been recognized.

Grants related to assets

Government grants related to assets are recognized by deducting them in calculating the carrying amount of the related assets when there is reasonable assurance that the Company will comply with the conditions attaching to them and the grants will be received.

Inventories

Inventories are measured at the lower of purchase or production cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Materials and other supplies held for use in production are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Significant accounting estimates and judgments: impairment of non-financial assets

The recoverability of non-financial assets is assessed whenever events or changes in circumstances indicate that carrying amounts of the assets may not be recoverable. Such impairment indicators include changes in the Group’s business plans, changes in commodity prices leading to unprofitable performance and reduced capacity utilization of plants. Determination as to whether and how much an asset is impaired involves management estimates on highly uncertain and complex matters such as future commodity prices, future discount rates and economic parameters, the outlook for global or regional market supply-and-demand conditions and the effects of changes in regulatory requirements, etc.

The definition of CGUs and the identification of their appropriate grouping for the purpose of testing for impairment the carrying amount of goodwill require judgment by management. In particular, CGUs are identified considering, inter alia, how management monitors the entity's operations or how management makes decisions about continuing or disposing of the entity's assets and operations.

The expected future cash flows used for impairment analyses are based on judgmental assessments of future prices, costs, growth rates of demand considering available information at the date of review and are discounted by using a rate which considers the risks specific to the asset.

More details on the main assumptions underlying the determination of the recoverable amount of tangible, intangible and right-of-use assets are set out in note 14 - Impairment review of tangible and intangible assets and right-of-use assets.

Financial instruments

Financial assets

Financial assets are classified, on the basis of both contractual cash flow characteristics and the entity's business model for managing them, in the following categories: (i) financial assets measured at amortized cost; (ii) financial assets measured at fair value through other comprehensive income (hereinafter also OCI); (iii) financial assets measured at fair value through profit or loss (hereinafter also FVTPL).

At initial recognition, a financial asset is measured at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable; at initial recognition, trade receivables that do not have a significant financing component are measured at their transaction price.

After initial recognition, financial assets whose contractual terms give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured at amortized cost if they are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows (the so-called hold to collect business model). For financial assets measured at amortized cost, interest income determined using the effective interest rate, foreign exchange differences and any impairment losses[19] (see the accounting policy for

[19] Receivables and other financial assets measured at amortized cost are presented on the balance sheet net of their loss allowance.

‘Impairment of financial assets’) are recognized in the profit and loss account.

Conversely, financial assets that are debt instruments are measured at fair value through OCI (hereinafter also FVTOCI) if they are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets (the so-called hold to collect and sell business model). In these cases: (i) interest income determined using the effective interest rate, foreign exchange differences and any impairment losses (see the accounting policy for ‘Impairment of financial assets’) are recognized in the profit and loss account; (ii) changes in fair value of the instruments are recognized in equity, within other comprehensive income. The accumulated changes in fair value, recognized in the equity reserve related to other comprehensive income, is reclassified to the profit and loss account when the financial asset is derecognized. Currently the Group does not have any financial assets measured at fair value through OCI.

A financial asset represented by a debt instrument that is neither measured at amortized cost nor at FVTOCI, is measured at FVTPL; financial assets held for trading fall into this category. Interest income on assets held for trading contributes to the fair value measurement of the instrument and is recognized in ‘Finance income (expense)’, within ‘Net finance income (expense) from financial assets held for trading’.

When the purchase or sale of a financial asset is under a contract whose terms require delivery of the asset within the time frame established generally by regulation or convention in the marketplace concerned, the transaction is accounted for on the settlement date.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, demand deposits, as well as financial assets originally due, generally, up to 3 months, readily convertible to known amount of cash and subject to an insignificant risk of changes in value.

Impairment of financial assets

The expected credit loss model is adopted for the impairment of financial assets that are debt instruments, but are not measured at FVTPL.

In particular, the expected credit losses are generally measured by multiplying: (i) the exposure to the counterparty’s credit risk net of any collateral held and other credit enhancements (Exposure At Default, EAD); (ii) the probability that the default of the counterparty occurs (Probability of Default, PD); and (iii) the percentage estimate of the exposure that will not be recovered in case of default (Loss Given Default, LGD), considering the past experiences and the range of recovery tools that can be activated (e.g. extrajudicial and/or legal proceedings, etc.).

With reference to trade and other business customer receivables, Probabilities of Default of counterparties are determined by adopting the internal credit ratings already used for credit worthiness and are periodically reviewed using, inter alia, back-testing analyses. For customers without internal credit ratings, the expected credit losses are measured by using a provision matrix, defined by grouping, where appropriate, receivables into adequate clusters to which apply expected loss rates defined on the basis of their historical credit loss experiences, adjusted, where appropriate, to take into account forward-looking information on credit risk of the counterparty or clusters of counterparties[20].

Considering the characteristics of the reference markets, financial assets with more than 180 days past due or, in any case, with counterparties undergoing litigation, restructuring or renegotiation, are considered to be in default. Counterparties are considered undergoing litigation when judicial/legal proceedings aimed to recover a receivable have been activated or are going to be activated. Impairment losses of trade and other receivables are recognized in the profit and loss account, net of any impairment reversal, within the line item of the profit and loss account ‘Net (impairment losses) reversals of trade and other receivables’.

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20 For credit exposures arising from intragroup transactions, the recovery rate is normally assumed equal to 100% taking into account, inter alia, the Group central treasury function which supports both financial and capital needs of subsidiaries.

Significant accounting estimates and judgments: impairment of financial assets

Measuring impairment losses of financial assets requires management evaluation of complex and highly uncertain elements such as, for example, Probabilities of Default of counterparties, the assessment of any collateral or other credit enhancements, the expected exposure that will not be recovered in case of default, as well as the definition of customers' clusters to be adopted.

Further details on the main assumptions underlying the measurement of expected credit losses of financial assets are provided in note 7 - Trade and other receivables.

Investments in equity instruments

Investments in equity instruments that are not held for trading are measured at fair value through other comprehensive income, without subsequent transfer of fair value changes to profit or loss on derecognition of these investments; conversely, dividends from these investments are recognized in the profit and loss account, within the line item ‘Income (Expense) from investments’, unless they clearly represent a recovery of part of the cost of the investment. In limited circumstances, an investment in equity instruments can be measured at cost if it is an appropriate estimate of fair value.

Financial liabilities

At initial recognition, financial liabilities, other than derivative financial instruments, are measured at their fair value, minus transaction costs that are directly attributable, and are subsequently measured at amortized cost.

Significant judgments: financial liabilities

The Group’s companies can negotiate agreements with suppliers an extension of payment terms, without the involvement of a financial institution. In such cases, management judges whether or not payables towards suppliers have to be reclassified as financial liabilities from trade/investing activity. In order to make such judgment, management considers if the payment terms differ from the ones that are customary in the industry, any additional security is provided as part of the arrangement as well as any other facts and circumstances. The classification as a financial liability determines: (i) upon reclassification/initial recognition of the liability, a non-monetary change in financial liabilities, with no impacts on the statement of cash flows; (ii) upon settlement of the liability, the classification of the payment within net cash used in financing activities.

Derivative financial instruments and hedge accounting

Derivative financial instruments, including embedded derivatives (see below) that are separated from the host contract, are assets and liabilities measured at their fair value.

With reference to the defined risk management objectives and strategy, the qualifying criteria for hedge accounting requires: (i) the existence of an economic relationship between the hedged item and the hedging instrument in order to offset the related value changes and the effects of counterparty credit risk do not dominate the economic relationship between the hedged item and the hedging instrument; and (ii) the definition of the relationship between the quantity of the hedged item and the quantity of the hedging instrument (the so-called hedge ratio) consistent with the entity's risk management objectives, under a defined risk management strategy; the hedge ratio is adjusted, where appropriate, after taking into account any adequate rebalancing. A hedging relationship is discontinued prospectively, in its entirety or a part of it, when it no longer meets the risk management objectives on the basis of which it qualified for hedge accounting, it ceases to meet the other qualifying criteria or after rebalancing it.

When derivatives hedge the risk of changes in the fair value of the hedged items (fair value hedge, e.g. hedging of the variability in the fair value of fixed interest rate assets/ liabilities), the derivatives are measured at fair value through profit or loss. Consistently, the carrying amount of the hedged item is adjusted to reflect, in the profit and loss account, the changes in fair value of the hedged item attributable to the hedged risk; this applies even if the hedged item should be otherwise measured. When derivatives hedge the exposure to variability in cash flows of the hedged items (cash flow hedge, e.g. hedging the variability in the cash flows of assets/liabilities as a result of the fluctuations of commodity prices), the effective changes in the fair value of the derivatives are initially recognized in the equity reserve related to other comprehensive income and then reclassified to the profit and loss account in the same period during which the hedged transaction affects the profit and loss account. If a hedged forecast transaction subsequently results in the recognition of a non-financial asset or a non-financial liability, the accumulated changes in fair value of hedging derivatives, recognized in equity, are included directly in the carrying amount of the hedged non-financial asset/liability (commonly referred to as a 'basis adjustment').

The changes in the fair value of derivatives that are not designated as hedging instruments, including any ineffective portion of changes in fair value of hedging derivatives, are recognized in the profit and loss account. In particular, the changes in the fair value of non-hedging derivatives on interest rates and exchange rates are recognized in the profit and loss account line item 'Finance income (expense)'; conversely, the changes in the fair value of non-hedging derivatives on commodities are recognized in the profit and loss account line item 'Other operating (expense) income'.

Derivatives embedded in financial assets are not accounted for separately; in such circumstances, the entire hybrid instrument is classified depending on the contractual cash flow characteristics of the financial instrument and the business model for managing it (see the accounting policy for 'Financial assets'). Derivatives embedded in financial liabilities and/or non-financial assets are separated if: (i) the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host contract; (ii) a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and (iii) the entire hybrid contract is not measured at FVTPL. Eni Plenitude assesses the existence of embedded derivatives to be separated when it becomes party to the contract and, afterwards, when a change in the terms of the contract that modifies its cash flows occurs.

Contracts to buy or sell commodities entered into and continued to be held for the purpose of their receipt or delivery in accordance with the Group's expected purchase, sale or usage requirements are recognized on an accrual basis (the so-called normal sale and normal purchase exemption or own use exemption).

Offsetting financial assets and liabilities

Financial assets and liabilities are set off on the balance sheet if the Group currently has a legally enforceable right to set off and intends to settle on a net basis (or to realize the asset and settle the liability simultaneously).

Derecognition of financial assets and liabilities

Transferred financial assets are derecognized when the contractual rights to receive the cash flows from the financial assets expire or are transferred to another party. Financial liabilities are derecognized when they are extinguished, or when the obligation specified in the contract is discharged, cancelled or expired.

Provisions, contingent liabilities and contingent assets

A provision is a liability of uncertain timing or amount on the balance sheet date.

Provisions are recognized when: (i) there is a present obligation, legal or constructive, as a result of a past event; (ii) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and (iii) the amount of the obligation can be reliably estimated.

The amount recognized as a provision is the best estimate of the expenditure required to settle the present obligation or to transfer it to third parties on the balance sheet date. The amount recognized for onerous contracts is the lower of the cost necessary to fulfill the obligations, net of expected economic benefits deriving from the contracts, and any compensation or penalties arising from failure to fulfill these obligations. Where the effect of the time value is material, and the payment date of the obligations can be reasonably estimated, provisions to be accrued are the present value of the expected cash outflows determined taking into account the risks associated with the obligation. The change in provisions due to the passage of time is recognized within 'Finance income (expense)' in the profit and loss account.

A provision for restructuring costs is recognized only when the Company has a detailed formal plan for the restructuring and has raised a valid expectation in the affected parties that it will carry out the restructuring.

Provisions are periodically reviewed and adjusted to reflect changes in the estimates of costs, timing and discount rates. Changes in provisions are recognized in the same profit and loss account line item where the original provision was charged.

Contingent liabilities are: (i) possible obligations arising from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or (ii) present obligations arising from past events, whose amount cannot be reliably measured or whose settlement will probably not result in an outflow of resources embodying economic benefits. Contingent liabilities are not recognized in the financial statements, but are disclosed.

Contingent assets, that are possible assets arising from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, are not recognized in financial statements unless the realization of economic benefits is virtually certain. Contingent assets are disclosed when an inflow of economic benefits is probable. Contingent assets are assessed periodically to ensure that developments are appropriately reflected in the financial statements.

Decommissioning and restoration liabilities

Liabilities for decommissioning and restoration costs are recognized, together with a corresponding amount as part of the related property, plant and equipment, when the conditions indicated in the accounting policy 'Provisions, contingent liabilities and contingent assets' are met.

Considering the long-time span between the recognition of the obligation and its settlement, the amount recognized is the present value of the future expenditures expected to be required to settle the obligation.

Any change due to the unwinding of discount on provisions is recognized within ‘Finance income (expense)’. Such liabilities are reviewed regularly to take into account the changes in the expected costs to be incurred, contractual obligations, regulatory requirements and practices in force in the countries where the tangible assets are located.

The effects of any changes in the estimate of the liability are recognized generally as an adjustment to the carrying amount of the related property, plant and equipment; however, if the resulting decrease in the liability exceeds the carrying amount of the related asset, the excess is recognized in the profit and loss account.

Significant accounting estimates and judgments: decommissioning and restoration liabilities and other provisions

Eni Plenitude holds provisions for dismantling and removing items of property, plant and equipment, and restoring sites at the end of the production activity. Estimating obligations to dismantle, remove and restore items of property, plant and equipment is complex. It requires management to make estimates and judgments with respect to removal obligations that will come to term many years into the future and contracts and regulations are often unclear as to what constitutes removal. In addition, the ultimate financial impact of environmental laws and regulations is not always clearly known as asset removal technologies and costs constantly evolve in the countries where Eni Plenitude operates, as do political, environmental, safety and public expectations. The estimates about the timing and amount of future cash outflows, any related update, as well as the related discounting, are based on complex managerial judgments.

Any decommissioning and restoration provisions, given their indeterminate settlement dates, are recognized when it is possible to make a reliable estimate of the discounted abandonment costs. In this regard, Eni Plenitude performs periodic reviews for any changes in facts and circumstances that might require recognition of a decommissioning and restoration provision.

In addition to decommissioning and restoration liabilities, Eni Plenitude recognizes provisions primarily related to legal and trade proceedings. These provisions are estimated on the basis of complex managerial judgments related to the amounts to be recognized and the timing of future cash outflows. After the initial recognition, provisions are periodically reviewed and adjusted to reflect the current best estimate.

Employee benefits

Employee benefits are considerations given by the Group in exchange for service rendered by employees or for the termination of employment.

Post-employment benefit plans, including informal arrangements, are classified as either defined contribution plans or defined benefit plans depending on the economic substance of the plan as derived from its principal terms and conditions. Under defined contribution plans, the Company's obligation, which consists in making payments to the State or to a trust or a fund, is determined on the basis of contributions due. The liabilities related to defined benefit plans, net of any plan assets, are determined on the basis of actuarial assumptions and charged on an accrual basis during the employment period required to obtain the benefits.

Net interest includes the return on plan assets and the interest cost. Net interest is measured by applying to the liability, net of any plan assets, the discount rate used to calculate the present value of the liability; net interest of defined benefit plans is recognized in ‘Finance income (expense)’.

Remeasurements of the net defined benefit liability, comprising actuarial gains and losses, resulting from changes in the actuarial assumptions used or from changes arising from experience adjustments, and the return on plan assets excluding amounts included in net interest, are recognized within the statement of comprehensive income. Remeasurements of the net defined benefit liability, recognized within other comprehensive income, are not reclassified subsequently to the profit and loss account.

Obligations for long-term benefits are determined by adopting actuarial assumptions. The effects of remeasurements are taken to profit and loss account in their entirety.

The liabilities for termination benefits are recognized at the earlier of the following dates: (a) when the entity can no longer withdraw the offer of those benefits; and (b) when the entity recognizes costs for a restructuring that involves the payment of termination benefits. Such liabilities are measured in accordance with the nature of the employee benefit. Liabilities for termination benefits are determined applying the requirements: (i) for short-term employee benefits, if the termination benefits are expected to be settled wholly before twelve months after the end of the annual reporting period in which the termination benefits are recognized; or (ii) for long-term benefits if the termination benefits are not expected to be settled wholly before twelve months after the end of the annual reporting period.

Share-based payments

The line item ‘Payroll and related costs’ includes the cost of the share-based incentive plan of the parent Eni, consistent with its actual remunerative nature. The cost of the share-based incentive plan is measured by reference to the fair value of the equity instruments granted and the estimate of the number of shares that eventually vest; the cost is recognized on an accrual basis pro rata temporis over the vesting period, that is the period between the grant date and the settlement date. The fair value of the shares underlying the incentive plan is measured at the grant date, taking into account the estimate of achievement of market conditions (e.g. Total Shareholder Return), and is not adjusted in subsequent periods; when the achievement is linked also to non-market conditions, the number of shares expected to vest is adjusted during the vesting period to reflect the updated estimate of these conditions. If, at the end of the vesting period, the incentive plan does not vest because of failure to satisfy the performance conditions, the portion of cost related to market conditions is not reversed to the profit and loss account.

Significant accounting estimates and judgments: employee benefits and share-based payments

Defined benefit plans are evaluated with reference to uncertain events and based upon actuarial assumptions including, among others, discount rates, expected rates of salary increases, mortality rates, estimated retirement dates and medical cost trends.

The significant assumptions used to account for defined benefit plans are determined as follows: (i)

The significant assumptions used to account for defined benefit plans are determined as follows: (i) discount and inflation rates are based on the market yields on high quality corporate bonds (or, in the absence of a deep market of these bonds, on the market yields on government bonds) and on the expected inflation rates in the reference currency area; (ii) the future salary levels of the individual employees are determined including an estimate of future changes attributed to general price levels (consistent with inflation rate assumptions), productivity, seniority and promotion; (iii) healthcare cost trend assumptions reflect an estimate of the actual future changes in the cost of the healthcare related benefits provided to the plan participants and are based on past and current healthcare cost trends, including healthcare inflation, changes in healthcare utilization, changes in health status of the participants and the contributions paid to health funds; and (iv) demographic assumptions such as mortality, disability and turnover reflect the best estimate of these future events for individual employees involved.

Differences in the amount of the net defined benefit liability (asset), deriving from the remeasurements, comprising, among others, changes in the current actuarial assumptions, differences in the previous actuarial assumptions and what has actually occurred and differences in the return on plan assets, excluding amounts included in net interest, usually occur.

Similar to the approach followed for the fair value measurement of financial instruments, the fair value of the shares underlying the incentive plans is measured by using complex valuation techniques and identifying, through structured judgments, the assumptions to be adopted.

Revenue from contracts with customers

Revenue from contracts with customers is recognized on the basis of the following five steps: (i) identifying the contract with the customer; (ii) identifying the performance obligations, that are promises in a contract to transfer goods and/or services to a customer; (iii) determining the transaction price; (iv) allocating the transaction price to each performance obligation on the basis of the relative stand-alone selling prices of each good or service; and (v) recognizing revenue when (or as) a performance obligation is satisfied, that is when a promised good or service is transferred to a customer. A promised good or service is transferred when (or as) the customer obtains control of it. Control can be transferred over time or at a point in time. With reference to the most important products sold by Eni Plenitude, revenue is generally recognized upon the delivery to the customer.

In particular, for the sale of natural gas and electricity, revenue is determined on the basis of consumption as resulting from actual or estimated readings, applying the specific commercial conditions of the contracts with customers and including the costs related to the transport and dispatching service and related pass-through costs.

Revenue is measured at the fair value of the consideration to which the Company expects to be entitled in exchange for transferring promised goods and/or services to a customer, excluding amounts collected on behalf of third parties. In determining the transaction price, the promised amount of consideration is adjusted for the effects of the time value of money if the timing of payments agreed to by the parties to the contract provides the customer or the entity with a significant benefit of financing the transfer of goods or services to the customer. The promised amount of consideration is not adjusted for the effect of the significant financing component if, at contract inception, it is expected that the period between the transfer of a promised good or service to a customer and when the customer pays for that good or service will be one year or less.

If the consideration promised in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the promised goods and/or services to a customer; in particular, the amount of consideration can vary because of discounts, refunds, incentives, price concessions, performance bonuses, penalties or if the price is contingent on the occurrence or non-occurrence of future events.

If, in a contract, the Company grants a customer the option to acquire additional goods or services for free or at a discount (e.g. sales incentives, customer award points, etc.), this option gives rise to a separate performance obligation in the contract only if the option provides a material right to the customer that it would not receive without entering into that contract.

When goods or services are exchanged for goods or services which are of a similar nature and value, the exchange is not regarded as a transaction which generates revenue.

Significant accounting estimates and judgments: revenue from contracts with customers

Revenue from sales of electricity and gas to retail customers includes the amount accrued for electricity and gas supplied between the date of the last invoiced meter reading (actual or estimated) of volumes consumed and the end of the year. These estimates consider information provided by the grid managers about the volumes allocated among the customers of the secondary distribution network, about the actual and estimated volumes consumed by customers, as well as internal estimates about volumes consumed by customers. Therefore, revenue is accrued as a result of a complex estimate based on the volumes distributed and allocated, communicated by third parties, likely to be adjusted, according to applicable regulations, within the fifth year following the one in which they are accrued, as well as on estimates about volumes consumed by customers. Considering the contractual obligations on the supply delivery points, revenue from sales of electricity and gas to retail customers includes costs for transportation and dispatching and in these cases the gross amount of consideration to which the Company is entitled is recognized.

Costs

Costs are recognized when the related goods and services are sold or consumed during the year, when they are allocated on a systematic basis or when their future economic benefits cannot be identified.

The costs for the acquisition of new knowledge or discoveries, the study of products or alternative processes, new techniques or models, the planning and construction of prototypes or, in any case, costs incurred for other scientific research activities or technological development, which cannot be capitalized (see also the accounting policy for 'Intangible assets'), are included in the profit and loss account when they are incurred.

Exchange differences

Revenues and costs associated with transactions in foreign currencies are translated into the functional currency by applying the exchange rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the spot exchange rate on the balance sheet date and any resulting exchange differences are included in the profit and loss account within 'Finance income (expense)'. Non-monetary assets and liabilities denominated in foreign currencies, measured at cost, are not retranslated subsequent to initial recognition. Non-monetary items measured at fair value, recoverable amount or net realisable value are retranslated using the exchange rate at the date when the value is determined.

Dividends

Dividends are recognized when the right to receive payment of the dividend is established.

Dividends and interim dividends to owners are shown as changes in equity when the dividends are declared by, respectively, the shareholders' meeting and the Board of Directors.

Income taxes

Current income taxes are determined on the basis of estimated taxable profit. Current income tax assets and liabilities are measured at the amount expected to be paid to (recovered from) the taxation authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities are recognized for temporary differences arising between the carrying amounts of the assets and liabilities and their tax bases, based on tax rates and tax laws that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Deferred tax assets are recognized when their recoverability is considered probable, i.e. when it is probable that sufficient taxable profit will be available in the same year as the reversal of the deductible temporary difference.

Similarly, deferred tax assets for the carry-forward of unused tax credits and unused tax losses are recognized to the extent that their recoverability is probable. The carrying amount of the deferred tax assets is reviewed, at least, on an annual basis.

If there is uncertainty over income tax treatments, if the company concludes it is probable that the taxation authority will accept an uncertain tax treatment, it determines the (current and/or deferred) income taxes to be recognized in the financial statements consistent with the tax treatment used or planned to be used in its income tax filings. Conversely, if the company concludes it is not probable that the taxation authority will accept an uncertain tax treatment, the company reflects the effect of uncertainty in determining the (current and/or deferred) income taxes to be recognized in the financial statements.

Relating to the taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint arrangements, the related deferred tax liabilities are not recognized if the investor is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are presented within non-current assets and liabilities and are offset at a single entity level if related to offsettable taxes. The balance of the offset, if positive, is recognized in the line item 'Deferred tax assets' and, if negative, in the line item 'Deferred tax liabilities'. When the results of transactions are recognized in other comprehensive income (loss) or directly in equity, the related current and deferred taxes are also recognized in other comprehensive income (loss) or directly in equity.

Significant accounting estimates and judgments: income taxes

The computation of income taxes involves the interpretation of applicable tax laws and regulations in the various jurisdictions in which Eni Plenitude operates. Although Eni Plenitude aims to maintain a relationship with the taxation authorities characterized by transparency, dialogue and cooperation (e.g. by not using aggressive tax planning and by using, if available, procedures intended to eliminate or reduce tax litigations), there can be no assurance that there will not be a tax litigation with the taxation authorities where the legislation could be open to more than one interpretation. The resolution of tax disputes, through negotiations with relevant taxation authorities or through litigation, could take several years to complete.

The estimate of liabilities related to uncertain tax treatments requires complex judgments by management. After the initial recognition, these liabilities are periodically reviewed for any changes in facts and circumstances.

Management makes complex judgments regarding mainly the assessment of the recoverability of deferred tax assets, related both to deductible temporary differences and unused tax losses, which requires estimates and evaluations about the amount and the timing of future taxable profits.

Assets held for sale including related liabilities

Non-current assets and current and non-current assets included within disposal groups, are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset or the disposal group is available for immediate sale in its present condition.

Non-current assets held for sale, current and non-current assets included within disposal groups that have been classified as held for sale and the liabilities directly associated with them are recognized on the balance sheet separately from other assets and liabilities.

Immediately before the initial classification of a non-current asset and/or a disposal group as held for sale, the non-current asset and/or the assets and liabilities in the disposal group are measured in accordance with applicable IFRSs. Subsequently, non-current assets held for sale are not depreciated or amortized and they are measured at the lower of the fair value less costs to sell and their carrying amount.

If an equity-accounted investment, or a portion of that investment meets the criteria to be classified as held for sale, it is no longer accounted for using the equity method and it is measured at the lower of its carrying amount at the date the equity method is discontinued, and its fair value less costs to sell. Any retained portion of the equity-accounted investment that has not been classified as held for sale is accounted for using the equity method until disposal of the portion that is classified as held for sale takes place. Any difference between the carrying amount of the non-current assets and the fair value less costs to sell is taken to the profit and loss account as an impairment loss; any subsequent reversal is recognized up to the cumulative impairment losses, including those recognized prior to qualification of the asset as held for sale.

If events or circumstances occur that no longer allow to classify a non-current asset or a disposal group as held for sale, the non-current asset or the disposal group is reclassified into the original line items of the balance sheet and measured at the lower of: (i) its carrying amount at the date of classification as held for sale adjusted for any depreciation, amortization, impairment losses and reversals that would have been recognized had the asset or disposal group not been classified as held for sale, and (ii) its recoverable amount at the date of the subsequent decision not to sell.

Fair value measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants (not in a forced liquidation or a distress sale) at the measurement date (exit price).

Fair value measurement is based on the market conditions existing at the measurement date and on the assumptions of market participants (market-based measurement). A fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market to which the entity has access, independently from the entity's intention to sell the asset or transfer the liability to be measured.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

Highest and best use is determined from the perspective of market participants, even if the entity intends a different use; an entity's current use of a non-financial asset is presumed to be its highest and best use, unless market or other factors suggest that a different use by market participants would maximize the value of the asset.

The fair value of a liability, both financial and non-financial, or of the Company's own equity instrument, in the absence of a quoted price, is measured from the perspective of a market participant that holds the identical item as an asset at the measurement date.

The fair value of financial instruments takes into account the counterparty's credit risk for a financial asset (Credit Valuation Adjustment, CVA) and the Company's own credit risk for a financial liability (Debit Valuation Adjustment, DVA).

In the absence of available market quotation, fair value is measured by using valuation techniques that are appropriate in the circumstances, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

Assets and liabilities measured at fair value are categorized into the fair value hierarchy which is defined on the basis of the significance of the inputs used to measure fair value. In particular, on the basis of the features of the inputs used in the measurement, the fair value hierarchy provides for the following levels:

a) Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

b) Level 2: measurements based on inputs, other than quoted prices included within the previous point, there are observable for the asset or liability under measurement, either directly or indirectly;

c) Level 3: unobservable inputs for the asset or liability.

Significant accounting estimates and judgments: fair value

Fair value measurement, although based on the best available information and on the use of appropriate valuation techniques, is inherently uncertain, requires the use of professional judgment and could result in expected values other than the actual ones.

2 Primary financial statements

Assets and liabilities on the balance sheet are classified as current and non-current. Items in the profit and loss account are presented by nature.

The statement of comprehensive income (loss) shows net profit integrated with income and expenses that are not recognized directly in the profit and loss account according to IFRSs.

The statement of changes in equity includes the total comprehensive income (loss) for the year, transactions with owners in their capacity as owners and other changes in equity.

The statement of cash flows is presented using the indirect method, whereby net profit (loss) is adjusted for the effects of non-cash transactions.

3 Changes in accounting policies

The amendments to IFRSs effective from January 1, 2022 and adopted by Eni Plenitude did not have a material impact on the Consolidated Financial Statements.

4 IFRSs not yet effective

IFRSs issued by the IASB and adopted by the EU

By the Commission Regulation No. 2021/2036 issued by the European Commission on November 19, 2021, IFRS 17 "Insurance Contracts" (hereinafter IFRS 17), which replaces IFRS 4 "Insurance Contracts" and sets out the accounting for the insurance contracts issued and the reinsurance contracts held. IFRS 17 shall be applied for annual reporting periods beginning on or after January 1, 2023.

By the Commission Regulation No. 2022/357 issued on March 2, 2022, the European Commission adopted:

- the amendments to IAS 1 "Disclosure of Accounting Policies" (hereinafter the amendments), aimed to provide clarifications on identifying the material accounting policies to be disclosed in the financial statements. The amendments shall be applied for annual reporting periods beginning on or after January 1, 2023.
- the amendments to IAS 8 "Definition of Accounting Estimates" (hereinafter the amendments), which introduce the definition of accounting estimates essentially to clarify how to distinguish changes in accounting policies from changes in accounting estimates. The amendments shall be applied for annual reporting periods beginning on or after January 1, 2023.

By the Commission Regulation No. 2022/1392 issued on August 11, 2022, the European Commission adopted the amendments to IAS 12 "Deferred Tax related to Assets and Liabilities arising from a Single Transaction" (hereinafter the amendments), aimed to require companies to recognize deferred tax on particular transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. The amendments shall be applied for annual reporting periods beginning on or after January 1, 2023.

IFRSs issued by the IASB and not yet adopted by the EU

On January 23, 2020, the IASB issued amendments to IAS 1 "Classification of Liabilities as Current or Non-current" (hereinafter the amendments to IAS 1), which clarify how to classify debt and other liabilities as current or non-current. Further clarification about the classification, as current or non-current, of liabilities with covenants have been provided by the amendments issued on October 31, 2022 ("Non-current Liabilities with Covenants"). The amendments to IAS 1 shall be applied for annual reporting periods beginning on or after January 1, 2024.

On September 22, 2022, the IASB issued the amendments to IFRS 16 “Lease Liability in a Sale and Leaseback” (hereafter the amendments), aimed to clarify the subsequent measurement of lease liabilities arising from sale and leaseback transactions. The amendments shall be applied for annual reporting periods beginning on or after January 1, 2024.

Eni Plenitude is currently reviewing the IFRSs not yet adopted in order to determine the likely impact on the Consolidated Financial Statements.

5. Cash and cash equivalents

Cash and cash equivalents of €818 million (€2,542 million at December 31, 2021) comprised €239 million (€2,352 million at December 31, 2021) in current account balances, deposits and loans with Eni Group's financial institutions and €579 million (€190 million at December 31, 2021) in current account balances with third-party Italian and foreign banks, and essentially consist of deposits in euro and US dollars.

The amount of restricted cash is approximately €54 million (€54 million at December 31, 2021) to guarantee loans granted by third party banks.

The decrease of €1,724 million is mainly due to the use of Plenitude SpA's liquid assets to recapitalize indebted subsidiaries and investments for the year.

6. Other current financial assets

Other financial assets of €6 million (€12 million at December 31, 2021) relate to the PLT Group's security deposits for €5 million and receivables of Evolvere SpA Società Benefit for €1 million. The decrease from the previous year was mainly due to the repayment of financing receivables held for operating purposes of Eni New Energy US Inc to Novis Renewables Holdings Llc for the financing of projects in progress and the entry of new companies into the scope of consolidation.

7. Trade and other receivables

Trade and other receivables of €3,052 million (€2,241 million at December 31, 2021) can be broken down as follows:

(€ million)	**31.12.2022**	**31.12.2021**
Trade receivables	2,561	2,088
Other receivables	491	153
	3,052	**2,241**

Gross trade receivables amount to €3,127 million and are shown net of the €566 million allowance for doubtful accounts. They mainly concern receivables for the gas and electricity bills of retail and business customers.

The increase in net trade receivables of €473 million is mainly related to higher unit prices.

Net trade receivables at December 31, 2022 include the net receivable position from Eni Global Energy Markets SpA, for €200 million, and from Eni G&P for €52 million, accrued in Eni Plenitude SpA and Eni G&P France, with reference to financial derivatives realized at the date and not yet settled.

At December 31, 2022, Eni Plenitude sold without recourse receivables due in 2023 for €281 million (€368 million at December 31, 2021).

By virtue of the contractual provisions set out, Eni Plenitude is responsible for managing the collection of the receivables sold and, within the limits of the same, the transfer of the money received to the factor.

The other receivables can be broken down as follows:

(€ million)	31.12.2022	31.12.2021
Other receivables:		
- from parent company for group VAT	11	73
- advances to suppliers	106	50
- from others	350	30
- from others to adjust purchase price of investments	24	-
	491	**153**

The other receivables from the parent company concern the VAT credit.

Other receivables mainly concern to receivables from the gas and electricity distributors of Eni Plenitude SpA for €309 million, mainly arising from the so-called 'social bonus', i.e., special tariffs granted to customers with certain income levels and reimbursed by the distributors themselves, advances to suppliers for €106 million, receivables from tax authorities other than tax receivables for €13 million, advances for services for €10 million, and receivables from insurance companies for €3 million. The purchase price adjustment receivable refers to the price adjustment related to the acquisition of the PLT group.

The Group distinguishes between credit exposures arising from commercial and other relationships based on the presence of an individual credit line process. In particular, for counterparties subject to an individual credit line process, the probability of default is calculated on the basis of an internal rating which is defined by taking into account: (i) specialist analyses of the customers' current and prospective equity and financial situation; (ii) past commercial and administrative relations (regularity of payments, presence of elements mitigating the risk, etc.); (iii) any additional qualitative information gathered by the commercial functions of the individual businesses and by specialist info-providers; (iv) any specific contractual clauses protecting the credit; (v) trends in the reference sector. Internal ratings and corresponding default probability levels are updated using back-testing analyses and current and forward-looking portfolio risk assessments.

For retail customers, determination of probability of default is carried out by homogeneous customer cluster based on past collection experience, which is systematically updated and supplemented, where necessary, to take account of forward-looking information on the credit risk of counterparty clusters.

For counterparties that are not subject to an individual credit line process and are not classifiable within homogeneous clusters, the expected loss is determined on the basis of a generic model that summarizes the probability of default (PD) and loss given default (LGD) values in a single parameter (ratio of expected loss).

The exposure to credit risk and expected losses relating to customers of Eni Plenitude was assessed based on a provision matrix as follows:

(€ million)	Not-past due	Ageing from 0 to 3 months	from 3 to 6 months	from 6 to 12 months	over 12 months	Total
31.12.2022						
Customers:						
- Retail	1,509	74	35	63	203	1,884
- Business	657	33	11	7	161	869
- Business Eni Group	300					300
- Other	436	1	5	4	1	447
- Other Eni Group	123					123
Gross carrying amount at 31.12.2022	**3,025**	**108**	**51**	**74**	**365**	**3,623**
Allowance for doubtful accounts	(83)	(31)	(31)	(66)	(360)	(571)
Net carrying amount at 31.12.2022	**2,942**	**77**	**20**	**8**	**5**	**3,052**
Expected loss (%)	2.7	28.7	60.8	89.2	98.6	15.7
31.12.2021						
Customers:						
- Retail	1,291	70	55	92	337	1,845
- Business	424	22	5	7	188	646
- Business Eni Group	109					109
- Other	106	43	6	1	3	159
- Other Eni Group	76					76
Gross carrying amount at December 31, 2	**2,006**	**135**	**66**	**100**	**528**	**2,835**
Allowance for doubtful accounts	(63)	(22)	(27)	(52)	(430)	(594)
Net carrying amount at December 31, 20	**1,943**	**113**	**39**	**48**	**98**	**2,241**
Expected loss (%)	3.1	16.3	40.9	52.0	81.4	20.9

The allowance for doubtful accounts for trade and other receivables are broken down as follows:

(€ million)	Trade receivables	Other receivables	Total allowance for doubtful accounts
Allowance for doubtful accounts at 31.12.2021	**592**	**2**	**594**
Additions	158	1	159
Reversals of unutilized provisions	(63)		(63)
Reversal of utilized provisions	(121)		(121)
Change in the scope of consolidation		2	2
Allowance for doubtful accounts at 31.12.2022	**566**	**5**	**571**
Allowance for doubtful accounts at 31.12.2020	**645**	**1**	**646**
Additions	170	1	171
Reversals of unutilized provisions	(44)		(44)
Reversal of utilized provisions	(194)		(194)
Change in the scope of consolidation	15		15
Allowance for doubtful accounts at 31.12.2021	**592**	**2**	**594**

The provision of €158 million is calculated on the basis of the expected loss.

Utilizations of the allowance for doubtful accounts for charges of €121 million derive from both the effect of non-performing disposals and write-offs/reversals during the year.

Because of the short-term maturity and conditions of remuneration of trade and other receivables, the fair values approximated the carrying amounts.

Receivables with related parties are described in note 35 – Transactions with related parties.

8. Inventories

Inventories of finished products and goods of €33 million (€20 million at December 31, 2021) mainly relate to the resale of non-commodity goods.

9. Income tax receivables and payables

Income tax receivables and payables are broken down as follows:

	31.12.2022				31.12.2021			
	Receivables		Payables		Receivables		Payables	
(€ million)	Current	Non Current	Current	Non Current	Current	Non Current	Current	Non Current
Income tax:	**13**	**1**	**170**	**8**	**5**		**18**	
- Italian taxes	8	1	166	8	3		12	
- Foreign taxes	5	0	4		2		6	

Current income tax receivables refer to the tax credits of Italian companies and foreign tax credits.

Income tax payables represent the tax calculated at December 31, 2022 net of advances paid. These relate to Italian tax payables for €174 million and foreign tax payables for €4 million.

The taxes are shown in Note no. 32 - Income taxes.

10. Other assets and liabilities

Other assets and liabilities are disclosed as follows:

	31.12.2022				31.12.2021			
	Receivables		Payables		Receivables		Payables	
(€ million)	Current	Non Current	Current	Non Current	Current	Non Current	Current	Non Current
Fair value of derivative financial instruments	5,551	875	5,296	546	5,750	796	3,497	563
Contract liabilities			159				4	
Other Taxes	149	7	356	3	50	6	435	1
Other assets and liabilities	394	906	42	1,132	122	330	8	508
	6,094	**1,788**	**5,853**	**1,681**	**5,922**	**1,132**	**3,944**	**1,072**

Other current assets of €6,094 million include the fair value of derivative financial instruments of €5,551 million, which is disclosed in Note 24 - Derivative financial instruments, assets related to other taxes for €149 million and other assets for €394 million.

Other tax receivables of €149 million (€50 million at December 31, 2021) mainly relate to the consumer tax advances paid in excess of the amount accrued on the basis of sales to customers for €99 million (€7 million at December 31, 2021), VAT credits for €34 million of the Italian and foreign subsidiaries and other receivables from the tax authorities for €16 million (€6 million at December 31, 2021).

Other current assets of €394 million (€121 million at December 31, 2021) mainly relate to receivables acquired in relation to tax deductions, bonuses, energy efficiency and similar receivables for €366 million (€110 million at December 31, 2021) and expenses for services prepaid in the year but pertaining to the following year for €22 million (€8 million at December 31, 2021).

Other non-current assets of €1,788 million include the fair value of derivative instruments for €875 million, analysed in Note 24 - Derivative financial instruments, and other assets for €906 million, which mainly relate to receivables acquired in relation to tax deductions, bonuses, energy efficiency and similar long-term receivables for €903 million (€324 million at December 31, 2021). The latter, together with the related short-term portion, represent the tax credit transferred to Plenitude that can be used, by offsetting its own tax liabilities, in 5/10 years as provided for by Decree Law No. 34 of April 30, 2019 and subsequent regulations; the types relate to: (i) transfer of tax credit deriving from the *'CappottoMio and anti-seismic measures*' solution; (ii) transfer of tax credit deriving from the *'purchase of boilers and water heaters*" solution by end customers, (iii) transfer of 110% superbonus tax credit.

Other current liabilities of €5,853 million include the fair value of derivative financial instruments for €5,296 million, discussed in Note 24 - Derivative financial instruments, liabilities from contracts with customers for €159 million, liabilities related to other taxes of €356 million and other liabilities for €42 million.

Liabilities related to other taxes of €356 million (€435 million at December 31, 2021) concern the estimate of excise duties on revenues of Eni Plenitude SpA Società Benefit that have not yet been invoiced for €151 million (€128 million at December 31, 2021), the VAT debt for €164 million mainly related to Eni Gas & Power France (€109 million at December 31, 2021), payables for excise duties paid in an amount less than the amount invoiced for €13 million (€60 million at December, 31 2021) and the payables for other duties and taxes for €16 million (€138 million at December 31, 2021) mainly referring to excise duties on natural gas (Taxe intérieure de consommation sur le gaz naturel, TICGN) of Eni Gas & Power France SA and the withholding taxes to be paid for employment and self-employment for €8 million (€6 million at December 31, 2021).

The estimate of excise duties on revenues not yet invoiced is recorded as a contra-entry to receivables for invoices to be issued.

Liabilities from contracts with customers of €159 million are customer advances to guarantee supplies.

Other current liabilities of €42 million (€8 million at December 31, 2021) mainly relate to deferred revenues for €15 million (€4 million at December 31, 2021) and other current liabilities for €23 million and current liabilities for investments for €3 million (€1 million at December 31, 2021).

Other non-current liabilities of €1,681 million (€1,072 million at December 31, 2021) mainly relate to the fair value of derivatives for €546 million (€563 million at December 31, 2021), security deposits with customers relating to gas and electricity commodity supply contracts for €222 million (€223 million at December 31, 2021), the long-term debt to factoring companies related to the transfer of tax credits accrued under the Ecobonus and Superbonus measure for €760 million (€240 million at December 31, 2021), deferred income of €75 million of the company Brazoria County Solar regarding the tax receivable recognized to the tax equity partner, deferred income for €40 million and other non-current liabilities for investments for €9 million.

Transactions with related parties are described in note 35 – Transactions with related parties.

11. Property, plant and equipment

Property, plant and equipment of €1,846 million (€796 million at December 31, 2021 net of the final PPA effect) are disclosed as follows:

(€ million)	Buildings	Plant and machinery	Other plant and machinery	Other assets	Other tangible assets in progress and advances	Total
2022						
Final net carrying amount 2021	**4**	**877**	**2**	**2**	**185**	**1,070**
Final PPA 2021		(274)			0	**(274)**
Net carrying amount - beginning of the year	**4**	**603**	**2**	**2**	**185**	**796**
Additions	2	207		2	114	**325**
Depreciation		(75)		(1)		**(76)**
Net (impairments) reversals					(14)	**(14)**
Currency translation differences		13			3	**16**
Initial recognition and changes in estimates		2				**2**
Change in the scope of consolidation	8	675		1	116	**800**
Transfers		69			(69)	**0**
Other changes		(5)		4	(2)	**(3)**
Net carrying amount - end of the year	**14**	**1,489**	**2**	**8**	**333**	**1,846**
Gross carrying amount - end of the year	18	1,698	4	25	354	**2,099**
Provisions for depreciation and impairment	4	209	2	17	21	**253**
2021						
Net carrying amount - beginning of the year	**1**	**100**	**2**	**1**		**104**
Additions		13			40	53
Depreciation	(1)	(39)		(1)		(41)
Currency translation differences				2	7	9
Change in the scope of consolidation	4	752			181	937
Transfers		43			(43)	0
Other changes		8				8
Net carrying amount - end of the year	**4**	**877**	**2**	**2**	**185**	**1,070**
Gross carrying amount - end of the year	7	1,017	5	18	191	1,238
Provisions for depreciation and impairment	3	140	3	16	6	168

The increase in property, plant and equipment of €1,050 million was mainly due to the inclusion of companies acquired in 2022 in the scope of consolidation (€800 million), capital expenditure for the year (€325 million) and currency translation differences (€16 million), net of depreciation and impairment (€90 million).

Capital expenditures in 2022 relate to: (i) the completion of the photovoltaic plant in Texas with installed capacity of 263 MW, for €150 million; (ii) the construction and completion of photovoltaic plants and wind farms in Italy for €8 million and abroad for €52 million; (iii) the expansion of the network infrastructure of charging points for electric vehicles in Italy for €59 million and (iv) the acquisition of the Australian photovoltaic plants from Eni SpA for about €50 million.

More information on the final PPAs concerning the acquisitions made during 2021 is given in note 26 - Other information.

The main depreciation rates adopted are within the following ranges:

(%)	
Buildings	4-10
Plant and machinery	2-32
Industrial and commercial equipment	3-10
Other assets	3-20

12. Right-of-use assets and lease liabilities

Right-of-use assets of €216 million (€123 million at December 31, 2021 net of the final PPA effect) are disclosed as follows:

(€ million)	Office buildings	Other assets	Total
2022			
Net final carrying amount 2021	**36**	**92**	**128**
Final PPA 2021		(5)	(5)
Net carrying amount - beginning of the year	**36**	**87**	**123**
Additions	31	5	36
Depreciation	(8)	(6)	(14)
Disposals	(4)		(4)
Change in the scope of consolidation		73	73
Currency translation differences		2	2
Net carrying amount - end of the year	**55**	**161**	**216**
Gross carrying amount - end of the year	79	172	251
Provisions for depreciation and impairment	24	11	35
2021			
Net carrying amount - beginning of the year	**39**	**2**	**41**
Additions	3	7	10
Depreciation	(7)	(3)	(10)
Change in the scope of consolidation	1	85	86
Currency translation differences		1	1
Net carrying amount - end of the year	**36**	**92**	**128**
Gross carrying amount - end of the year	52	98	150
Provisions for depreciation and impairment	16	6	22

Right-of-use assets (RoU) of €216 million relate to the rights of use of land on which photovoltaic and wind power plants are installed for €157 million (€90 million at 31 December 2021), the lease of office buildings for €55 million (€36 million at December 31, 2021) and cars for €3 million (€2 million at December 31, 2021).

The change in the scope of consolidation of €73 million relates to the entry of the Renewables energy companies acquired during the year.

Additions of €36 million relate to new contracts and revisions of previous contracts.

Lease liabilities of €201 million (€117 million at December 31, 2021 net of the final PPA effect) were as follows:

(€ million)	Current portion of long-term lease liabilities	Long-term lease liabilities	Total
2022			
Final carrying amount 2021	**8**	**114**	**122**
Final PPA 2021		(5)	(5)
Carrying amount at the beginning of the year	**8**	**109**	**117**
Additions		36	36
Decreases	(7)	(8)	(15)
Change in the scope of consolidation	3	58	61
Currency translation differences		2	2
Other changes	8	(8)	0
Carrying amount at the end of the year	**12**	**189**	**201**
2021			
Carrying amount at the beginning of the year	**6**	**37**	**43**
Additions		10	10
Decreases	(5)	(3)	(8)
Change in the scope of consolidation	1	75	76
Currency translation differences		1	1
Other changes	6	(6)	0
Carrying amount at the end of the year	**8**	**114**	**122**

Total cash outflows for leases amount to €19 million (€9 million at December 31, 2021) and are broken down as follows: (i) cash payments for the principal portion of lease liabilities for €15 million (€8 million in 2021); (ii) cash payments for the interest expense for €4 million (€1 million in 2021).

The change in the scope of consolidation relates to the acquisitions made during the year of companies in the Renewables energy segment for €61 million.

More information on the final PPAs concerning the acquisitions made during 2021 is given in note 26 - Other information.

The amounts recognized in the profit and loss account consist of the following:

(€ million)	2022	2021
Depreciation and amortization:		
- depreciation of right-of-use assets	14	10
Finance income and expense:		
- interests on lease liabilities	4	1
	18	**11**

13. Intangible assets

The breakdown of intangible assets of €4,144 million (€3,281 million at December 31, 2021 net of the final PPA effect) is as follows:

(€ million)	Concessions, licenses, trademarks and similar items	Industrial patents and intellectual property rights	Capitalized costs for customer acquisition	Concession service agreements	Assets under construction and advances	Other intangible assets	Intangible assets with finite useful lives	Goodwill	Total
2022									
Net final carrying amount 2021	**29**	**94**	**349**	**46**	**12**	**29**	**559**	**2,447**	**3,006**
Final PPA 2021	242	14			0	20	**276**	(1)	**275**
Net carrying amount - beginning of the year	**271**	**108**	**349**	**46**	**12**	**49**	**835**	**2,446**	**3,281**
Additions		2	151	3	46	6	**208**		**208**
Amortization	(29)	(36)	(140)	(4)		(8)	**(217)**		**(217)**
Impairments							**0**	(3)	**(3)**
Change in the scope of consolidation	366					24	**390**	485	**875**
Other changes	7	44	(2)	5	(48)	(6)	**0**	0	**0**
Net carrying amount - end of the year	**615**	**118**	**358**	**50**	**10**	**65**	**1,216**	**2,928**	**4,144**
Gross carrying amount - end of the year	719	389	923	103	10	97	**2,241**	2,928	**5,169**
Provisions for amortization and impairment	104	271	565	53		32	**1,025**		**1,025**
2021									
Net carrying amount - beginning of the year	**32**	**94**	**258**	**46**	**11**	**16**	**457**	**1,046**	**1,503**
Additions	5	1	152	4	45		**207**		**207**
Amortization	(9)	(45)	(123)	(4)		(3)	**(184)**		**(184)**
Change in the scope of consolidation	1		62			16	**79**	1,401	**1,480**
Other changes		44			(44)		**0**		**0**
Net carrying amount - end of the year	**29**	**94**	**349**	**46**	**12**	**29**	**559**	**2,447**	**3,006**
Gross carrying amount - end of the year	97	328	778	96	12	52	1,363	2,447	3,810
Provisions for amortization and impairment	68	234	429	50		23	804		804

Concessions, licences, trademarks and similar items of €615 million refer to concessions relating to the plants of companies in the Renewables energy segment for €592 million and to costs for the acquisition and internal development of software for €23 million. Industrial patents and intellectual property rights of €118 million mainly relate to software user rights.

The costs of customer acquisition of €358 million relate to the capitalization, in application of IFRS 15, of commissions paid to agents for acquiring new customers.

Service concession agreements of €50 million relate to work on the distribution network of the subsidiary Adriaplin doo. It should be noted that these rights cannot be sold without the prior consent of the local authorities.

Assets under construction and payments on account of €10 million essentially concern costs incurred for the development of software that had not yet entered into operation at December 31, 2022.

Other intangible assets of €65 million mainly relate to the acquisition of customer portfolios.

Goodwill amounted to €2,928 million. More information on goodwill is given in note 14 – Impairment review of tangible and intangible assets and right-of-use assets. This item increased by €482 million due to acquisitions made during the year, net of impairments.

More information on the final PPAs concerning the acquisitions made during 2021 is given in note 26 - Other information.

The main amortization rates adopted ranged as follows:

(%)	
Concessions, licenses, trademarks and similar items	3-33
Service concession arrangements	10-33
Capitalized costs for customer acquisition	7-33
Concession service agreements	3
Other intangible assets	3-20

14. Impairment review of tangible and intangible assets and right-of-use assets

In order to verify the recoverability of the carrying amounts of non-financial assets (i.e., property, plant and equipment, intangible assets and rights-of-use assets), management considers the presence at year-end of any impairment indicators, which may be of external origin, such as changes in monetary variables (interest/exchange rates, inflation), country risk, changes in the regulatory/contractual framework, and internal origin, such as expected increases in costs, obsolescence and other factors that determine a significant decrease in budgeted net cash flows. In the event of a reversal in the trend of scenario variables or improved industrial performance compared to the comparison period, management assesses whether the factors underlying previous impairment losses have ceased to exist.

Impairment losses are determined by comparing the carrying amount of the assets with their recoverable amount, represented by the higher of the fair values, less costs of disposal and their value in use. Reversals of impairment losses on assets are recognized to the extent that the value that these assets would have had if the impairment losses recognized in previous reporting periods had not been recognized, net of depreciation that would have been calculated in the meantime on their carrying amount before impairment losses.

Given the nature of Eni Plenitude's business, information on the fair value of the assets is difficult to obtain, except when an active negotiation is underway with a potential buyer. Therefore, with the exception of assets resulting from recent acquisitions, management estimates their value-in-use (VIU). Valuation is carried out for each single asset or for the smallest identifiable group of assets that generates cash inflows independent of those generated from other activities (so-called cash generating unit - CGU). The main CGUs of Eni Plenitude's business segments are those to which goodwill from acquisitions and investee companies has been allocated. In this regard, it should be noted that, for the purposes of the 2020 consolidated financial statements, i.e., prior to the acquisition of the businesses operating in the Renewables and Electric Mobility segments (carried out in 2021), the impairment assessments were carried out: (i) considering the foreign 'geographic' CGUs as separate entities (France, Greece and Slovenia), to which the goodwill arising from the acquisitions of these companies was allocated; (ii) combining Eni Plenitude SpA Società Benefit, Sea SpA and Evolvere SpA Società Benefit into a higher-level CGU, called the Italian Market CGU, to which the goodwill arising from the acquisitions of these companies was allocated. This approach was necessary in order to better reflect the important market synergies between the three entities, deriving from the close connection between Plenitude's business, which is oriented towards energy efficiency, and those of SEA and Evolvere, operating in synergic sectors, as well as from the fact that the asset on which all the businesses of the three companies revolve is the customer, which cannot be segregated by product (commodity/non-commodity) or by legal entity, but which acquires value precisely in consideration of the possibility of offering different services by different legal entities.

Starting in 2021, Eni Plenitude changed its organizational structure and strategy with the aim of exploiting cross-country synergies and maximizing results in individual international markets. In relation to this, the CGU structure envisages: (i) with reference to the Retail segment, the identification of CGUs referring to entities operating both in the business of retail sales of energy commodities and in the energy efficiency business. With regard to the recoverability of all goodwill deriving from the business combinations pertaining to the Retail segment, this was verified by considering the CGU of a higher level, called the 'Italy-Export Market CGU'; (ii) the identification of a single CGU related to the Electric Mobility segment, which includes the tangible assets and the goodwill related to the acquisition of Be Power. With reference to the Renewables segment, the valuation is carried out at the asset level, in production and under development, relating to photovoltaic/wind power plants, or pools of assets, in the event that the management monitors them as a unit in relation to technical, economic or contractual aspects. With regard to the recoverability of all goodwill deriving from business combinations pertaining to the Renewables segment, this was verified by considering the CGU of a higher level, called the ‘Renewables CGU’.

The grouping of CGUs for the purpose of impairment of goodwill is consistent with the way in which the businesses are managed and their performance monitored in light of the major strategic and organizational changes in the Group that took place during the year.

The VIU of the CGUs of the Retail and Electric Mobility segment, as well as the assets of the Renewables segment, is determined by discounting the expected cash flows arising from the use of the CGU and, if significant and reliably measurable, the cash flows from its disposal at the end of its useful life. Expected cash flows are determined on the basis of the best information available at the time of the estimate as follows: (i) for the first four years of the estimate, cash flows are inferred from the latest four-year business plan approved by management containing forecasts of sales volumes, investments, operating costs and margins and industrial and commercial assets, as well as trends in the main monetary variables (inflation, nominal interest rates and exchange rates); (ii) for the years following the fourth year, taking into account assumptions on the long-term evolution of the main macroeconomic variables adopted by management (inflation rates, price scenario, economic growth, etc.), cash flow projections are made according to the industrial or commercial nature of the various CGUs, consistent with the flows adopted by management for the authorization and subsequent monitoring of investments. In this regard, the following are assumed: (i) for the Retail business, cash flow projections based on the perpetuity method of the last year of the normalized plan, using a nominal growth rate of zero; (ii) for the Renewable business, expected cash flows over the useful life of each plant; and (iii) for the Electric Mobility business, cash flow projections based on the perpetuity method of the last year of the normalized plan, using a nominal growth rate risk-weighted against projections on the development of the electric vehicle market provided by leading market providers.

With reference to commodity prices, management uses the price scenario adopted for the economic and financial projections of the four-year business plan and for the evaluation of investments over their entire life.

The carrying amount of the CGUs, including allocated goodwill, is disclosed as follows:

(€ million)	31.12.2022	31.12.2021*
Retail CGU		
Italy Market (Eni Plenitude SpA)	300	268
Sea Market	1	1
Evolvere Market	94	104
France Market	122	127
Slovenia Market	53	54
Greece Market	69	61
Spain Market	69	68
Total 1st level CGU	**708**	**683**
Retail Goodwill	**1,214**	**1,214**
Total Retail CGU	**1,922**	**1,897**
		-
Renewables CGU		**-**
Cef 3, GreenEnergy, Finpower, Eolica Lucana	373	434
Eni New Energy	85	91
Enrico	15	15
Laerte	18	18
Wind Park Laterza Srl	15	14
Anchor	232	71
Dhamma Group	171	127
Arm Wind LLP (3 CGU)	153	154
Brazoria	267	106
Corazon	223	-
Guajillo	5	-
Katherine	30	-
Batchelor	11	-
Manton	11	-
Mares	1	-
Emerald	811	-
Total 1st level CGU	**2,421**	**1,030**
Renewables Goodwill	**996**	**514**
Total Renewables CGU	**3,417**	**1,544**
		-
Electric Mobility CGU		**-**
Be Power	**102**	**49**
Goodwill	**718**	**718**
Total Electric Mobility CGU	**820**	**767**
		-
Total	**6,159**	**4,208**

(*) Net of final PPA effect

Goodwill acquired through business combinations has been allocated to the CGUs that are expected to benefit from the synergies of the acquisition.

In particular, the value of goodwill allocated to the different CGUs is disclosed as follows:

(€ million)	**31.12.2022**	**31.12.2021 (*)**
Retail	1,214	1,214
Renewables	996	514
Electric Mobility	718	718
Total	**2,928**	**2,446**

(*) Net of final PPA effect

In particular, the value of goodwill in the Retail segment essentially refers to the amount recognized on the occasion of the buy-out of the former Italgas minorities and other companies subsequently incorporated in Italy, the goodwill related to the acquisition of Eni Gas & Power France SA in France, the goodwill and the value of the customer portfolio related to the acquisition of the Gas Supply Company of Thessaloniki-Thessalia SA in Greece and the goodwill related to the acquisition of Adriaplin d.o.o., SEA SpA, Evolvere SpA Società Benefit and Eni Plenitude Iberia SLU.

The value of goodwill in the Renewables segment derives from the acquisitions of companies operating in the renewable energy sector in Italy (for €721 million) and abroad (for €275 million, in France and Spain, from Dhamma Energy Group, in Spain, from Azora Capital and, in Greece, from Solar Konzept International).

Finally, the goodwill value of the Electric Mobility segment refers to the acquisition of Be Power.

On this point, it should be noted that some goodwill derives from provisional allocations and could therefore be adjusted when the purchase price allocation process is completed.

More information on acquisitions made during 2022 and on the final PPAs relating the acquisitions made during 2021 is given in note 26 - Other information.

In particular, the carrying value of the CGUs, including the amount of goodwill allocated to each of them, was verified by comparing this value with the relative value in use, or fair value, estimated using the discounted cash flow (DCF) method.

For the Retail segment, the cash flows used to determine the value in use were discounted at the post-tax WACC adjusted for country risk, which amounted to 4.3% for Italy, 4.2% for France, 4.2% for Slovenia, 4.3% for Greece and 4.2% for Spain, respectively. For the Renewables segment, the rates used were 5.6% for Italy, 5.4% for France, 5.2% for Spain, 5.2% for Australia, 5.8% for Kazakhstan, 5.5% for Greece and 5.4% for the USA. For the Electric Mobility segment, the rate used for Italy was 10.7%. Post-tax cash flows and discount rates are adopted because they result in an assessment that substantially approximated a pre-tax assessment.

With reference to the Retail and Electric Mobility segment, there are no reasonable assumptions of changes in the discount rate, growth rate, profitability or volumes that would lead to the zeroing of the headroom estimated for the Retail segment, equal to approximately €7 billion, and for the Electric Mobility segment, approximately €1 billion, calculated as the difference between the segment's value in use and the relative carrying amount, including the goodwill allocated to it.

With reference to the Renewables segment, assuming an approximate 1% increase in WACC or a decrease in electricity prices of about 8%, the headroom of this segment - equal to approximately €250 million, determined as the difference between the recoverable amount of the segment's assets and their carrying amount, including the goodwill allocated to them - would be zero.

15. Equity-accounted investments

Equity-accounted investments amounted to €661 million (€665 million at December 31, 2021) and mainly related to associates and joint ventures, as shown below:

	2022			2021		
(€ million)	Joint ventures and unconsolidated subsidiaries	Associates	Total	Joint ventures	Associates	Total
Carrying amount - beginning of the year	**508**	**157**	**665**	**140**	**5**	**145**
Additions and subscriptions	270	0	270	11	7	18
Share of profit of equity-accounted investments		3	3	3		3
Share of loss of equity-accounted investments	(23)		(23)		(3)	(3)
Gains on disposals	5		5			
Deduction for dividends		(10)	(10)	(10)		(10)
Utilization of provision for impairment of investments		3	3			
Valuation with effect on OCI	115		115			
Change in the scope of consolidation	(340)	(6)	(346)	489	141	630
Currency translation differences	(30)	9	(21)	11	7	18
Other changes			0	(136)		(136)
Carrying amount - end of the year	**505**	**156**	**661**	**508**	**157**	**665**

Additions and subscriptions of €270 million mainly relate to:

- €161 million for the acquisition of the 20% stake in Doggerbank Offshore Wind Farm Project 3 Holdco Ltd held by Eni North Sea Wind, relating to the development of the Dogger Bank C offshore wind project in the UK;
- €73 million capital increase in GreenIT SpA and Vårgrønn AS;
- €33 million for the acquisition of Hergo Renewable SpA, 65% owned by Eni Plenitude SpA, a company with a portfolio of projects in Italy and Spain with a total capacity of about 1.5 GW;
- €3 million for the acquisition of EnerOcean SL, 25% owned by Eni Plenitude SpA, a Spanish company developing W2Power, an innovative technology for floating wind power plants.

The change in the scope of consolidation, negative for €346 million, mainly relates to:

- €-363 million deconsolidation and contribution to Vårgrønn AS of Eni North Sea Wind Ltd. More information on the transaction is provided in Note 26 - Other Information;
- €21 million for the inclusion in the scope of consolidation of the joint venture stake in Siel Agrisolare Srl, 51% owned by SEF Srl;
- €-3 million merger by incorporation into Eni Gas & Power France of the equity investment in OVO Energy France SA;
- €-3 million acquisition of control and subsequent consolidation of the company Fotovoltaica Escudero SLU.

The valuation with reserve effect mainly relates to the valuation of the interest and exchange rate derivative recorded in the Doggerbank investments (A, B, C) for about €109 million.

Net carrying amount related to the following companies:

	31.12.2022		31.12.2021	
(€ million)	Net carrying amount	% of the investment	Net carrying amount	% of the investment
Joint ventures				
- VårgrØnn AS	370	65	3	70
- GreenIT SpA	74	51	9	51
- Hergo Renewables SpA	32	65		
- Siel Agrisolare Srl	21	51		
- Novis Renewables Llc	4	50	11	50
- EnerOcean SL	3	25		
- Doggerbank Offshore Wind Farm Project 1 Holdco Ltd			246	20
- Doggerbank Offshore Wind Farm Project 2 Holdco Ltd			238	20
- Other (*)	1		1	
	505		**508**	
Associates:				
- Novis Renewables Holdings Llc	74	49	75	49
- Bluebell Solar Class A Holdings II Llc	73	99	71	99
- Tate Srl	7	36	7	36
- Fotovoltaica Escudero SL			3	45
- OVO Energy France SA				25
- Other (*)	2		1	
	156		**157**	
	661		**665**	

(*) With a unit carrying amount of less than one million

Investments in subsidiaries, joint ventures and associates as of December 31, 2022 are presented separately in the annex 'Investments owned by Eni Plenitude SpA as of December 31, 2022', which is an integral part of these notes.

16. Other investments

Other investments of €15 million (€30 million at December 31, 2021) concern advances paid for the acquisition of companies in the renewables energy sector; the transaction will be concluded upon completion of the development phase of the wind and solar plants under construction.

17. Other non-current financial assets

Other non-current financial assets of €15 million (€8 million at December 31, 2021) relate to long-term loans granted to Hergo Renewables SpA for €5 million, to receivables of Evolvere SpA Società Benefit (€3 million), to security deposits related to acquisitions of investments of the PLT Group and to the escrow account relationship with Eni SpA for employee loans for €1 million.

18. Assets held for sale

Assets held for sale of €8 million consist of the tangible fixed assets of the company PLT. During the year, the sale of the shareholding in the joint venture Gas Distribution Company of Thessaloniki-Thessaly SA to the other shareholder was completed for €165 million, with the recognition of a capital gain on disposal of €30 million.

19. Trade payables and other payables

Trade and other payables of €2,604 million (€2,531 million at December 31, 2021) can be broken down as follows:

(€ million)	31.12.2022	31.12.2021
Trade payables	1,658	1,746
Other payables:		
- relating to investing activities	263	404
- relating to national tax consolidation and group VAT	98	14
- other payables	585	367
	946	**785**
	2,604	**2,531**

Trade payables amounted to €1,658 million and included payables to suppliers, provisions for invoices to be received and payables to the parent company Eni S.p.A.

Payables from investing activities of €263 million include payables for the portion of deferred payment related to the acquisition of the PLT group by Eni New Energy SpA for €250 million and payables from investing activities in the Renewables segment mainly for the Brazoria project in the USA.

The other payables can be broken down as follows:

(€ million)	31.12.2022	31.12.2021
Other payables:		
- payables to retail and middle customers	271	197
- personnel	19	16
- non-financial governmental entities	16	12
- pension and social security institutions	9	8
- consultants and other professionals	7	5
- commission agents and other agents	2	2
- other payables	261	127
	585	**367**

Payables to retail and middle customers of €271 million relate to debt positions with discontinued customers. Other payables of €261 million mainly relate to payables to factoring companies regarding the transfer of the tax credit accrued under the Ecobonus and Superbonus measures for €245 million.

Because of the short-term maturity and conditions of remuneration of trade payables, the fair values approximated the carrying amounts.

Trade and other payables due to related parties are described in note 35 – Transactions with related parties.

20. Finance debts and information on net borrowings

(€ million)	31.12.2022 Short-term debt	Current portion of long-term debt	Long-term debt	Total	31.12.2021 Short-term debt	Current portion of long-term debt	Long-term debt	Total
Banks	108	63	492	**663**	65	33	243	**341**
Ordinary bonds		2	27	**29**		15	82	**97**
Other financial institutions	90	1	0	**91**	42	8	4	**54**
Debt to shareholders/group finance companies	1,739	2	43	**1,784**	1,086	3	480	**1,569**
	1,937	**68**	**562**	**2,567**	**1,193**	**59**	**809**	**2,061**

Short-term debt with banks at December 31, 2022 mainly refer to borrowing facilities granted to the subsidiary Eni Plenitude Iberia and drawn down for €78 million, to the PLT Group and drawn down for €12 million, and to Evolvere SpA Società Benefit and drawn down for €7 million.

Short-term loans from shareholders and group finance companies relate to loans granted by Eni SpA and Eni Finance International SA, a subsidiary of Eni, to the Group's Italian companies for €1,625 million and foreign companies for €114 million, respectively.

At December 31, 2022, the Group had undrawn borrowing facilities granted by third-party banks for €67 million and undrawn borrowing facilities granted by Eni Finance International SA for €86 million attributable to the subsidiary Gas Supply Company of Thessaloniki-Thessalia SA.

The following table provides a breakdown of ordinary bonds by issuing entity, maturity date, interest rate and currency:

(€ million)	Amount	Discount on bond issue and accrued expense	Total	Currency	Maturity	Rate (%)
Issuing entity						
PLT Wind 2022 SpA	19	0	19	Euro	2031	4.690
SEF Srl	10	0	10	Euro	2026	7.000

Payables to other lenders of €91million (€54 million at December 31, 2021) mainly relate to payables to factoring companies for receivables sold and subsequently collected of Plenitude SpA and Eni Gas & Power France.

As of December 31, 2022, Eni was in compliance with covenants and other contractual provisions in relation to borrowing facilities.

The fair value assessment of short-term debt has no significant effects due to the short time period between the debt being incurred and its maturity and the payment terms.

The breakdown of long-term debt by maturity at December 31, 2022 is as follows:

(€ million)	2024	2025	2026	2027	Beyond	Long-term debt
Banks	66	54	49	42	281	492
Ordinary bonds	1	1	11	1	13	27
Other financial institutions						0
Debt to shareholders/group finance companies	4	4	4	4	27	43
	71	**59**	**64**	**47**	**321**	**562**

Long-term debt, including short-term portions, amounted to €630 million (€868 million at December 31, 2021).

The long-term portions of €562 million (€809 million as at 31 December 2021) mainly consist debts towards banks for €492 million, referring to the PLT Group for €279 million, to renewables companies of the Eni Plenitude Luxembourg Group for €92 million, to Energía Eólica Boreas for €63 million, to Evolvere SpA Società Benefit for €40 million, to Be Power for €14 million and to Adriaplin doo for €4 million.

The following table provides a breakdown by currency of finance debt:

	31.12.2022		31.12.2021	
	Short-term debt (€ million)	**Long-term debt and current portion** (€ million)	**Short-term debt** (€ million)	**Long-term debt and current portion** (€ million)
Euro	1,602	628	976	428
U.S. dollar	335		38	123
Pound Sterling			179	317
Other currencies		2		
	1,937	**630**	**1,193**	**868**

Debt towards third party banks guaranteed by restricted deposits of SER 1 SpA, the Eni Plenitude Luxembourg Group and Energía Eólica Boreas, amounts to €54 million.

Debts due to related parties are described in note 35 – Transactions with related parties.

A reconciliation of the financial liabilities arising from financing activities is provided below, showing the changes (monetary and non-monetary) in these liabilities:

(€ million)	Short-term debt	Long-term debt and current portion (€ million)	Current portion of long-term lease liabilities	Long-term lease liabilities	Total
Carrying amount at December 31, 2021	**1,193**	**868**	**8**	**114**	**2,183**
PPA allocation 2021				(5)	(5)
Carrying amount at December 31, 2021 post PPA	**1,193**	**868**	**8**	**109**	**2,178**
Assumptions and reimbursements	909	(526)	(7)	(8)	368
Change in the scope of consolidation	(135)	266	3	58	192
New leases				36	36
Currency translation differences	(25)	9		2	(14)
Accrued expense	5	2		0	7
Other changes	(10)	11	8	(8)	1
Carrying amount at December 31, 2022	**1,937**	**630**	**12**	**189**	**2,768**

Financial liabilities, excluding leasing liabilities, increased by €506 million, mainly due to the effect of new loans net of repayments of €383 million and the inclusion in the scope of consolidation of the PLT Group for €363 million, Energía Eólica Boreas for €69 million and Corazon Energy Class B Llc for €58 million, net of the deconsolidation of the debt to the group financial company EFI of Eni North Sea Wind for €363 million and negative currency translation differences of €16 million.

Information on net borrowings

(€ million)	31.12.2022	31.12.2021*
A. Cash	818	2,542
B. Cash equivalents		
C. Other current financial assets	4	
D. Liquidity (A+B+C)	**822**	**2,542**
E. Current financial debt	1,937	1,193
F. Current portion of non-current financial debt	80	67
G. Current borrowings (E+F)	**2,017**	**1,260**
H. Net current borrowings (G-D)	**1,195**	**(1,282)**
I. Non-current financial debt	724	836
J. Debt instruments	27	82
K. Non-current trade and other payables		
L. Non-current borrowings (I+J+K)	**751**	**918**
M. Total borrowings (H+L)	**1,946**	**(364)**

* Net of final PPA effect

Net borrowings does not include payables to factoring companies in connection with the purchase of tax credits. In fact, these payables are not classified as financial debts since: (i) they have the same maturity as the receivables acquired and (ii) the beneficiary of the advance made by the factor is the assigning company and not Eni Plenitude.

It should also be noted that the Group does not include in net borrowings payables for cautionary deposits received from customers, with reference to gas and electricity supply relationships, since the guarantee nature is considered prevailing.

For more details, see the comment on the Consolidated summarized cash flow statement in the 'Management report'.

21. Provisions

Provisions of €73 million (€47 million at December 31, 2021) can be broken down as follows:

(€ million)	Provisions for litigations	Provisions for agents' severance indemnity	Provisions for site abandonment and restoration	Other	Total
Carrying amount at December 31, 2021	**10**	**16**	**6**	**15**	**47**
New or increased provisions	13	1		1	15
Initial recognition and changes in estimates			2		2
Accretion discount					0
Reversal of utilized provisions	(5)			(1)	(6)
Reversal of unutilized provisions				(1)	(1)
Change in the scope of consolidation			15		15
Currency translation differences					0
Other changes	3	2	1	(5)	1
Carrying amount at December 31, 2022	**21**	**19**	**24**	**9**	**73**
Carrying amount at December 31, 2020	**13**	**14**	**0**	**10**	**37**
New or increased provisions	10			1	11
Reversal of utilized provisions	(7)			(2)	(9)
Reversal of unutilized provisions	(6)			(2)	(8)
Change in the scope of consolidation	0		6	3	9
Other changes	0	2		5	7
Carrying amount at December 31, 2021	**10**	**16**	**6**	**15**	**47**

Litigation provisions of €21 million (€10 million at December 31, 2021) comprise expected liabilities associated with legal proceedings and other matters arising from contractual claims, including arbitrations, and other proceedings. These provisions represent the Company's best estimate of the expected and probable liabilities associated with ongoing litigation. The item includes €10 million related to litigation of Eni Gas & Power France concerning the claim of breach of the non-compete clause contained in the distribution and franchising contracts.

The provision for agents' severance indemnity of €19 million (€16 million at December 31, 2021) comprises amounts payable to agents at the end of the agency relationship.

The provision for site abandonment and restoration of €24 million refers to the renewables companies for €21 million, the subsidiary Be Charge for €2 million and the subsidiary Evolvere for €1 million.

Other provisions of €9 million essentially comprise the €2 million provision for the potential repayment to customers of amounts paid relating to time-barred periods, and the social security and severance indemnity costs associated with the deferred monetary incentive and equity plans for €2 million, the €1 million provision relating to risks for the repayment of additional excise taxes on electricity for 2010 and 2011, which represents the best estimate of the expected outlay at the reporting date. The maximum amount that could be claimed by customers amounts to approximately €50 million, which would however be subject to a refund procedure with the

Customs Agency for the amount not set aside. This case is linked to the Court of Cassation's ruling no. 27101/2019, which established that the surcharge did not apply from the date of entry into force of Directive 2008/18.

22. Provisions for employee benefits

Provisions for employee benefits can be broken down as follows:

(€ million)	**31.12.2022**	**31.12.2021**
Italian defined benefit plans	14	16
FISDE and other foreign plans	5	6
	19	**22**
Other benefit plans	110	77
	129	**99**

The provision for severance indemnities, regulated by Article 2120 of the Italian Civil Code, reflects the estimate of the obligation, calculated on the basis of actuarial techniques, concerning the amount to be paid to employees of Italian companies at the end of the employment relationship. The benefit, paid in the form of capital, is equal to the sum of the accruals calculated on the remuneration paid as a function of the employment relationship and revalued up to the moment of its termination. As a result of the legislative changes introduced from January 1, 2007, maturing severance indemnities are allocated to pension funds, the treasury fund set up by INPS (National Social Security Institute) or, in the case of companies with fewer than 50 employees, can remain in the company. This means that a significant portion of the maturing indemnities are classified as a defined contribution plan as the company's obligation is exclusively represented by the payment of contributions to the pension fund or to INPS. The liability for severance indemnities set aside prior to January 1, 2007 continues to be a defined-benefit plan and must be assessed based on actuarial techniques.

The amount of the liability and the healthcare costs relating to the Executive Supplementary Healthcare Fund for companies of the Eni Group (FISDE) and other foreign medical plans are determined with reference to the contribution that the company pays for retired executives.

Other benefit plans of €110 million (€77 million at December 31, 2021) relate to: (i) commitments made as part of restructuring transactions entered into in 2017 for €1 million at December 31, 2022 (€4 million at December 31, 2021), in 2018 for €32 million at December 31, 2022 (€49 million at December 31, 2021) and in 2020 for €9 million at December 31, 2022 (€13 million at December 31, 2021) and €57 million in 2022, respectively; (ii) gas provision of €2 million at December 31, 2022 (€3 million at December 31, 2021); (iii) deferred short-term monetary incentives of €8 million (€7 million at December 31, 2021) and jubilee awards of €1 million (€1 million at December 31, 2021).

Commitments undertaken as part of restructuring transactions relating to the agreement signed in 2017 relate to consensual terminations in accordance with Article 4 of Law 92/2012 (the so-called 'Fornero Law'), which affected 139 employees and provided for early retirement of up to 4 years before the retirement date laid down by the laws in force. The commitments undertaken as part of restructuring operations relating to the agreements signed in 2018, 2020 and 2022 also relate to consensual terminations under Article 4 of Law 92/2012, affecting 320 employees in 2018, 73 employees in 2020 and 197 employees in 2022 and providing for early retirement of up to 7 years before the retirement date laid down by the laws in force. Under such types of arrangements, employees receive a pension benefit from INPS based on their accrued rights at the date of retirement. The company continues to pay social security contributions to INPS.

The gas fund is a supplementary pension fund, set up in the 1970s and managed by INPS, for employees in the gas distribution sector to which some employees who previously worked in that sector are enrolled.

The deferred cash incentive plans awarded to executives who have achieved their pre-set goals comprise the estimate of the variable compensation linked to corporate performance. The benefit has a three-year vesting period and is accrued at the time when Eni's commitment to the executives arises on the basis of the achievement of corporate objectives; the estimate is subject to adjustment in subsequent years based on the actual results achieved and the updating of forecasts (above or below target).

Long-service bonuses are benefits distributed when a minimum period of service is completed with the company and, in Italy, are paid in kind.

Present value of employee benefits, estimated by applying actuarial techniques, consisted of the following:

	31.12.2022				31.12.2021			
(€ million)	Italian defined benefit plans	FISDE and other foreign plans	Other benefit plans	Total	Italian defined benefit plans	FISDE and other foreign plans	Other benefit plans	Total
Present value of benefit liabilities at beginning of year	**16**	**6**	**77**	**99**	**14**	**6**	**108**	**128**
Current cost	1		3	4			2	2
Remeasurements:	(2)	(2)	(11)	(15)			(8)	(8)
- actuarial (gains)/losses due to changes in demographic assumptions			*(2)*	*(2)*				
- actuarial (gains)/losses due to changes in financial assumptions	*(3)*	*(2)*	*(7)*	*(12)*				
- experience (gains) losses	*1*		*(2)*	*(1)*			*(8)*	*(8)*
Past service cost and (gains) losses on settlements			73	73				
Benefits paid	(2)		(24)	(26)			(25)	(25)
Change in the scope of consolidation	1			1	2			2
Acquisition of business unit								
Other changes		1	(8)	(7)				
Present value of benefit liabilities at end of year	**14**	**5**	**110**	**129**	**16**	**6**	**77**	**99**

Costs related to employee benefit liabilities, due to the remeasurement as a result of changes in actuarial assumptions used for valuation purposes and recognized in the profit and loss account can be broken down as follows:

(€ million)	Italian defined benefit plans	FISDE and other foreign plans	Other benefit plans	Total
2022				
Current cost	1		3	**4**
Past service cost and (gains) losses on settlements			73	**73**
Remeasurements for long-term plans			(11)	**(11)**
Total	**1**		**65**	**66**
- of which recognized in 'Payroll and related cost'	*1*		*65*	***66***
2021				
Current cost			2	2
Past service cost and (gains) losses on settlements				
Remeasurements for long-term plans			(8)	(8)
Total			**(6)**	**(6)**
- of which recognized in 'Payroll and related cost'			*(6)*	*(6)*

The defined benefit plan costs recognized in other comprehensive income can be broken down as follows:

	2022			2021		
(€ million)	Italian defined benefit plans	FISDE and other foreign plans	Total	Italian defined benefit plans	FISDE and other foreign plans	Total
Remeasurements:				0	0	**0**
- actuarial (gains)/losses due to changes in demographic assumptions	*0*	*0*	**0**	*0*	*0*	***0***
- actuarial (gains)/losses due to changes in financial assumptions	*(3)*	*(2)*	**(5)**	*0*	*0*	***0***
- experience (gains) losses	*1*	*0*	**1**	*0*	*0*	***0***
	(2)	**(2)**	**(4)**			

The main actuarial assumptions used to measure the liabilities at the end of the year and to determine the cost of the next year are indicated below:

		Italian defined benefit plans	FISDE and other foreign plans	Other benefit plans
2022				
Discount rate	(%)	3.7	3.7	3.4-3.7
Rate of price inflation	(%)	2.4	2.4	2.4
Rate of compensation increase	(%)	3.4		
Life expectations on retirement at age 65	(years)		22-26	
2021				
Discount rate	(%)	1.0	1.0	0-1
Rate of price inflation	(%)	1.8	1.8	1.8
Rate of compensation increase	(%)	2.8		
Life expectations on retirement at age 65	(years)		22-26	

A sensitivity analysis was performed based on the results for each plan, through assessments calculated considering the following modified parameters: +/-0.5% of the discount rate and rate of price inflation and +/-10% of the targets for deferred incentives. The only effects greater than €1 million resulting from the assumed changes are: (i) a decrease in net liabilities of €2 million with the 0.5% increase in the discount rate; (ii) an increase in net liabilities of €2 million with the 0.5% decrease in the discount rate.

The following is an analysis by maturity date of the liabilities for employee benefit plans and their relative weighted average duration:

(€ million)		Italian defined benefit plans	FISDE and other foreign plans	Other benefit plans
31.12.2022				
2023		1		26
2024		1		29
2025		1		25
2026		1		15
2027		1	1	11
2028 and thereafter		9	4	4
		14	**5**	**110**
Weighted average duration	(years)	**10**	**14**	**3**
31.12.2021				
2022		1		23
2023		1		19
2024		1		16
2025		1		10
2026		1	1	5
2027 and thereafter		11	5	4
		16	**6**	**77**
Weighted average duration	(years)	**10**	**16**	**2**

23. Deferred tax assets and liabilities

Net deferred tax liabilities amounted to €74 million (€518 million at December 31, 2021) and consisted of deferred tax liabilities net of deferred tax assets available for offset of €189 million (€525 million at December 31, 2021, net of the 2021 final PPA effects) and deferred tax assets net of deferred tax assets available for offset of €120 million (€6 million at December 31, 2021).

(€ million)	**31.12.2022**	**31.12.2021***
Deferred tax liabilities	383	672
Deferred tax assets available for offset	(189)	(147)
Deferred tax liabilities	**194**	**525**
Deferred tax assets before offsetting (net of accumulated write-down provisions)	309	153
Deferred tax liabilities available for offset	(189)	(147)
Deferred tax assets	**120**	**6**

* Net of final PPA effect

The following table summarizes the changes in deferred tax assets and liabilities:

(€ million)	**Deferred tax liabilities**	Deferred tax assets, gross	Accumulated write-downs of deferred tax assets	**Deferred tax assets, net of impairments**	**Deferred tax liabilities, net**
31.12.2022					
Final carrying amount 2021	**671**	**(160)**	**7**	**(153)**	**518**
Final PPA 2021	1	0		0	1
Carrying amount - beginning of the year	**672**	**(160)**	**7**	**(153)**	**519**
Additions (Deductions)	7	(112)	(4)	(116)	(109)
Change in the scope of consolidation	116	(42)		(42)	74
Change due to fair value measurement with effect on reserve	(412)	1		1	(411)
Other changes	0	1		1	1
Carrying amount - end of the year	**383**	**(312)**	**3**	**(309)**	**74**
31.12.2021					
Carrying amount - beginning of the year	**50**	**(255)**	**0**	**(255)**	**(205)**
Additions	0			0	0
Deductions	(5)	32		32	26
Change in the scope of consolidation	91	(21)	7	(13)	78
Other changes	535	84		84	619
Final carrying amount	**671**	**(160)**	**7**	**(153)**	**518**

Negative changes due to fair value measurement with reserve effect of €411 million mainly refer to the recognition in equity of deferred and prepaid taxes on the cash flow hedge derivatives valuation reserve.

The most significant temporary differences giving rise to net deferred tax assets and liabilities are disclosed below:

(€ million)	31.12.2022	31.12.2021*
Deferred tax assets, gross:		
- write-downs of receivables and other assets	99	106
- provisions for contingencies and employee benefits	72	24
- carry-forward tax losses	82	11
- other temporary differences on fixed assets	7	
- derivatives	21	
- timing differences on depreciation and amortization	8	2
- other	23	17
	312	**160**
Accumulated write-downs of deferred tax assets	**(3)**	**(7)**
Deferred tax assets, net	**309**	**153**
Deferred tax liabilities:		
- accelerated tax depreciation	(5)	(4)
- other temporary differences on fixed assets	(181)	
- derivative financial instruments	(158)	(628)
- other	(39)	(41)
	(383)	**(672)**
Net deferred tax liabilities	**(74)**	**(519)**

* Net of final PPA effect

More information on the final PPAs concerning the acquisitions made during 2021 is given in note 26 - Other information.

To verify the recoverability of deferred tax assets, management has drawn up a ‘tax plan’ based on the expected results derived from the business plan approved by the Directors, which suggests they can be recovered. Most tax losses are usable indefinitely and a significant amount of tax losses will be recovered over a period of more than 10 years.

The accumulated write-downs of deferred tax assets of €3 million relates to deferred tax assets acquired during the year. The recoverability analysis resulted in the utilization of previous write-downs of €4 million for Eni New Energy SpA and Eni New Energy US Inc.

24. Derivative financial instruments

(€ million)	31.12.2022 Fair value asset	31.12.2022 Fair value liability	31.12.2021 Fair value asset	31.12.2021 Fair value liability
Non-hedging derivatives				
- Derivatives on commodities	4,292	4,463	3,685	3,531
- Derivatives on interest rate	23			4
- Other		60		60
	4,315	**4,523**	**3,685**	**3,595**
Cash flow hedge derivatives				
- Derivatives on commodities	2,091	1,319	2,861	465
- Derivatives on interest rate	20			
	2,111	**1,319**	**2,861**	**465**
Net amount	**6,426**	**5,842**	**6,546**	**4,060**
Of which:				
- current	5,551	5,296	5,750	3,497
- non-current	875	546	796	563

The derivative financial instruments, whose fair value is represented by a net asset of €584 million (€2,486 million at December 31, 2021), mainly relate to gas and power commodity swaps.

Other net derivative liabilities of €60 million (same value as at 31 December 2021) relate to the fair value of the put option in favour of the minority shareholders of Evolvere SpA Società Benefit.

Derivatives fair values were estimated based on market quotations provided by primary info-provider or, alternatively, appropriate valuation techniques generally adopted in the marketplace.

Fair values of non-hedging derivatives related to derivatives that did not meet the formal criteria to be designated as hedges under IFRS, as they were entered into for amounts equal to the net exposure to commodity price risk, and as such, they cannot be directly referred to the original trade or financing transactions.

Fair value of cash flow hedge derivatives mainly related to commodity hedges were entered into with the aim of hedging variability in future cash flows associated with highly probable expected sales or already contracted sales due to different indexation mechanisms of supply costs versus selling prices. The effects of the measurement at fair value of cash flow hedge derivatives are given in note 25 – Equity. Information on hedged risks and hedging policies is disclosed in note 27 - Guarantees, commitments and risks / Risk factors.

During 2022, there were no transfers between the different hierarchy levels of fair value.

For all derivatives the fair value is Level 2, namely measurements carried out on the basis of inputs, other than the quoted prices, which, for the assets and liabilities to be measured, can be observed directly (e.g. prices) or indirectly (e.g. deriving from prices).

(€ million)	2022 Change in fair value (effective hedge)	2022 Change in fair value (ineffective hedge)	2021 Change in fair value (effective hedge)	2021 Change in fair value (ineffective hedge)
Cash flow hedge derivatives				
Derivatives on commodities:				
- Over the counter	1,748		3,176	
- Future	(115)			
- Other	9			
	1,642	**0**	**3,176**	**0**
Derivatives on interest rate				
- Interest rate swap	23			
	23	**0**	**0**	**0**
	1,665	**0**	**3,176**	**0**

(€ million)	31.12.2022 Change of the underlying asset used for the calculation of hedging ineffectiveness	31.12.2022 Cash flow hedge reserve	31.12.2022 Reclassification adjustments	31.12.2021 Change of the underlying asset used for the calculation of hedging ineffectiveness	31.12.2021 Cash flow hedge reserve	31.12.2021 Reclassification adjustments
Cash flow hedge derivatives						
Commodity price risk						
- Planned sales	(1,642)	710	3,209	(3,176)	2,257	974
	(1,642)	**710**	**3,209**	**(3,176)**	**2,257**	**974**
Derivatives on interest rate						
- Hedged flows	(23)	16	(11)			
	(23)	**16**	**(11)**	**0**	**0**	**0**
	(1,665)	**726**	**3,198**	**(3,176)**	**2,257**	**974**

EFFECTS RECOGNIZED IN OTHER OPERATING INCOME (EXPENSE)

Other net operating expenses of €125 million on derivatives (€83 million of net income in 2021) mainly included the fair value measurement and settlement of commodity derivatives, entered into with Eni SpA and Eni Global Energy Markets SpA, which do not meet the formal requirements to be treated as hedge accounting under IFRS.

EFFECTS RECOGNIZED IN FINANCE INCOME (EXPENSE)

(€ million)	2022	2021
- Derivative financial instruments on currencies	(5)	1
- Derivative financial instruments on interest rates	13	
	8	**1**

25. Equity

Equity attributable to equity holders of Eni Plenitude

Equity of €5,253 million can be broken down as follows:

(€ million)	31.12.2022	31.12.2021*
Share capital	770	770
Fair value reserve of cash flow hedge derivatives net of tax effect	527	1,634
Cumulative currency translation differences	40	6
Other reserves	4,044	3,852
Profit (loss)	(128)	191
	5,253	**6,453**

* Net of the effect of final PPAs.

More information on the final PPAs concerning the acquisitions made during 2021 is given in note 26 - Other information.

Share capital

As of December 31, 2022, Eni Plenitude's issued share capital consisted of €770 million represented by 1,155,000,000 ordinary shares without a nominal value. The Shareholders' Meeting of February 18, 2022 changed the composition of the capital from 770,000,000 shares with a nominal value of €1 each to 1,155,000,000 shares with no nominal value.

Reserve of cash flow hedge net of tax effect

This reserve consists of the fair value of derivative contracts qualifying as commodity price hedges and interest rates in the amount of €727 million (€2,262 million at December 31, 2021), net of €200 million (€628 million at December 31, 2021) in deferred taxes.

Cumulative currency translation differences

The cumulative foreign currency translation differences arose from the translation of financial statements denominated in currencies other than euro.

Other reserves

Other reserves of €4,044 million (€3,852 million at December 31, 2021) include the share premium reserve of Eni Plenitude SpA Società Benefit of €3,963 million and the amounts of the consolidated results of previous years carried forward.

Non-controlling interest

Non-controlling interests amounting to €97 million include €24 million for 49% of the capital of Adriaplin doo, €36 million for 29.48% of the capital of Evolvere SpA Società Benefit, €21 million for 10.73% of the capital of Brazoria HoldCo LLC and €15 million for 8.26% of Corazon Tax Equity Partnership Llc.

Reconciliation of net profit and equity of the parent company Eni Plenitude SpA Società Benefit to consolidated net profit and equity

	Equity - Eni Plenitude						
(€ million)	Financial statements of Eni Plenitude SpA Società Benefit	Excess stated in the separate accounts of consolidated subsidiaries over the corresponding carrying amounts of the parent company	Equity valuation of unconsolidated subsidiaries	Goodwill on merged subsidiaries and other	Total Eni Plenitude Group	Non-controlling interest	Consolidated Financial Statements Eni Plenitude
Equity at December 31, 2020	**1,558**	**(39)**	**18**	**12**	**1,549**	**38**	**1,587**
Net profit (loss) 2021	170	26	(5)		191	12	203
Fair value of cash flow hedge derivatives	953	639			1,592		1,592
Dividends to third parties	(185)				(185)		(185)
Capital increases	3,332				3,332		3,332
Acquisitions of Renewables		(32)			(32)		(32)
Currency translation differences		6			6		6
Other changes	2	(2)			0		0
Equity at December 31, 2021	**5,830**	**598**	**13**	**12**	**6,453**	**50**	**6,503**
Final PPA 2021		1			1		1
Equity at December 31, 2021 post final allocations	**5,830**	**599**	**13**	**12**	**6,454**	**50**	**6,504**
Net profit (loss) 2022	8	(136)			(128)	20	(108)
Fair value of cash flow hedge derivatives	(607)	(517)			(1,124)		(1,124)
Currency translation differences		34			34	1	35
Other changes	2	1	14		17	26	43
Equity at December 31, 2022	**5,233**	**(19)**	**27**	**12**	**5,253**	**97**	**5,350**

26. Other information

Supplemental cash flow information

(€ million)	**2022**	**2021**
Investment in consolidated subsidiaries		
Current assets	147	181
Non-current assets	1,325	3,027
Net borrowings	(541)	(1,071)
Current and non-current liabilities	(362)	(241)
Net effect of investments	**569**	**1,896**
Non-controlling interests	(15)	(3)
Fair value of investment held before the acquisition of control	(5)	
Advances paid in previous years	(16)	
Bargain Purchase/Goodwill	482	
Purchase price	**1,015**	**1,893**
less:		
Cash and cash equivalents	*31*	*90*
Consolidated subsidiaries net of cash and cash equivalent acquired	**984**	**1,803**

In 2022, investments in consolidated companies net of cash and cash equivalents acquired related to the following business combinations as defined by IFRS 3 – ‘Business Combinations’.

SKGR

On January 12, 2022, the acquisition was finalized of 100% of SKGR Energy Single Member SA (now Eni Plenitude Renewables Hellas Single Member SA), the owner of a platform for the development of photovoltaic plants in Greece with a project pipeline of approximately 800 MW.

The following table shows the fair value of the identifiable assets and liabilities acquired at the date of acquisition:

(€ million)	*Fair value at date of acquisition*
Current assets	-
Non-current assets	-
Net borrowings	(1)
Current and non-current liabilities	-
Net assets acquired	**(1)**
Non-controlling interests	-
Net assets acquired attributable to Plenitude	**(1)**
Goodwill	52
Purchase price	**51**
less:	
Cash and cash equivalents	-
Consolidated subsidiaries net of cash and cash equivalent acquired	**51**

The difference between the amount of the net assets acquired and the purchase price, amounting to €52 million, is definitively recognized entirely as goodwill. No contingent liabilities have been identified.

Corazon

On February 18, 2022, Eni New Energy US Inc. entered into a sale and purchase agreement with BayWa r.e. Solar Asset Holdings LLC for the acquisition of the entire share capital of Corazon Energy Class B LLC, Guajillo Energy Storage LLC and Corazon Energy Services LLC (hereinafter jointly 'Corazon'). Corazon owns a photovoltaic plant in Texas with a total capacity of 266 MW.

The following table shows the fair value of the identifiable assets and liabilities acquired at the date of acquisition:

(€ million)	*Fair value at date of acquisition*
Current assets	1
Non-current assets	234
Net borrowings	(88)
Current and non-current liabilities	(11)
Net assets acquired	**136**
Non-controlling interests	(15)
Net assets acquired attributable to Plenitude	**121**
Goodwill	
Purchase price	**121**
less:	
Cash and cash equivalents	*(2)*
Consolidated subsidiaries net of cash and cash equivalent acquired	**119**

The price allocation of the net assets acquired was made on a final basis without recognition of goodwill. No contingent liabilities have been identified.

Energía Eólica Boreas

On August 4, 2022, Eni Plenitude SpA finalized the acquisition of 100% of Energía Eólica Boreas SLU, with a generation capacity of 104.5 MW. The wind farm acquired through this transaction is the largest wind farm in the Plenitude portfolio.

The following table shows the fair value of the identifiable assets and liabilities acquired at the date of acquisition:

(€ million)	*Fair value at date of acquisition*
Current assets	1
Non-current assets	257
Net borrowings	(59)
Current and non-current liabilities	(114)
Net assets acquired	**85**
Non-controlling interests	-
Net assets acquired attributable to Plenitude	**85**
Goodwill	18
Advances paid in previous years	(16)
Purchase price	**87**
less:	
Cash and cash equivalents	*(12)*
Consolidated subsidiaries net of cash and cash equivalent acquired	**75**

The difference between the amount of the net assets acquired and the purchase price, amounting to €18 million, is provisionally recognized entirely as goodwill. No contingent liabilities have been identified.

Fotovoltaica Escudero (step acquisition)

On December 19, 2022, Eni Plenitude Renewables Luxembourg Sarl finalized the acquisition of the remaining 55% of the company Fotovoltaica Escudero, thus becoming its sole shareholder; the company owns a project to develop a photovoltaic plant in Spain.

The following table shows the fair value of the identifiable assets and liabilities acquired at the date of acquisition:

(€ million)	*Fair value at date of acquisition*
Current assets	-
Non-current assets	14
Net borrowings	(3)
Current and non-current liabilities	-
Net assets acquired	**11**
Non-controlling interests	-
Net assets acquired attributable to Plenitude	**11**
Goodwill	-
Current value of previous stake	(5)
Purchase price	**6**
less:	
Cash and cash equivalents	-
Consolidated subsidiaries net of cash and cash equivalent acquired	**6**

Acquisition of PLT and SEF

On December 29, 2022, Plenitude, through its subsidiary Eni New Energy SpA, finalized the acquisition of 100% of PLT (PLT Energia S.r.l and SEF S.r.l. and their respective subsidiaries and investees), an Italian group with a portfolio of renewable assets of over 400 MW (>80% wind) of assets in Italy, 80% already operational and 20% under construction with start-up expected by 2024, and 1.2 GW of projects under development (>80% wind), in Italy and Spain, 60% of which are at an advanced stage of maturity. The PLT Group also supplies around 90,000 retail customers in Italy.

The following table shows the fair value of the identifiable assets and liabilities acquired at the date of acquisition referring to PLT:

(€ million)	*Fair value at date of acquisition*
Current assets	123
Non-current assets	649
Net borrowings	(272)
Current and non-current liabilities	(203)
Net assets acquired	**297**
Non-controlling interests	-
Net assets acquired attributable to Plenitude	**297**
Goodwill	342
Purchase price	**639**
less:	
Cash and cash equivalents	*(15)*
Consolidated subsidiaries net of cash and cash equivalent acquired	**624**

The difference between the amount of the net assets acquired and the purchase price, amounting to €342 million, is provisionally recognized entirely as goodwill. No contingent liabilities have been identified.

If the transaction had taken place on January 1, 2022, the contribution of the acquired companies to the Group sales from operations would have been €268 million. This amount was calculated using the results of the companies acquired and adjusted to take into account the Group's accounting policies.

The following table shows the fair value of the identifiable assets and liabilities acquired at the date of acquisition referring to SEF:

(€ million)	*Fair value at date of acquisition*
Current assets	22
Non-current assets	171
Net borrowings	(118)
Current and non-current liabilities	(34)
Net assets acquired	**41**
Non-controlling interests	-
Net assets acquired attributable to Plenitude	**41**
Goodwill	70
Purchase price	**111**
less:	
Cash and cash equivalents	*(2)*
Consolidated subsidiaries net of cash and cash equivalent acquired	**109**

The difference between the amount of the net assets acquired and the purchase price, amounting to €70 million, is provisionally recognized entirely as goodwill. No contingent liabilities have been identified.

If the transaction had taken place on January 1, 2022, the contribution of the acquired companies to the Group sales from operations would have been €8 million. This amount was calculated using the results of the companies acquired and adjusted to take into account the Group's accounting policies.

Final PPA effects 2021

Investments in 2021 related to the acquisitions shown in the following table, which reports the fair value of acquired assets and liabilities identifiable at the date of acquisition:

(€ million)	Portfolio of 13 onshore wind farms Provisional allocation	Portfolio of 13 onshore wind farms Final allocation	Dhamma Energy Group Provisional allocation	Dhamma Energy Group Final allocation	Portfolio of 9 renewable energy projects Provisional allocation	Portfolio of 9 renewable energy projects Final allocation	Be Power Provisional allocation	Be Power Final allocation	Total provisional allocation	Total final allocation	change
Current assets	31	31	2	3	7	7	22	22	62	63	1
Property, plant and equipment	423	209	118	94	57	21	29	29	627	353	(274)
Goodwill	301	307	119	124	81	79	728	718	1,229	1,228	(1)
Other non-current assets	47	252	16	33	33	68	8	22	104	375	271
Net borrowings	(215)	(214)	(100)	(97)	(39)	(38)	10	10	(344)	(339)	5
Current and non-current liabilities	(102)	(100)	(12)	(11)	(21)	(21)	(33)	(37)	(168)	(169)	(1)
Net effect of investments	**485**	**485**	**143**	**146**	**118**	**116**	**764**	**764**	**1,510**	**1,511**	**1**
Non-controlling interests			(3)	(3)					(3)	(3)	0
Purchase price	**485**	**485**	**140**	**143**	**118**	**116**	**764**	**764**	**1,507**	**1,508**	**1**

As a result of the completion of the purchase price allocation, the fair value adjustments of the assets and liabilities acquired mainly involved reclassifications from property, plant and equipment to intangible assets in the amount of about €270 million. No contingent liabilities have been identified.

Deconsolidation of Eni North Sea Wind Ltd and contribution to Vårgrønn AS

On October 14, 2022, the contribution of 100% of the consolidated company Eni North Sea Wind Ltd holding a 20% stake in the Dogger Bank A, B and C projects in the UK to the Norwegian joint venture Vårgrønn AS (Eni 65%) was finalized. The three phases of the project (A, B and C) envisage a total installed capacity of 3.6 GW (720 MW for Vårgrønn). The transaction entailed the loss of control of Eni North Sea Wind Ltd which was contributed to Vårgrønn AS and the consequent exclusion from the scope of consolidation of net assets of €368 million, including net financial liabilities of €363 million, an increase in the carrying value of the investment in Vårgrønn AS of €374 million, an income of €74 million, including the reversal to profit or loss of effects recognized in reserves for other components of comprehensive income of €68 million (net of the reserve for foreign exchange losses of €33 million).

(€ million)	
Current assets	-
Non-current assets	(731)
Net borrowings	363
Current and non-current liabilities	-
Net effect of disposals	**(368)**
Increase in value of stake in Vårgrønn AS	**374**
Realized capital gain (loss) on disposals net of disposal expenses	6
Reversal of other items of comprehensive income	68
Total effect on profit and loss account	**74**

27 Guarantees, commitments and risks

Guarantees

Guarantees can be broken down as follows:

(€ million)	31.12.2022 Unsecured guarantees	Other personal guarantees	Total	31.12.2021 Unsecured guarantees	Other personal guarantees	Total
Eni Plenitude guarantees	640	357	997	505	616	1,121
Consolidated subsidiaries	417	334	751	45	166	210
Guarantees issued by the Eni Group	**1,057**	**691**	**1,748**	**550**	**782**	**1,331**
Consolidated subsidiaries	87	79	166	56	8	64
	1,144	**770**	**1,914**	**606**	**790**	**1,395**

The personal guarantees or parent company guarantees granted by the Eni Group on behalf of Eni Plenitude and its subsidiaries amount to €997 million and €751 million, respectively.

The parent company guarantees issued on behalf of Eni Plenitude were mainly issued to cover the fulfilment of contractual obligations in relation to the distribution of natural gas and their amount was determined on the basis of the provisions of the 'Standard Network Code for the distribution of natural gas' approved by AEEG with Resolution 108/06 and subsequent amendments, which provide for the issue of this type of guarantee. The increase is mainly due to guarantees given for M&A operations.

Parent company guarantees issued on behalf of subsidiaries were mainly issued to cover the contractual obligations of the companies.

Guarantees were issued mainly to cover the non-fulfilment of contractual obligations undertaken in relation to electricity distribution. Their presence is determined by the provisions of Article 3.1 of the 'Standard Network Code for Electricity Transmission Service - Resolution 609/2015/R/eel', which provides for the issuance of this type of guarantee.

Commitments and risks

Commitments of €213 million relate to commitments to purchase investments as part of M&A transactions in the Renewables segment.

Risk factors

Financial risks

Financial risks are managed in respect of guidelines issued by the Board of Directors of the parent company Eni SpA in its role of directing and setting the risk limits, targeting to align and centrally coordinate Group companies' policies on financial risks ('Guidelines on financial risks management and control'). The 'Guidelines' define for each financial risk the key components of the management and control process, such as the aim of the risk management, the valuation methodology, the structure of limits, the relationship model and the hedging and mitigation instruments.

Market risk

Market risk is the possibility that changes in commodity prices, interest rates or currency exchange rates will adversely affect the value of the Group's financial assets, liabilities or expected future cash flows. The Company actively manages market risk in accordance with the Eni 'Guidelines' indicated above, the 'Guidelines' approved by the company's Board of Directors and internal procedures that provide a centralized model of handling finance, treasury and risk management transactions based on the Company's departments of operational finance: the parent company's (Eni SpA finance department, Eni Finance International SA, Eni Finance USA Inc and Banque Eni SA, which is subject to certain bank regulatory restrictions preventing the Group's exposure to concentrations of credit risk, and Eni Global Energy Markets SpA (EGEM) that is in charge to execute certain activities relating to commodity derivatives. In particular, Eni Corporate Finance, Eni Finance International SA and Eni Finance USA Inc guarantee coverage of the requirements and absorption of the financial surpluses of the Italian and foreign companies of the Plenitude Group. In addition, commodity derivatives are managed by the Energy Management unit, which operates on the basis of bilateral contracts with the Parent Company. In particular, all foreign exchange and derivative transactions of the Plenitude Group are centralized in Eni SpA and EGEM. Derivative contracts are used to optimize exposure to commodity price fluctuations. Plenitude monitors every activity in derivatives classified as risk-reducing (in particular, back- to-back activities, flow hedging activities, asset-backed hedging activities and portfolio-management activities) directly or indirectly related to covered industrial assets, so as to effectively optimize the risk profile to which Eni Plenitude is exposed or could be exposed. The framework defined by the 'Guidelines' provides that the valuation and control of market risk is performed on the basis of maximum tolerable levels of risk exposure defined in terms of: (i) limits of stop loss, which expresses the maximum tolerable amount of losses associated with a certain portfolio of assets over a pre-defined time horizon; (ii) limits of revision strategy, which consist in the triggering of a revision process of the strategy in the event of exceeding the level of profit and loss given; and (iii) VaR which measures the maximum potential loss of the portfolio, given a certain confidence level and holding period, assuming adverse changes in market variables and taking into account the correlation among the different positions held in the portfolio. The policy is entrusted to a Commodity Risk Committee.

The Plenitude Group does not enter into derivative contracts for trading purposes.

Market risk – Exchange rate

Exchange rate risk derives from the fact that Eni Plenitude's operations are conducted in currencies other than euro, mainly the Kazakhstani tenge, U.S. dollar and UK pound sterling. Revenues and expenses denominated in foreign currencies may be significantly affected by exchange rate fluctuations due to conversion differences on single transactions arising from the time lag existing between execution and definition of relevant contractual terms - (economic risk) and conversion of foreign currency denominated trade and financing payables and receivables (transactional risk). Exchange rate fluctuations affect the Group's reported results and net equity as financial statements of subsidiaries denominated in currencies other than euro are translated from their functional currency into euro. In general, an appreciation in the Kazakhstani tenge, UK sterling or US dollar against the euro has a positive effect on Plenitude's operating profit and vice versa. The foreign exchange risk management policy is to minimize transactional exposures arising from foreign currency movements and to optimize exposures arising from commodity risk. Eni Plenitude does not undertake any hedging activity for risks deriving from the translation of foreign currency denominated profits or assets and liabilities of subsidiaries, which prepare financial statements in a currency other than euro, except for single transactions to be evaluated on a case-by-case basis.

A hypothetical positive or negative variation of 100 bps in the exchange rates of the currencies in which the Group operates would not have a significant impact on the net result and shareholders' equity for the years under review.

Market risk – Interest rate

Changes in interest rates affect the market value of financial assets and liabilities of the Company and the level of finance charges. The interest rate risk management policy is to minimize risk with the aim to achieve financial structure objectives.

A hypothetical positive or negative variation of 100 bps in the interest rates on the company's financial assets and liabilities would not have a significant impact on the net result and shareholders' equity for the years under review.

Market risk - Commodities

Commodity price risk is identified as the possibility that fluctuations in the price of natural gas and electricity produce significant changes in Plenitude's operating margins, with an impact on the economic result. Commodity price risk arises from the fact that the indexations of purchase contracts may differ from those of sales contracts. Commercial exposure is characterized by a systematic risk management activity conducted based on risk/return assumptions by implementing one or more strategies and is subjected to specific risk limits (VaR and revision strategy limits). Plenitude manages risk in order to optimize core activities in view of achieving stable economic results. The Energy Management unit manages positions arising from indexation for sale using the flexibilities of purchase contracts and transferring any imbalances to Eni.

Thus Plenitude uses derivatives traded on the organized markets MTF and OTF and derivatives traded over the counter (swaps, forward, contracts for differences and options on commodities) with the underlying commodities being crude oil, gas and electricity. Such derivatives are valued at fair value based on market prices provided from specialized sources or, absent market prices, on the basis of estimates provided by brokers or suitable valuation techniques. VaR deriving from commodity exposure is measured daily based on a historical simulation technique, with a 95% confidence level and a one-day holding period.

In 2022, with regard to commodity price risk, VaR values ranged from a minimum of €1.3 million to a maximum of €29 million, with an average value of €12.4 million.

Credit risk

Credit risk is the potential exposure of the company to losses in case counterparties fail to perform or pay amounts due. Plenitude defined credit risk management policies consistent with the nature and characteristics of the counterparties of commercial transactions.

Plenitude has adopted a model to quantify and control credit risk based on the evaluation of Expected Loss. This represents the probability of default and the capacity to recover credits in default that is estimated through the so-called Loss Given Default.

Credit management is operated based on formal procedures for the assessment of commercial counterparties and the monitoring of credit exposures, including credit recovery activities and disputes. The credit worthiness of businesses and large clients is assessed through an internal rating model that combines different default factors deriving from economic variables, financial indicators, payment experiences and information from specialized primary info providers. At the level of Eni Plenitude, these are expressed in policies for individual customers (for business customers) or clusters of customers (for retail customers). The trend of past due receivables and collection curves is constantly monitored.

Liquidity risk

Liquidity risk is the risk that suitable sources of funding for the Group may not be available, or the Group is unable to sell its assets in the marketplace in order to meet short-term finance requirements and to settle obligations. The consequence of such an event occurring is a negative impact on the profits if the company is forced to bear additional costs to meet its commitments or, as an extreme consequence, a situation of insolvency that puts business continuity at risk.

The Group's risk management aims to implement, as part of the 'Financial Plan', a financial structure which, in keeping with the business objectives, can ensure an adequate level of liquidity for the entire Group, minimizing the related opportunity cost, and can maintain a balance in terms of duration and composition of the debt.

The Plenitude Group is entitled to access the financial resources granted by the Eni Group companies, according to the agreements in place with them.

The tables below show the amounts of payments contractually owed in relation to financial debts, including interest payments and the time horizon of disbursements for trade and other payables.

Expected payments for financial liabilities, trade and other payables

The tables below summarize the Group main contractual including expected payments for interest charges and obligations for finance debt and lease liability repayments, derivatives.

	Maturity year						
(€ million)	**2023**	**2024**	**2025**	**2026**	**2027**	**2028 and thereafter**	**Total**
31.12.2022							
Non-current financial liabilities (including the current portion)	68	71	59	64	47	321	**630**
Current financial liabilities	1,937						**1,937**
Lease Liabilities	12	15	13	12	14	135	**201**
Fair value of derivative financial instruments liabilities	5,296	439	78	12	6	11	**5,842**
	7,313	**525**	**150**	**88**	**67**	**467**	**8,610**
Interest on finance debt	32	14	12	11	9	40	**118**
Interest on lease liabilities	3	4	3	2	2	80	**94**

	Maturity year						
(€ million)	**2022**	**2023**	**2024**	**2025**	**2026**	**2027 and thereafter**	**Total**
31.12.2021							
Non-current financial liabilities (including the current portion)	59	174	388	42	35	170	**868**
Current financial liabilities	1,193						**1,193**
Lease Liabilities	8	11	9	8	7	79	**122**
Fair value of derivative financial instruments liabilities	3,497	463	100				**4,060**
	4,757	**648**	**497**	**50**	**42**	**249**	**6,243**
Interest on finance debt	25	13	11	6	5	4	**64**
Interest on lease liabilities	1	3	2	2	1	25	**33**

The table below presents the timing of the expenditures for trade and other payables.

(€ million)

	Maturity year			
	2023	**2024-2027**	**2028 and thereafter**	**Total**
31.12.2022				
Trade payables	1,658			**1,658**
Other payables and advances	946			**946**
	2,604	**0**	**0**	**2,604**

	Maturity year			
	2022	**2023-2026**	**2027 and thereafter**	**Total**
31.12.2021				
Trade payables	1,746			**1,746**
Other payables and advances	785			**785**
	2,531	**0**	**0**	**2,531**

Other information on financial instruments

The carrying value of the financial instruments and the related economic and equity effects are detailed below:

(€ million)	2022		2021	
	Carrying amount	Finance income (expense) recognized in Profit and loss account	Carrying amount	Finance income (expense) recognized in Profit and loss account
Receivables and payables and other assets/liabilities valued at the amortized cost:				
- Trade receivables and other (a)	3,052	(164)	2,241	(160)
- Financing receivables			20	
- Trade payables and other	(2,604)		(2,531)	
- Financing payables (b)	(2,567)	(52)	(2,061)	(20)

(a) Income or expense were recognized in the profit and loss account as net impairment losses within 'Net (impairment losses) reversal of trade and other receivables' for €164 million (net impairment losses for €160 million in 2021).
(b) Income or expense were recognized in the profit and loss account within 'Finance income (expense)' for €52 million of expenses (€20 million of expenses in 2021).

Legal Proceedings

The Group is a party in a number of civil actions and administrative arbitral and other judicial proceedings arising in the ordinary course of business. Based on information available to date, and taking into account the existing risk provisions and that in some instances it is not possible to make a reliable estimate of contingency losses, the Group believes that the foregoing will likely not have a material adverse effect on the Group Consolidated Financial Statements. The most significant proceedings currently pending is provided in the following paragraphs. Unless otherwise indicated, these legal proceedings have not been provisioned because Eni Plenitude believes a negative outcome to be unlikely or because the amount of the provision cannot be estimated reliably.

Proceedings concerning antitrust and/or consumer protection

Eni Plenitude SpA Società Benefit (formerly Eni gas e luce SpA, formerly Eni SpA, formerly Acam Clienti SpA) - potential abuses in the wholesale electricity market.

With Resolution 342/2016/EEL, the Authority for Electricity, Gas and the Water System, now known as the Regulatory Authority for Energy, Networks and the Environment (ARERA), initiated proceedings 'for the prompt adoption of prescriptive measures and the assessment of potential abuses in the wholesale electricity market, pursuant to Regulation (EU) 1227/2011- REMIT' and ordered Acam Clienti SpA (subsequently Eni SpA and now Eni Plenitude SpA Società Benefit (hereinafter 'Plenitude')) to cease, pending the conclusion of the proceedings, 'adopting behaviour inconsistent with the principles of diligence, prudence, proficiency and foresight, which should characterize the behaviour of an operator in the dispatching service.' In a subsequent Communication of the Investigation Findings ('CRI'), ARERA informed Plenitude of its failure to comply with these principles of diligence, prudence, proficiency and foresight in its planning activities as a dispatching user, and considered that there were grounds to order Plenitude to return the undue amounts to Terna. Plenitude appealed to the Regional Administrative Court against resolution 342/2016, the CRI and all the prior, consequential and related acts and resolutions, even if not known. The hearing has not yet been scheduled. With Resolution 100/2017/EEL of March 2017, ARERA ordered Plenitude to return to Terna 'the amounts corresponding to the undue benefit achieved as a result of the non-diligent planning strategy adopted by the company.' Plenitude has analyzed the calculation criteria indicated, presented its own evaluations to ARERA and has also challenged this resolution before the Regional Administrative Court; the hearing has not yet been scheduled.

With Determination DSAI/22/2017/EEL of July 2017, ARERA initiated a sanction procedure against Plenitude 'for non-diligent scheduling strategies in the context of the electricity dispatching service'. This was challenged as a precautionary measure by both Eni and Plenitude, since ARERA did not –

as specifically requested by both companies – serve the document again on Plenitude, which would bear the relevant charges following the transfer of the business unit. Plenitude has set aside a provision for legal risks and charges. With its Resolution of March 2018 (134/2018/EEL), ARERA confirmed the prescriptive measure set out in Resolution 100/2017/EEL, stipulating that Terna should proceed to calculate the relevant economic items. In May 2018, Terna issued an invoice to Eni Plenitude for €164,050.18, which has been duly paid. At the same time, both Eni and Plenitude appealed to the Regional Administrative Court against the aforementioned Resolution 134/2018/EEL. On May 17, 2022, ARERA communicated to Plenitude the results of the preliminary investigation relating to the above-mentioned sanctioning procedure initiated with Determination DSAI/22/2017/EEL, observing that (i) as regards the criterion of the gravity of the violation, the Company did not comply with the provisions functional to maintaining the balance and the security of the national electricity system, obtaining undue economic advantages for some months of 2015 and 2016; however, such undue advantages, quantified by Terna in €164,048, were promptly paid to the latter; and (ii) as regards the criterion of the work performed by the agent for the elimination or mitigation of the consequences of the violation and the agent's personality, no relevant circumstances were found. In any case, ARERA ruled out the configurability of the contested conduct as potentially manipulative pursuant to Article 5 of the REMIT Regulation, as it acknowledged that, at the level of the individual dispatching user and also in consideration of the limited volumes involved, the same do not appear to have altered market prices. Plenitude is therefore now waiting to know the content of the measure that ARERA is expected to issue following these preliminary findings.

Eni Plenitude SpA Società Benefit (formerly Eni Gas e Luce SpA) - Proceedings (PS11569) of the Italian Antitrust Authority against Eni Gas e Luce SpA for alleged unfair commercial practices in relation to the (non-)recognition of the two-year statute of limitations.

With a measure notified on 6.7.2020, the Antitrust Authority (AGCM) ordered the opening of a proceeding (PS11569) against Eni Plenitude SpA Società Benefit, formerly Eni gas e luce SpA (Plenitude), aimed at ascertaining the possible violation of Articles 20, 24 and 25 of the Consumer Code in relation to the (non-)recognition of the two-year statute of limitations. The inquiry refers to the two-year statute of limitations introduced by the 2018 Budget Law, which grants consumers the right to argue the lapsing of the statute of limitations in the case of invoices referring to consumption dating back more than two years, except in the case of ascertained liability of the user for late billing (this last point was subsequently amended by the 2020 Budget Law). The AGCM accuses Plenitude of having rejected the claims that the statute of limitations had lapsed formulated by the users based on what was reported to it by the gas distribution company (in the case of Plenitude, for the most part, Italgas SpA), without ordering further investigations and verifications. During the investigation, Plenitude argued the legitimacy of its conduct, with reference to both the 2018 Budget Law and the regulatory provisions introduced by the Regulatory Authority for Energy Networks and Environment (ARERA), in implementation and completion of the primary legislation. On October 22, 2020, the AGCM sent Plenitude the Notice of Investigative Findings, in which it ‘crystallized' its objections. In response, Plenitude filed a statement of defence on November 18, 2020, in which it defended itself by demonstrating and documenting the legitimacy and compliance of its operating procedure for handling claims for prescription with the primary legislation and industry regulations, as well as with the standard of diligence required of it by the Consumer Code. Plenitude also contested every single user complaint cited by the AGCM in the Notice of Investigation findings in support of its theses. Plenitude also highlighted that, if an unfair commercial practice had taken place, it would have been against the distribution company. On January 19, 2021, Plenitude was notified of the relevant measure by the AGCM, which applied a fine of €5 million. On March 29, 2021, Plenitude challenged this measure before the Lazio Regional Administrative Court. The latter, on April 15, 2021, granted the request for suspension proposed by Plenitude limited to the obligation to publish on its website the text of the corrective statement annexed to the same measure and set the hearing for the discussion on the merits for February 9, 2022. On March 1, 2021, Plenitude sent a report to the AGCM on compliance with the requirements of the measure in question, and the AGCM, on March 25, 2021, sent a notice of 'acknowledgement' of compliance. Plenitude paid the penalty on June 11, 2021.

In its ruling of February 28, 2022, the Regional Administrative Court of Lazio rejected Plenitude's appeal and, as a result, Plenitude published the aforementioned amending statement on its website.

On May 2, 2022, Plenitude appealed the Lazio Regional Administrative Court's ruling before the Council of State. On February 10, 2023, the Council of State upheld Plenitude's appeal and consequently annulled the measure of the AGCM, which will therefore have to return to Plenitude the amount of the fine of €5 million (which, as indicated above, had been paid by Plenitude on June 11, 2021).

Eni Plenitude SpA Società Benefit (formerly Eni Gas e Luce SpA) - Proceedings (PS12460) of the Antitrust Authority against Eni Plenitude for alleged unfair commercial practices in relation to renewal practices

On 10 August 2022, Article 3 of Decree-Law No. 115 of August 9, 2022, converted into Law No. 142 of September 21, 2022 (*Aiuti bis* (Aid A) Decree), came into force, according to which: "1. Until April 30, 2023, the effectiveness of any contractual clause allowing the electricity and natural gas supply company to unilaterally change the general terms and conditions of the contract relating to the definition of the price is suspended, even if the right of withdrawal of the counterparty is contractually recognized. 2. Until the same date referred to in paragraph 1, notices given for the aforementioned purposes before the date of entry into force of this decree shall be ineffective, unless the contractual changes have already been finalized."
On December 13, 2022, the AGCM adopted a precautionary measure against Eni Plenitude and several other companies (Enel, Acea, etc.) for alleged unlawful unilateral changes in the supply price of electricity and natural gas. In particular, the AGCM accuses the company of allegedly modifying the contractual clauses in breach of the rights provided for in Article 3 of the *Aiuti-bis* (Aid A) Decree, a modification that, according to the AGCM, took place in a deceptive and aggressive manner.
Plenitude notified an appeal against this measure on December 23, 2022, asking the Regional Administrative Court to adopt a precautionary measure to suspend the effectiveness of the contested measure immediately.

On December 22, the Council of State adopted an order (partially) suspending the AGCM's measure against IREN in the context of a dispute concerning IREN, but with a similar subject matter.

On December 30, the Government adopted the so-called 'Mille proroghe Decree-Law', which intervenes on the matter by affirming a principle substantially similar to the one that led the Council of State to adopt the aforementioned order.

Also on December 30, 2022, AGCM (due to the above-mentioned Council of State order) adopted a partial revocation measure against Eni Plenitude, partially replacing the previous measure (of December 13). The Authority has introduced a distinction between renewal letters sent "on the precise expiry date" of the previous economic conditions - which are deemed lawful - and renewal letters sent when the previous economic conditions were in a state of "extension" without a clear expiry date - which are instead deemed unlawful; this is because the extension of the economic conditions without a clear or predeterminable deadline would generate a continuing validity of the same, thus qualifying the renewal letter sent by the operators as a case of unilateral modification, suspended pursuant to Article 3 of the Aid A Decree until April 30, 2023. The Company is alleged to have engaged in precisely the latter conduct.
In its decision of December 30, AGCM set a deadline of five days to file a compliance report; a request for an extension (which was granted to January 16, 2023) was filed in order to have time to consider the next steps. The new measure appears to be a new administrative act, which has been challenged by means of additional grounds. The hearing for the discussion on the merits of the appeal in question was held, together with the appeals of the other undertakings to which similar measures were addressed by the AGCM, on February 22, 2023, and the issuance of the judgment is awaited. If the appeal is not upheld, Plenitude would have to restore the previous economic conditions to customers, generating a €42 million decrease in revenues in the financial year 2022 and further impacts on revenues in 2023.

Eni Gas & Power France SA - Proceedings for misleading commercial practices in door-to-door sales.

On June 27, 2019, the headquarters of Eni Gas & Power France were inspected by the Authority on the basis of an order of the Nanterre Court dated 13.6.2019, issued at the request of the Minister for the Economy and served on Eni Gas & Power France during the inspection. The proceedings concern the alleged violation of Articles 121-2 et seq. of the French Consumer Code concerning misleading commercial practices in door-to-door sales allegedly carried out directly or indirectly by Eni Gas & Power France. In particular, the sellers would introduce themselves to customers claiming to be checking the meters, without explaining the real commercial intent of their visit. The inspection concerned, in particular, the Company's employees involved in door-to-door sales. More than 275,000 documents were inspected. Between the end of September and the beginning of October 2019, the Authority summoned two employees of Eni Gas & Power France to a hearing to gather information and clarifications, in particular, on the documents collected during the inspection. As far as Eni Gas & Power France is aware, the Authority's investigation is still ongoing.

In this regard, it should be noted that on November 24, 2020, EDF brought an urgent action against Eni Gas & Power France seeking, on the basis of the news published with reference to the aforementioned proceedings, the suspension of the alleged unfair commercial practices and damages totalling approximately €9.5 million. The proceedings ended on September 29, 2021 with Eni Gas & Power France being ordered to pay EDF a total amount of €3,040,000 in damages. The amount was paid by Eni Gas & Power France, which nevertheless lodged an appeal on November 4, 2021.

In the course of 2022, EDF, in its memorandum in response to Eni Gas & Power France's appeal, reiterated what it had already argued in first instance, also attaching the same documentary evidence as well as requesting the same amount as already proposed (and only partially granted by the court of first instance). Eni Gas & Power France responded to EDF's statement, also pointing out the fact that EDF was fined in February 2022 by the French antitrust authority for abuse of a dominant position.

Subsequently, on December 28, EDF produced a new memorandum with abundant new documentation, which is currently being analysed by Eni Gas & Power France.

The hearing is set for April 11, 2023.

Other arbitrations/disputes

Axsell Group / Eni Gas & Power France Arbitration

Eni Gas & Power France (hereafter, also 'EGPF') has a national network of distributors for the marketing of offers and services, the latter through franchises, the ENI Energie Services Pro (ESP) Network.

In 2019, several distributors - all members of the ENI ESP network - decided to join the competing energy marketing network 'Mon Courtier Energie' despite the non-compete clause in Article 11 of their contracts, and to take stakes in the capital of the company MCE. These events were discovered by Eni Gas & Power France during the summer of 2019 and confirmed the following autumn.

On July 17, 2020, after a phase of contacts parallel to an action to rebuild the ESP network, Eni gas & power France notified the termination of the distribution-franchising contracts to the companies of the Axsell Group, part of the ESP Network, which had developed an activity competing with that of Eni Gas & Power through the 'Mon Courtier Energie' network in breach of the provisions of the non-competition clause in the contract. This termination was in accordance with the provisions of the distribution-franchising agreements, all of which stipulated in their Article 10-1-1 that violation of the non-competition clause would lead to immediate termination of the contract without notice.

Following several attempts at out-of-court and alternative settlements, the Axsell Group companies filed for arbitration on April 12, 2021.

The counterparty's claims amount to €26,151,370.00 primarily by way of the reclassification of the distribution contract into a commercial agency contract and the payment of the related indemnity. The amount claimed by the other party also includes compensation for the economic loss of earnings over the remaining term of the contract.

On June 21, 2022, the Arbitration Board issued its award:

1) an order for Eni Gas & Power France to pay AXSELL €4,339,932;
2) an order for AXSELL to pay EGPF a total of approximately €4,650,000;
3) offsetting the amounts due between the parties, with the result that AXSELL owes EGPF a sum of €311,088.43;
4) the classification of the commercial relationship between EGPF and its sales network to so-called TPE ('très petites entreprises') customers as an agency.

On July 6, 2022, Eni Gas & Power France finalized the notification of the award to the AXSELL Group companies involved in the arbitration.

At the same time, Eni Gas & Power France started the necessary steps to obtain the exequatur of the award, i.e. the recognition of the decision by a national court, which is necessary to be able to proceed to execute the award and consequently obtain the payment of the amount due by the counterparty.

Following the award, AXSELL had filed an appeal for annulment with the Paris Court of Appeal.
At the same time, Eni Gas & Power France:
- applied to the same section of the Court for an exequatur decision to recover the amount of €311,088.43 that AXSELL refused to pay;
- proceeded to the precautionary seizure of the said sum on AXSELL's bank accounts.
AXSELL subsequently withdrew its action for annulment. Consequently, the award became final and the Court of Appeal had to ratify this by an exequatur decision.

In addition, AXSELL's withdrawal allowed the bailiff to convert the attachment by paying the aforementioned amount by December 31, 2022.

To date, AXSELL has no further means of redress. Although the exequatur has not formally intervened, the funds have already been collected by Eni Gas & Power France. Therefore, the provision of approximately €3.7 million is reversed in the accounts.

Unydis Group/Eni gas & Power France Arbitration

The subject of the proceedings is the breach of the non-competition clause contained in the distribution - franchising contracts signed by the companies of the UNIDYS Group (Unydis et Unydis Devloppement) and Eni Gas & Power on December 22, 2016.

On July 17, 2020, Eni Gas & Power France sent a letter of termination of the distribution-franchising agreements to the Unydis Group because it had developed an activity competing with Eni's through the 'Mon Courtier Energie' network in violation of the provisions of Article 11.

On July 14, 2021, Unydis notified Eni of a request for arbitration.

The counterparty's claims amount to €18.5 million in principal. The Unydis group seeks compensation from Eni gas & Power France for the early termination of the distribution contract, which is considered abusive. The above-mentioned amount claimed by them also includes compensation for the economic loss of earnings over the remaining term of the contract, additional compensation for the pecuniary loss of professional image following the interruption of business relations with the Eni group, and reimbursement of legal fees.

A provision had been made for this dispute.

This file has been delayed several times since its inception, due to delays by Unidys or requests for postponement by Unidys itself.

Unidys filed its pleadings on October 20, 2022 with new material, including an economic expert report and four new witness statements, and increased its overall claim to €20.4 million.

However, in the opinion of Eni gas & Power France, no claim is justified by a legal basis or the economic report that Unidys provides in support of its claims.

Eni Gas & Power France filed its statement and final evidentiary documents on December 15, 2022. Hearings were held on February 14, 15 and 16, 2023, during which witnesses gave their statements and were cross-examined, and the parties' lawyers presented their respective defences. The award is scheduled to be issued by April 30, 2023.

In view of the increase in the overall demand for Unydis, the provision for risks was prudently raised.

28 Revenue and other income

The main 'Revenue and other income' items are detailed below. The reasons for the most significant changes are given in the 'Financial Review' in the 'Management Report'.

Sales from operations

Sales from operations amount to €12,638 million (€7,274 million in 2021) and are broken down, net of intersegment adjustments, as follows:

(€ million)	2022	2021
Natural gas	5,383	4,150
Electricity sold to end customers	4,148	2,626
Electricity sold on the stock exchange	2,473	47
Services and other	369	343
Total retail	**12,373**	**7,166**
Renewables	**115**	**85**
Electric mobility	**150**	**23**
	12,638	**7,274**

The breakdown by geographic area is provided below:

(€ million)	2022	2021
Italy	8,322	4,578
France	2,388	1,733
Iberian Peninsula	1,009	503
Greece	820	418
Slovenia	69	42
United States of America	15	
Kazakhstan	15	
	12,638	**7,274**

Sales from operations are recognized, in accordance with IFRS 15, consistently with what is described in note 1 - Significant accounting estimates and judgements, under the heading Revenue from contracts with customers.

Sales from operations with related parties are disclosed in note 35 - Transactions with related parties.

The increase in revenue resulted mainly from price increases. The item 'Electricity sales on the stock exchange' of €2,473 million includes electricity sales on the so-called 'Day-Ahead Market' in the amount of €2,450 million. These revenues increased compared to the comparison period essentially because Plenitude resold on the market all the quantities of electricity purchased with forward contracts from Eni (for a total of €2,184 million) and subsequently repurchased on the same market the quantities needed for deliveries to its customers, according to the forecasted time profiles. Revenues of the Electric Mobility segment of €150 million (€23 million in 2021) include revenues from the resale of electricity of €140 million in 2022 (€21 million in 2021).

Other income and revenues

Other income and revenues amounted to €112 million (€93 million in 2021) and mainly concerned the fees linked to tax credit disposal transactions for €22 million, recovery of costs related to core business activities for €20 million (€58 million in 2021), GSE incentives received by subsidiaries for €15 million (€14 million in 2021), other services provided to distributors in France for €12 million, incentives received from the French authorities for €12 million and income for time-barred and non-existence of debts for €16 million (€14 million in 2021).

Other income and revenues with related parties are disclosed in note 35 - Transactions with related parties.

29 Operating expenses

Purchases, services and other charges

(€ million)	2022	2021
Costs for raw, ancillary and consumable materials and goods	9,685	3,496
Service costs	1,975	2,965
Lease expense and other	7	5
Net provisions for contingencies	7	1
Other expenses	141	126
	11,815	**6,593**

Operating expenses amounted to €11,815 million.

Costs for raw, ancillary and consumable materials and goods of €9,685 million mainly refer to purchases of natural gas and electricity and rise due to the increase in prices, in addition to the aforementioned purchases on the Day-Ahead Market.

Service costs are broken down as follows:

(€ million)	2022	2021
Transmission and distribution of natural gas	637	1,370
Transmission and handling of electricity	565	1,008
Commissions to agents	171	146
Development, management of ICT infrastructure and applications	154	133
Other costs of sales	133	122
Consulting and professional services	100	100
Advertising, promotion and communication activities	55	35
Installation of photovoltaic systems and recovery decree packages	45	30
Maintenance	30	7
Postal, telephone and radio links	29	21
Thermal energy	27	14
Porterage and labour	24	18
Databases	14	13
Travel, missions and other staff-related services	11	7
Banking services	9	8
Inspection and analysis services	6	14
Property management	2	2
Archive services	1	1
Other services	89	32
	2,102	**3,081**
less:		
Investment services	(127)	(116)
	1,975	**2,965**

Lease expense and other of €7 million mainly comprise rentals for office leases to the parent company Eni and other non-lease components.

The decrease in gas and power logistics costs is related to government interventions that reduced system charges.

Net provisions for contingencies of €7 million (€1 million in 2021) relate to the provision for litigation of €8 million (€3 million in 2021) and a utilization of other provisions of €1 million (€2 million in 2021).

Information relating to the net provisions for contingencies is provided in note 21 – Provisions.

Other expenses of €141 million (€126 million in 2021) mainly include the purchase of energy efficiency certificates in France for €73 million (€77 million in 2021), indirect taxes and levies for €19 million (€11 million in 2021), expenses on settlements, contractual penalties and compensation for €14 million (€10 million in 2021), commissions paid to factoring companies for tax credit disposal for €14 million, the contribution due for the Gestione Fondo Bombole Metano for €10 million (€8 million in 2021), expenses from time-barred and non-existence of receivables for €2 million (€4 million in 2021) and the contribution for ARERA operation for €1 million (€1 million in 2021).

Net (impairments) reversals of trade and other receivables

(€ million)	2022	2021
Net (impairments) reversals of trade and other receivables		
New or increased provisions	(159)	(171)
Net credit losses	(68)	(33)
Reversals	63	44
	(164)	**(160)**

Net (impairments) reversals on trade and other receivables of €164 million (€160 million in 2021) relate to trade receivables from retail and business customers for the sale of natural gas and electricity.

Payroll and related costs

(€ million)	2022	2021
Wages and salaries	143	109
Social security contributions	36	28
Cost (income) related to employee benefit plans	77	(6)
Other costs	5	12
	261	**143**
less:		
- capitalized direct costs associated with self-constructed assets - intangible assets	(1)	(1)
	260	**142**

Costs for employee benefit plans of €77 million includes €11 million of revaluation of long-term plans as a result of revised actuarial estimates.

Cost related to employee benefit plans are described in note 22 - Provisions for employee benefits.

Other costs of €5 million mainly include charges for defined contribution plans.

Costs with related parties are disclosed in note 35 - Transactions with related parties.

Average number of employees

The average number and breakdown by category of employees of companies included in the scope of consolidation is reported below:

	2022	2021
(number)	**Group**	**Group**
Executives/Senior managers	84	74
Middle managers and white collar workers	2,048	1,819
Blue collar workers	48	41
	2,180	**1,934**

The average number of employees was calculated as the average between the number of employees by category at the beginning and at the end of the period.

The average number and breakdown by geographic area of employees of companies included in the scope of consolidation is reported below:

(number)	**2022**	**2021**
Italy	1,537	1,349
Outside Italy	643	585
	2,180	**1,934**

Eni share-based incentive plan for executives

On April 13, 2017 and on May 13, 2020, Eni's Shareholders' Meeting approved the Long-Term Monetary Incentive Plan 2017-2019 and 2020-2022 and empowered the Board of Directors to execute the Plans by authorizing it to dispose up to a maximum of 11 million treasury shares in service of the plan 2017-2019 and 20 million treasury shares in service of the plan 2020-2022. The Long-Term Monetary Incentive Plans provide for three annual awards (2017, 2018 and 2019 and 2020, 2021 and 2022, respectively) and are intended for the Chief Executive Officer of Eni and for the managers of Eni and its subsidiaries who qualify as 'senior managers with deemed critical for the business', selected among those who are in charge of tasks directly linked to the Group results or of strategic clout to the business. The Plans provide for the granting of Eni shares for no consideration to eligible managers after a three-year vesting period under the condition that they would remain in office until vesting. Considering that these incentives fall within the category of employee compensation, in accordance with IFRS, the cost of the plans is determined based on the fair value of the financial instruments awarded to the beneficiaries and the number of shares that are granted at the end of the vesting period; the cost is accruing along the vesting period. With reference to the 2017-2019 Plan, the number of shares that will be granted at the end of the vesting period will depend: (i) for a 50%, on the market condition in terms of Total Shareholder Return (TSR) of the Eni share compared to the TSR of the FTSE Mib index of the Italian Stock Exchange Market, and to a group of Eni's competitions ('Peer Group') and the TSR of their corresponding stock exchange market; (ii) for a 50%, on the growth in the Net Present Value (NPV) of proved reserves benchmarked against the Peer Group. With reference to the 2020-2022 Plan, the number of shares that will be granted at the end of the vesting period will depend: (i) for 25% on a market objective measured as the difference between the Total Shareholder Return (TSR) of Eni Shares and the TSR of the FTSE Mib Index of Italian Stock Exchange on a three-year period, adjusted with Eni's correlation index, compared with similar differences for each company of the Eni's group of competitors (Peer Group); (ii) for 20% on a relative parameter represented by an industrial objective measured in terms of annual unit value ($/boe) of the Net Present Value of Proven Reserves (NPV) compared with the analogous value of each company in the Peer Group, with a final outcome equal to the average annual results over the three-year period; (iii) for 20% on an absolute parameter represented by an economic- financial objective measured as the Organic Free Cash Flow accumulated in the three-year reference period, compared to the equivalent accumulated value provided for in the first three years of the Strategic Plan approved by the Board of Directors in the year of award and kept unchanged during the performance period. The verification of CFC targets is conducted net of exogenous variables, using a gap-analysis approach approved by the Remuneration Committee, in order to assess the effective corporate performance deriving from the management action; (iv) for the remaining 35% on an environmental sustainability and energy transition objective in a three-year period consisting of three absolute objectives as follows: (a) for 15% to a decarbonization objective measured in terms of CO_2eq. emissions related to Eni operated upstream production (tCO2eq./kboe) at the end of the three-year period compared with the same value expected in the third year of the Strategic Plan approved by the Board of Directors in the year of award and kept unchanged during the performance period; (b) for 10% on an energy transition objective measured in megawatts (MW) of installed capacity of power generation from renewable sources, at the end of the three-year performance period, compared with the same value expected in the third year of the Strategic Plan approved by the Board of Directors in the year of award and kept unchanged in the performance period; (c) for 10% on a circular economy objective measured in terms of progress of three important biofuel projects at the end of the three-year performance period, compared with the progress expected in the third year of the Strategic Plan approved by the Board of Directors in the year of award and kept unchanged during the performance period.

Depending on the performance of the parameters mentioned above, the number of shares that will vest after three years may range between 0% and 180% of the initial award. Furthermore, 50% of the shares that will eventually vest is subject to a lockup clause of one year after the vesting date.

The number of shares awarded to company employees was: (i) 127,737 Eni shares in 2022, with a weighted average fair value of €9.20 per share; (ii) 119,819 Eni shares in 2021, with a weighted average fair value of €8.15 per share; (iii) 125,085 Eni shares in 2020, with a weighted average fair value of €4.67 per share.

The estimation of the fair value was calculated by adopting specific valuation techniques regarding the different performance parameters provided by the plan (the stochastic method for the market condition of the plan and the Black-Scholes model for the component related to the NPV of the reserves, for the 2017-2019 Plan; the stochastic method for the 2020-2022 Plan), taking into account the fair value of the Eni share at the grant date (€14.324 per share in 2022; €12.164 per share in 2021; €8.303 per share in 2020), reduced by dividends expected along the vesting period (6.8% of the share price at vesting date in 2022, 7.4% in 2021 and 7.1% in 2020), considering the volatility of the stock (31% in relation to the 2022 award; 45% for attribution in 2021; 44% for attribution in 2020), the forecasts for the performance parameters, as well as the lower value attributable to the shares considering the lock-up period at the end of the vesting period.

The costs related to the long-term monetary incentive plan, recognized as a component of the payroll cost since they relate to employees of the company, amounted to €0.876 million (€0.788 million in 2021) with a contra-entry to equity reserves.

Compensation of key management personnel

Compensation paid by the Group to key management personnel in the year ended December 31, 2022 amounted to €3,04 million.

Compensation of Directors and Statutory Auditors of Eni Plenitude SpA

Compensation of Directors amounted to €135,000 in 2022. Compensation of Statutory Auditors amounted to €121,680 in 2022. Both values are unchanged from last year.

Compensation included emoluments and social security benefits due for the office as Director or Statutory Auditor held at the parent company Eni Plenitude or other Group subsidiaries, which was recognized as a cost to Plenitude, even if not subject to personal income tax.

Depreciation, amortization and impairments

(€ million)	2022	2021
Depreciation and amortization:		
- tangible assets	77	41
- intangible assets	217	184
- right-of-use assets	14	10
	308	**235**
Impairment losses:		
- tangible assets	14	
- intangible assets	3	
	17	**0**
	325	**235**

Depreciation of tangible assets amounted to €77 million and increased by €36 million due to higher depreciation related to new companies entering the scope of consolidation of the Renewables segment.

Amortization of intangible assets essentially relates to customer portfolios and related customer acquisition costs of €140 million (€122 million in 2021), intellectual property rights of €36 million (€45 million in 2021), concessions, licenses and trademarks of €29 million (€9 million in 2021) and work on assets under concession of €4 million (€4 million in 2021).

Impairment losses mainly referred to tangible assets for €14 million.

30 Finance income (expense)

The analysis of finance income (expense) was as follows:

(€ million)	2022	2021
Financial income (expense)		
Finance income	31	12
Finance expense	(122)	(42)
Income (expense) from derivative financial instruments	8	1
	(83)	**(29)**

Net financial income and expense was as follows:

(€ million)	2022	2021
Finance income (expense) related to net borrowings		
- Interest and other expense due to banks and other financial institutions	(51)	(20)
- Interest on lease liabilities	(4)	(1)
- Interest from banks	3	1
	(52)	**(20)**
Exchange differences	**(10)**	
Income (expense) from derivative financial instruments	**8**	**1**
Other finance income (expense)	**(29)**	**(10)**
	(83)	**(29)**

Interest and other expense due to banks and other financial institutions of €51 million refer to interest expense and other expense on medium/long-term loans with Eni and Group financial companies for €25 million (€9 million in 2021), to interest expense on medium/long-term loans with third-party banks for €20 million (€6 million in 2021) and to fees for undrawn borrowing facilities granted by Eni and by third parties for €2 million (€5 million in 2021) and €4 million, respectively.

Other net financial expenses of €29 million essentially relates to charges for discounting tax credits of €9 million, charges for factoring transactions of €15 million (€6 million in 2021) and other finance expenses of €15 million (€3 million in 2021), partially offset by interest income on trade receivables of €6 million (€7 million in 2021) and other finance income of €1 million (€5 million in 2021).

Information about leases is disclosed in note 12 – Right-of- use assets and lease liabilities.

Finance income (expense) with related parties are disclosed in note 35 - Transactions with related parties.

31 Income (expense) from investments

Share of profit (loss) from equity-accounted investments

(€ million)	2022	2021
Share of profit of equity-accounted investments	3	6
Share of loss of equity-accounted investments	(23)	(3)
	(20)	**3**

Net losses from equity-accounted investments amounted to €20 million (€3 million net gain in 2021) and mainly related to the equity accounting of the investment held in Vårgrønn AS for €11 million, in Novis Renewables LLc for €7 million and in GreenIT SpA for €2 million.

Other gain (loss) from investments

(€ million)	2022	2021
Net gain (loss) on disposals	30	
Other net income (expense)	78	(3)
	108	**(3)**

The gain on disposal of investments of €30 million refers to the sale of the investment in the jointly controlled company Gas Distribution Company of Thessaloniki-Thessaly SA for €165 million.

Other net income from investments of €78 million mainly relates to the reversal to profit and loss of the reserve for other comprehensive income related to the investments in Dogger Bank (A, B, C) for €68 million (net of the €33 million reserve for currency translation differences) and the non-controlling interest portion of the €6 million gain on the contribution of Eni North Sea Wind Ltd to Vårgrønn AS. Further information on the transaction is provided in Note 26 - Other Information.

32 Income taxes

Income tax can be broken down as follows:

(€ million)	2022	2021
Current taxes in Italian subsidiaries:	267	50
Current taxes in subsidiaries outside Italy:	15	11
	282	**61**
Net deferred taxes in Italian subsidiaries:		
- deferred tax expense	(7)	(5)
- deferred tax income	(12)	94
	(19)	**89**
Net deferred taxes in subsidiaries outside Italy:		
- deferred tax expense	14	
- deferred tax income	(103)	(62)
	(89)	**(62)**
	174	**88**

The reconciliation between the theorical tax charge calculated by applying the Italian IRES tax rate of 24% and the effective tax charge is the following:

(€ million)	2022	2021
Profit (loss) before taxation	**66**	**291**
Theoretical tax rate (IRES) (%)	24%	24%
Theoretical income taxes	**16**	**70**
Increase (decrease) resulting from:		
- higher (lower) tax charges related to subsidiaries outside Italy	(3)	(5)
- theoretical Italian regional income tax (IRAP) related to Italian companies	27	18
- tax effects related to previous years	13	
- tax effects on investments	(8)	
- extraordinary solidarity contribution	130	
- other adjustments	(1)	5
	158	**18**
Effective tax charge	**174**	**88**

33 Earnings per share

Basic earnings per share are calculated by dividing the profit for the period attributable to Eni Plenitude by the weighted average number of its shares issued and outstanding during the period.

(€ million)	2022	2021
Profit (loss) attributable to Eni Plenitude	(128)	191
Weighted average of shares outstanding	1,090,833,333	760,000,000
Earnings (loss) per share (€ per share)	**(0.12)**	**0.25**

Diluted earnings per share is the same as basic earnings per share because there are no financial instruments with potential dilutive effects.

34 Segment information and information by geographic area

Segment information

Eni Plenitude's management considered that the decision-making processes for allocating resources and the evaluation of financial and industrial performance will be carried out at the level of the Group's three operating segments. Therefore, in order to comply with the provisions of the international reporting standard that regulates the segment reporting (IFRS 8), the reportable segments are broken down as follows:

Retail: (i) purchase and sale of gas to end customers on the free market and the protected market (to residential customers and business customers); (ii) purchase and sale of electricity to end customers on the free market (to residential customers and business customers); (iii) offer of energy solutions;

Renewables: production and sale of electricity from renewable sources, in particular wind and solar;

Electric Mobility: installation and management of charging stations and supply of electric mobility services to drivers of electric vehicles.

Segment information presented to the CEO (i.e. the Chief Operating Decision Maker, according to IFRS 8) includes the underlying elements of revenue, operating profit, investment and financial items relating inter alia to directly attributable assets and liabilities.

The main segment information of the operating segments reported to the CEO is set out below.

(€ million)	Retail	Renewables	Electric Mobility	Total
2022				
Sales from operations including intersegment sales	12,391	281	150	12,822
less: intersegment sales	(18)	(166)		(184)
Sales from operations	12,373	115	150	12,638
Operating profit	12	82	(33)	61
Net provisions contingencies	(7)			(7)
Depreciation and amortization	209	91	8	308
Impairments of tangible and intangible assets and right-of-use assets	3	14		17
Share of profit (loss) of equity-accounted investments		(20)		(20)
Identifiable assets[(a)]	7,357	3,645	851	11,853
Unallocated assets[(b)]				6,977
- of which equity-accounted investments				661
Identifiable liabilities[(a)]	4,571	550	43	5,164
Unallocated liabilities[(b)]				8,316
Capital expenditure in tangible and intangible assets	206	61	265	532
2021				
Sales from operations including intersegment sales	7,166	93	23	7,282
less: intersegment sales		(8)		(8)
Sales from operations	7,166	85	23	7,274
Operating profit	288	35	(3)	320
Net provisions contingencies	(6)			(6)
Depreciation and amortization	205	29	1	235
Impairments of tangible and intangible assets and right-of-use assets				
Share of profit (loss) of equity-accounted investments		3		3
Identifiable assets[(a)]	7,092	1,708	778	9,578
Unallocated assets[(b)]				7,342
- of which equity-accounted investments	18	647		665
Identifiable liabilities[(a)]	3,905	83	29	4,017
Unallocated liabilities[(b)]				6,401
Capital expenditure in tangible and intangible assets	208	48	4	260

(a) Include assets/liabilities directly associated with the generation of operating profit.

(b) Include assets/liabilities not directly associated with the generation of operating profit.

Sales from operations by geographic area:

(€ million)	2022 Retail	Renewables	Electric mobility	Totale
2022				
Italy	8,148	24	150	8,322
France	2,372	16		2,388
Iberian Peninsula	964	45		1,009
Greece	820			820
United States of America		15		15
Kazakhstan		15		15
Slovenia	69			69
	12,373	**115**	**150**	**12,638**
2021				
Italy	4,478	77	23	4,578
France	1,729	4		1,733
Iberian Peninsula	499	4		503
Greece	418			418
Slovenia	42			42
	7,166	**85**	**23**	**7,274**

Identifiable assets and capital expenditure by geographic area are as follows:

(€ million)	2022 Italy	Rest of Europe	America	Asia	Australia	Total
2022						
Identifiable assets[a]	7,869	3,282	499	153	50	11,853
Capital expenditure in tangible and intangible assets	182	134	153	12	51	532
2021						
Identifiable assets[a]	7,140	2,091	189	158		9,578
Capital expenditure in tangible and intangible assets	118	110	32			260

35 Transactions with related parties

In the ordinary course of its business, Eni Plenitude enters into transactions regarding:

(a) Purchase/supply of goods and services and the provision of financing with the parent company Eni and with other group companies;

(b) Purchase/supply of goods and services to entities controlled by the Italian Government.

Transactions with related parties were conducted in the interest of the Company and are related to the ordinary course of the Company's business.

Transactions and balances with related parties

2022

(€ million)

	31.12.2022			2022						
				Costs			Revenue			Other operating (expense) income
Name	Receivables and other assets	Payables and other liabilities	Guarantees	Goods	Services	Other	Goods	Services	Other	
Parent company										
Eni SpA	5,403	5,761		6,254	598		(806)	6		15
	5,403	**5,761**		**6,254**	**598**		**(806)**	**6**		**15**
Eni Group companies										
Eni Australia Ltd		1								
Eni Corporate University SpA		1			2					
Eni Espana Comercializadora de Gas SA		2		30			2			
Eni Fuel SpA							3			
Eni Global Energy Markets SpA e UK Branch	1,283	740		(2,065)						(140)
Eni Insurance Designated Activity Co					1					
Eni International Resources Ltd					1					
Eni Petroleum Co Inc					1					
Eni Progetti SpA					1					
Eni Rewind SpA	4									
EniServizi SpA		1			5					
EniMed S.p.A.	5						14	2		
Raffineria di Milazzo ScpA	1									
Versalis France SAS	1						2			
Other (*)	3	2				(1)	2	1	(0)	
	1,298	**747**		**(2,035)**	**11**	**(1)**	**24**	**3**	**(0)**	**(140)**
Joint ventures										
Novis Renewables LLC		1			3			2		
GreenIT SpA	1								1	
	1	**1**			**3**			**2**	**1**	**0**
Entities controlled by the Government										
Cassa Depositi e Prestiti Group	1						2	0		
Enel Group	(0)	13		55	110	0				
Ferrovie dello Stato Group	4	0					5	1		
Italgas Group	218	8		42	(81)		3	0		
Poste Italiane Group	1	13			16		6	2	0	
Rai Holding Group										
Snam Group	7	1					36	5		
Terna Group	16	64		176	95		22	45		
GSE - Gestore Servizi Energetici	70	71		2,892	3	2	2,629		14	
Monte dei Paschi di Siena		11								
Other (*)	0	0								
	317	**181**		**3,165**	**143**	**2**	**2,704**	**53**	**15**	
Total	**7,018**	**6,690**		**7,385**	**755**	**1**	**1,921**	**64**	**15**	**(125)**

(*) Each individual amount included herein was lower than €1 million.

2021

(€ million)

	31.12.2021			2021						
				Costs			Revenue			Other operating (expense) income
Name	Receivables and other assets	Payables and other liabilities	Guarantees	Goods	Services	Other	Goods	Services	Other	
Parent company										
Eni SpA	4,823	4,769		2,446	425		(120)	10		26
	4,823	**4,769**		**2,446**	**425**		**(120)**	**10**		**26**
Eni Group companies										
Eni Corporate University SpA	1	1			1					
Eni Espana Comercializadora de Gas SA		1								
Eni Global Energy Markets SpA e UK Branch	1,735	(84)		(759)						55
Eni Insurance Designated Activity Co					1					
Eni International Resources Ltd					1					
Eni Rewind SpA	4									
EniServizi SpA					5					
EniMed S.p.A.	2						4	2		
Ing. Luigi Conti Vecchi SpA	1									
Raffineria di Milazzo ScpA	1									
Serfactoring SpA		9								
Versalis SpA					1					
Versalis France SAS	3						7			
Other (*)	2	1			1	1	1	1		
	1,749	**(72)**		**(759)**	**10**	**1**	**12**	**3**		**55**
Joint ventures										
Gas Distribution Company of Thessaloniki-Thessali SA		14		48						
GreenIt SpA	2	1			(1)					
Novis Renewables LLC		1								
	2	**16**		**48**	**(1)**					
Entities controlled by the Government										
Enel Group		4			378		1			
Ferrovie dello Stato Group							2	1		
Italgas Group	1	49			557		2			
Poste Italiane Group	2	4			14		6	3		
Snam Group	5						10	9		
Terna Group	11	53		45	90		16	35		
GSE - Gestore Servizi Energetici	27	48		614	2		87		14	
	46	**158**		**659**	**1,041**		**124**	**48**	**14**	
Total	**6,620**	**4,871**		**2,394**	**1,475**	**1**	**16**	**61**	**14**	**81**

(*) Each individual amount included herein was lower than €1 million.

The most significant transactions with the parent company Eni S.p.A., other group companies and joint ventures concerned:

- contracts with Eni S.p.A. for the purchase of gas and power commodities, primary logistics, commodity derivatives, the provision of wide-ranging centralized services and lease of office buildings;
- contracts with Eni S.p.A. for the provision of specialist administrative services and with Eni fuel for operational services;
- contract with Eniservizi S.p.A. for the management of services relating to buildings and personnel;
- contracts with group companies for the supply of gas and power for offices (Eni Mediterranea Idrocarburi S.p.A., others);
- commodity derivatives with Eni Global Energy Markets S.p.A.;
- contracts with Eni Corporate University S.p.A. for staff training;
- the acquisition of transport and distribution services from the Gas Distribution Company of Thessaloniki-Thessaly SA;

- relationship with Serfactoring S.p.A. as regards payables to suppliers who have assigned their receivables with recourse and non-recourse clauses.

The most significant transactions with entities controlled by the Italian Government concerned:

- the acquisition of gas distribution services from the Italgas group on the basis of tariffs set by the Italian Regulatory Authority for Energy, Networks and Environment (ARERA);
- the acquisition of power distribution services from the Enel group on the basis of tariffs established by ARERA;
- acquisition of domestic electricity transmission service and sale and purchase of electricity for granting the system balancing based on prices referred to the quotations of the main energy commodities with Terna group;
- the sale and purchase of electricity, gas and environmental certificates from GSE – Gestore Servizi Energetici;
- the purchase of mailing services and the sale of gas and power commodities to the Poste Italiane group.

Financing transactions and balances with related parties

2022

(€ million)

	31.12.2022			2022		
Name	Receivables	Payables	Guarantees	Finance expense	Derivatives	Other income on investments
Parent company						
Eni SpA	220	1,665	1,742	(11)	(5)	
	220	**1,665**	**1,742**	**(11)**	**(5)**	**0**
Joint ventures						
Novis Renewables LLC						
Novis Renewables Holdings LLC						
	0		**0**	**0**		**0**
Eni Group companies						
Banque Eni SA	20			(3)		
Eni Finance International SA		114		(16)		
	20	**114**	**0**	**(19)**		**0**
Entities controlled by the Government						
Invitalia Spa		10				
Cassa Depositi e Prestiti		21				
Italgas Group						30
Other (*)	1					
	1	**31**	**0**	**0**	**0**	**30**
Total	**240**	**1,809**	**1,742**	**(30)**	**(5)**	**30**

(*) Each individual amount included herein was lower than €1 million.

2021

(€ million)

	31.12.2021			2021	
Name	Receivables	Payables	Guarantees	Finance expense	Derivatives
Parent company					
Eni SpA	2,293	629	1,331	10	(1)
	2,293	**629**	**1,331**	**10**	**(1)**
Joint ventures					
Novis Renewables LLC	11				
	11				
Eni Group companies					
Banque Eni SA	29			3	
Eni Finance International SA	30	940		1	
	59	**940**	**0**	**4**	**0**
Total	**2,363**	**1,569**	**1,331**	**14**	**(1)**

The most significant transactions with the parent company, other Eni group companies and state-controlled companies concern:

- the guarantees issued on behalf of Eni Plenitude to cover any failure to perform or pay amounts due in relation to the distribution of natural gas and the unsecured guarantees issued to cover any failure to perform or pay amounts due in relation to the distribution of electricity as detailed in note 27 - Guarantees, commitments and risks;
- current account and financing relationships with Eni S.p.A., Banque Eni SA and Eni Finance SA as part of the centralized treasury processes;
- the financial receivable from Serfactoring S.p.A. relating to loans granted to employees;
- factoring operations with the Sace group.

Impact of transactions and positions with related parties on the balance sheet, profit and loss account and statement of cash flows

The impact of positions with related parties on the balance sheet accounts consisted of the following:

(€ million)

	31.12.2022			31.12.2021		
	Total	Related parties	Impact %	Total	Related parties	Impact %
Cash and cash equivalents	818	240	29%	2,542	2,352	93%
Other current financial assets	6		0%	12	11	92%
Trade and other receivables	3,052	627	21%	2,241	236	11%
Other current assets	6,094	5,519	91%	5,921	5,583	94%
Other non-current financial assets	15		0%	8		0%
Other non-current assets	1,788	872	49%	1,132	801	71%
Short-term debt	1,937	1,743	90%	1,193	1,086	91%
Current portion of long-term debt	68	2	3%	59	3	5%
Current portion of long-term lease liabilities	12			8		
Trade and other payables	2,604	989	38%	2,531	882	35%
Other current liabilities	5,853	5,231	89%	3,944	3,488	88%
Long-term debt	562	64	11%	809	480	59%
Long-term lease liabilities	189		0%	114		
Other non-current liabilities	1,681	470	28%	1,072	501	47%

The impact of transactions with related parties on the profit and loss account consisted of the following:

(€ million)	2022			2021		
	Total	Related parties	Impact %	Total	Related parties	Impact %
Sales from operations	12,638	1,985	16%	7,274	77	1%
Other income and revenues	112	15	13%	93	14	15%
Purchases, services and other	(11,815)	(8,139)	69%	(6,593)	(3,870)	59%
Net (impairments) reversals of trade and other receivables	(164)	(2)	1%	(160)		
Other operating (expense) income	(125)	(125)	100%	83	81	98%
Finance expense	(122)	(30)	25%	(42)	(14)	33%
Income (expense) from derivative financial instruments	8	(5)	N.S.	1	1	100%
Other gain (loss) from investments	108	30	28%	(3)		

Main cash flows with related parties are provided below:

(€ million)	2022	2021
Revenue and other income	1,999	91
Costs and other expenses	(8,141)	(3,870)
Other operating (expense) income	(125)	81
Net change in trade and other receivables and payables and other assets and liabilities	(183)	(29)
Net interests	(30)	(14)
Net cash provided by operating activities	**(6,479)**	**(3,741)**
Investments	(109)	(290)
Disposals of investments	165	
Net change in payables and receivables in relation to investing activities	12	41
Net cash used in investing activities	**68**	**(249)**
Change in net financial liabilities	(2,352)	1,564
Capital contribution from the shareholder Eni		3,300
Payment of dividends		(185)
Net cash used in financing activities	**(2,352)**	**4,679**
Total financial flows to related parties	**(8,763)**	**689**

The impact of cash flows with related parties is shown in the summary table below:

(€ million)	2022			2021		
	Total	Related parties	Impact %	Total	Related parties	Impact %
Net cash provided by operating activities	(377)	(6,479)	1,719%	252	(3,741)	N.S.
Net cash used in investing activities	(1,795)	68	N.S.	(1,761)	(249)	14%
Net cash used in financing activities	444	(2,352)	N.S.	3,881	4,679	121%

36 Other information about investments[1]

Information on Eni Plenitude's consolidated subsidiaries with significant non-controlling interest

Equity pertaining to minority interests as of December 31, 2022 amounted to €97 million (€50 million at December 31, 2021), of which €36 million related to Evolvere SpA Società Benefit, €25 million to Adriaplin d.o.o., €21 million to Brazoria HoldCo LLC and €15 million to Corazon Tax Equity Partnership Llc.

Changes in the ownership interest without loss of control

In 2022, the minority interests of SEA SpA (40%) were fully acquired, through the exercise of the call option on these shares against payment of €3 million, and the minority interests of Eni Gas & Power France SA decreased by 0.1%, due to the non-subscription of the capital increase carried out in 2022.

In 2021, Eni did not report any changes in ownership interest without loss or acquisition of control.

Principal joint arrangements and associates as of December 31, 2022

Company name	Registered office	Country of operation	Business segment	% ownership interest	% voting rights
Joint ventures					
GreenIT SpA	San Donato Milanese (MI)	Italy	Renewables	51.00	51.00
Novis Renewables LLC	Wilmington (United States of America)	United States of America	Renewables	50.00	50.00
Vårgrønn AS	Stavanger (Norway)	Norway	Renewables	65.00	65.00
Associates					
Bluebell Solar Class A Holdings II LLC	Wilmington (United States of America)	United States of America	Renewables	99.00	100.00
Novis Renewables Holdings LLC	Wilmington (United States of America)	United States of America	Renewables	49.00	49.00

1 Investments in subsidiaries, joint arrangements and associates as of December 31, 2022 are presented in the annex 'List of companies owned by Eni Plenitude SpA Società Benefit as of December 31, 2022'.

Main line items of profit and loss and balance sheet related to the material joint ventures, represented by the amounts included in the reports accounted under IFRS of each company, are provided in the table below:

(€ million)			**2022**			
	Novis Renewables LLC	GreenIT Spa	Vårgrønn AS	Siel Agrisolare Srl	EnerOcean S.L.	Hergo Renewables S.p.A.
Current assets	12	9	21	0	3	1
- of which cash and cash equivalents	*3*	*5*	*17*	*0*	*0*	*0*
Non-current assets	0	147	721	45	10	58
Total assets	**12**	**155**	**742**	**45**	**13**	**59**
Current liabilities	2	11	5	0	0	1
- current financial liabilities	*0*	*0*	*0*	*0*	*0*	*0*
Non-current liabilities	0	0	168	3	0	7
- non-current financial liabilities	*0*	*0*	*168*	*1*	*0*	*7*
Total liabilities	**3**	**11**	**174**	**3**	**1**	**9**
Net equity	**9**	**145**	**568**	**41**	**12**	**50**
Group's % of the investment	50%	51%	65%	51%	25%	65%
Book value of the investment	**4**	**74**	**370**	**21**	**3**	**33**
Revenue and other operating income	8	0	0	0	2	0
Operating expense	(20)	(3)	(14)	(0)	(1)	(1)
Other operating income (expense)	0	0	0	0	(0)	(0)
Depreciation, amortization and impairments	(2)	0	(0)	(0)	(0)	(0)
Operating profit (loss)	**(14)**	**(3)**	**(14)**	**(0)**	**0**	**(1)**
Finance income (expense)	(0)	0	(3)	0	(0)	(0)
Income (expense) from investments	0	(4)	0	0	0	0
Profit (loss) before income taxes	**(14)**	**(6)**	**(17)**	**(0)**	**0**	**(1)**
Income taxes	0	2	0		0	0
Net profit (loss)	**(14)**	**(5)**	**(17)**	**(0)**	**0**	**(1)**
Other comprehensive income						
Total comprehensive income	**(14)**	**(5)**	**(17)**	**(0)**	**0**	**(1)**
Net profit (loss) attributable to the Group	**(7)**	**(2)**	**(11)**	**0**	**0**	**0**
Dividends received from the joint venture						

(€ million)	2021				
	Doggerbank Offshore Wind Farm Project 1 Holdco Ltd	Doggerbank Offshore Wind Farm Project 2 Holdco Ltd	Novis Renewables LLC	GreenIT Spa	Vårgrønn AS
Current assets	22	12	21	9	6
- of which cash and cash equivalents	*20*	*9*	*17*	*8*	*5*
Non-current assets	2,851	2,323	6	12	0
Total assets	**2,873**	**2,335**	**27**	**21**	**6**
Current liabilities	95	59	2	4	1
- current financial liabilities					
Non-current liabilities	1,548	1,085	3		
- non-current financial liabilities	*1,413*	*908*			
Total liabilities	**1,643**	**1,144**	**5**	**4**	**1**
Net equity	**1,230**	**1,191**	**22**	**17**	**5**
Group's % of the investment	20%	20%	50%	51%	69.60%
Book value of the investment	**246**	**238**	**11**	**9**	**3**
Revenue and other operating income					
Operating expense				(3)	(2)
Other operating income (expense)					
Depreciation, amortization and impairments					
Operating profit (loss)	**0**	**0**	**0**	**(3)**	**(2)**
Finance income (expense)	(1)	(1)			
Income (expense) from investments					
Profit (loss) before income taxes	**(1)**	**(1)**	**0**	**(3)**	**(2)**
Income taxes				1	
Net profit (loss)	**(1)**	**(1)**	**0**	**(2)**	**(2)**
Other comprehensive income					
Total comprehensive income	**(1)**	**(1)**	**0**	**(2)**	**(2)**
Net profit (loss) attributable to the Group	**0**	**0**	**0**	**(1)**	**(1)**
Dividends received from the joint venture					

Main line items of profit and loss and balance sheet related to the material associates represented by the amounts included in the reports accounted under IFRS of each company are provided in the table below:

(€ million)	**2022**	
	Novis Renewables Holdings LLC	Bluebell Solar Class A Holdings II LLC
Current assets	35	3
- of which cash and cash equivalents	*19*	*2*
Non-current assets	333	130
Total assets	**368**	**133**
Current liabilities	85	1
- current financial liabilities	*0*	*0*
Non-current liabilities	131	59
- non-current financial liabilities	*120*	*0*
Total liabilities	**216**	**59**
Net equity	**152**	**73**
Group's % of the investment	49%	99%
Book value of the investment	**74**	**73**
Revenue and other operating income	27	9
Operating expense	(4)	(3)
Other operating income (expense)	0	0
Depreciation, amortization and impairments	(13)	(4)
Operating profit (loss)	**11**	**2**
Finance income (expense)	(6)	(1)
Income (expense) from investments	0	(0)
Profit (loss) before income taxes	**5**	**1**
Income taxes	0	(0)
Net profit (loss)	**5**	**1**
Other comprehensive income		
Total comprehensive income	**5**	**1**
Net profit attributable to the Group	**2**	**0**
Dividends received from the associate		

(€ million)	2021	
	Novis Renewables Holdings LLC	Bluebell Solar Class A Holdings II LLC
Current assets	32	3
- of which cash and cash equivalents	*10*	*1*
Non-current assets	332	131
Total assets	**364**	**134**
Current liabilities	40	1
- current financial liabilities	*30*	
Non-current liabilities	171	61
- non-current financial liabilities	*87*	
Total liabilities	**211**	**62**
Net equity	**153**	**72**
Group's % of the investment	49%	99%
Book value of the investment	**75**	**71**
Revenue and other operating income		
Operating expense		
Other operating income (expense)		
Depreciation, amortization and impairments		
Operating profit (loss)		
Finance income (expense)		
Income (expense) from investments		
Profit (loss) before income taxes		
Income taxes		
Net profit (loss)		
Other comprehensive income		
Total comprehensive income		
Net profit attributable to the Group		
Dividends received from the associate		

37 Significant non-recurring events and operations

Significant non-recurring operations in 2022 include the extraordinary solidarity contribution.

38 Positions or transactions deriving from atypical and/or unusual operations

In 2022, no transactions deriving from atypical and/or unusual operations were reported.

39 Subsequent events

In January 2023, the debt recorded under other liabilities at December 31, 2022, amounting to approximately €250 million, referring to the deferred consideration for the acquisition of the PLT Group by Eni New Energy Spa, was settled.

For other significant events, please refer to the corresponding section of the Management Report.

40 Public contributions - Italian law no. 124/2017 and subsequent modifications

Under Art. 1, paragraphs 125 and 126, of the Italian Law No. 124/2017 and subsequent modifications, the disclosures about (i) assistances received by Eni Plenitude SpA Società Benefit and its consolidated subsidiaries from Italian public authorities and entities with the exclusion of listed public controlled companies and their subsidiaries; (ii) contributions granted by Eni Plenitude SpA Società Benefit and by its fully consolidated subsidiaries to companies, persons and public and private entities, are provided below.

The consolidated disclosure takes into account: (i) grants received from Italian public entities/state bodies; and (ii) grants made by Eni Plenitude SpA Società Benefit and Group subsidiaries[2].

The following disclosure requirements do not apply to: (i) incentives/subventions granted to all those entitled in accordance with a general assistance aid scheme; (ii) consideration in exchange for supplied goods/services, including sponsorships; (iii) reimbursements and indemnities paid to persons engaged in professional and orientation trainings; (iv) continuous training contributions to companies granted by inter-professional funds established in the legal form of association; (v) membership fees for the participation to industry trade and territorial associations, as well as to foundations or similar organizations, which perform activities linked with the Company's business; (vi) costs incurred with reference to social projects linked to the investing activities of the Company.

Assistances are identified on a cash basis[3].

The disclosure includes assistance equal to or exceeding €10,000, even though they are granted through several payments by the same entity during 2022. Under Art. 1, paragraph 125-quinquies of Law No. 124/2017, for received contributions, please refer to the information included in the Italian State Aid Register, prepared in accordance with Art. 52 of the Italian Law No. 234 of December 24, 2012.

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2 The following disclosures do not include assistance granted by foreign subsidiaries to foreign beneficiaries.

3 In case of non-monetary economic benefits, the cash basis must be assumed substantially referring to the year in which the benefit was enjoyed.

Granted contributions provided herein mainly referred to foundations, associations and other entities for reputational purposes, donations and support for charitable and solidarity initiatives:

Beneficiary	**Amount paid (€)**
Caritas Italiana	498,000
Banco dell'energia Ente Filantropico	100,000

Independent Auditor's Report on the Consolidated Financial Statements

Independent auditor's report

in accordance with article 14 of Legislative Decree No. 39 of 27 January 2010

To the Sole Shareholders of Eni Plenitude SpA Società Benefit

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Eni Plenitude Group (the Group), which comprise the consolidated balance sheet as of 31 December 2022, the consolidated profit and loss account, the consolidated statement of comprehensive income (loss), the consolidated statement of changes in equity, the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Group as of 31 December 2022, and of the result of its operations and cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia).
Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of this report. We are independent of Eni Plenitude SpA Società Benefit (the Company) pursuant to the regulations and standards on ethics and independence applicable to audits of financial statements under Italian law. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Directors and the Board of Statutory Auditors for the Consolidated Financial Statements

The directors are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the

European Union and, in the terms prescribed by law, for such internal control as they determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

The directors are responsible for assessing the Group's ability to continue as a going concern and, in preparing the consolidated financial statements, for the appropriate application of the going concern basis of accounting, and for disclosing matters related to going concern. In preparing the consolidated financial statements, the directors use the going concern basis of accounting unless they either intend to liquidate Eni Plenitude SpA Società Benefit or to cease operations, or have no realistic alternative but to do so.

The board of statutory auditors is responsible for overseeing, in the terms prescribed by law, the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISA Italia) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

As part of our audit conducted in accordance with International Standards on Auditing (ISA Italia), we exercised professional judgement and maintained professional scepticism throughout the audit. Furthermore:

- We identified and assessed the risks of material misstatement of the consolidated financial statements, whether due to fraud or error; we designed and performed audit procedures responsive to those risks; we obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- We obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;
- We evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;
- We concluded on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are

based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;

- We evaluated the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- We obtained sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion on the consolidated financial statements.

We communicated with those charged with governance, identified at an appropriate level as required by ISA Italia regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identified during our audit.

Report on Compliance with other Laws and Regulations

Opinion in accordance with Article 14, paragraph 2, letter e), of Legislative Decree No. 39/10

The directors of Eni Plenitude SpA Società Benefit are responsible for preparing a report on operations of the Eni Plenitude Group as of 31 December 2022, including its consistency with the relevant consolidated financial statements and its compliance with the law.

We have performed the procedures required under auditing standard (SA Italia) No. 720B in order to express an opinion on the consistency of the report on operations with the consolidated financial statements of the Eni Plenitude Group as of 31 December 2022 and on its compliance with the law, as well as to issue a statement on material misstatements, if any.

In our opinion, the report on operations is consistent with the consolidated financial statements of Eni Plenitude Group as of 31 December 2022 and is prepared in compliance with the law.

pwc

With reference to the statement referred to in article 14, paragraph 2, letter e), of Legislative Decree No. 39/10, issued on the basis of our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have nothing to report.

Milan, 7 April 2023

PricewaterhouseCoopers SpA

Signed by

Marco Guaita
(Partner)

This report has been translated into English from the Italian original solely for the convenience of international readers

Annexes

Eni Plenitude SpA Società Benefit

Annexes to the notes on the Consolidated Financial Statements as of December 31, 2022

INVESTMENTS OWNED BY ENI PLENITUDE SPA SOCIETÀ BENEFIT AS OF DECEMBER 31, 2022

In accordance with the provisions of Articles 38 and 39 of the Legislative Decree No. 127/1991 and Consob communication No. DEM/6064293 of July 28, 2006, the list of subsidiaries, associates and joint ventures owned by Eni Plenitude SpA Società Benefit as of December 31, 2022, is presented below.

For each company are indicated: company name, registered office, country of operation, share capital, shareholders and percentage of ownership; for consolidated subsidiaries is indicated the equity ratio attributable to Eni Plenitude; for unconsolidated investments owned by consolidated companies is indicated the valuation method.

In the footnotes are indicated which investments are quoted in the Italian regulated markets or in other regulated markets of the European Union and the percentage of the ordinary voting rights entitled to shareholders if different from the percentage of ownership. The currency codes indicated are reported in accordance with the International Standard ISO 4217.

PARENT COMPANY

Company name	Registered office	Country of operation	Currency	Share Capital	Shareholders	% Ownership
Eni Plenitude SpA Società Benefit	San Donato Milanese (MI)	Italy	EUR	770,000,000	Eni SpA	100.00

As of December 31, 2022, the breakdown of the companies owned by Eni Plenitude SpA Società Benefit is provided in the table below:

SUBSIDIARIES

RETAIL

ITALY

Company name	Registered office	Country of operation	Currency	Share Capital	Shareholders	% Ownership	% Equity ratio	Consolidation or valuation method (*)
4Energia Srl	Milan	Italy	EUR	400,000	Eni Plenitude SpA SB	100.00	100.00	F.C.
Evolvere SpA Società Benefit	Milan	Italy	EUR	1,130,000	Eni Plenitude SpA SB Third parties	70.52 29.48	70.52	F.C.
Evolvere Venture SpA	Milan	Italy	EUR	50,000	Evolvere SpA Soc. Ben.	100.00	70.52	F.C.
PLT Puregreen SpA	Cesena (FC)	Italy	EUR	500,000	PLT Energia Srl	100.00	100.00	F.C.
SEA SpA	L'Aquila (AQ)	Italy	EUR	100,000	Eni Plenitude SpA SB	100.00	100.00	F.C.

(*) F.C. = full consolidation, Eq. = equity-accounted
(†) = joint ventures

OUTSIDE ITALY

Company name	Registered office	Country of operation	Currency	Share Capital	Shareholders	% Ownership	% Equity ratio	Consolidation or valuation method (*)
Adriaplin Podjetje za distribucijo zemeljskega plina doo Ljubljana	Ljubljana (Slovenia)	Slovenia	EUR	12,956,935	Eni Plenitude SpA SB Third parties	51.00 49.00	51.00	F.C.
Eni Gas & Power France SA	Levallois Perret (France)	France	EUR	239,500,800	Eni Plenitude SpA SB Third parties	99.99 (..)	100.00	F.C.
Eni Plenitude Iberia SLU (ex Aldro Energía y Soluciones SLU)	Santander (Spain)	Spain	EUR	3,192,000	Eni Plenitude SpA SB	100.00	100.00	F.C.
Gas Supply Company Thessaloniki-Thessalia SA	Thessaloniki (Greece)	Greece	EUR	13,761,788	Eni Plenitude SpA SB	100.00	100.00	F.C.

RENEWABLES

ITALY

Company name	Registered office	Country of operation	Currency	Share Capital	Shareholders	% Ownership	% Equity ratio	Consolidation or valuation method (*)
Agrikroton Srl - Società Agricola	Cesena (FC)	Italy	EUR	10,000	SEF Solar Srl	100.00	100.00	F.C.
Borgia Wind Srl	Cesena (FC)	Italy	EUR	100,000	PLT Wind 2020 Srl	100.00	100.00	F.C.
CEF 3 Wind Energy SpA	Milan	Italy	EUR	101,000	Eni New Energy SpA	100.00	100.00	F.C.
CGDB Enrico Srl	San Donato Milanese (MI)	Italy	EUR	10,000	Eni New Energy SpA	100.00	100.00	F.C.
CGDB Laerte Srl	San Donato Milanese (MI)	Italy	EUR	10,000	Eni New Energy SpA	100.00	100.00	F.C.
Corridonia Energia Srl	Cesena (FC)	Italy	EUR	20,000	SEF Srl	100.00	100.00	F.C.
Dynamica Srl	Cesena (FC)	Italy	EUR	50,000	PLT Wind 2022 SpA	100.00	100.00	F.C.
Ecoener Srl	Cesena (FC)	Italy	EUR	10,000	PLT Energia Srl	100.00	100.00	F.C.
Elettro Sannio Wind 2 Srl	Cesena (FC)	Italy	EUR	1,225,000	PLT Wind 2022 SpA	100.00	100.00	F.C.
Enerkall Srl	Cesena (FC)	Italy	EUR	10,000	PLT Energia Srl	100.00	100.00	F.C.
Eni New Energy SpA	San Donato Milanese (MI)	Italy	EUR	9,296,000	Eni Plenitude SpA SB	100.00	100.00	F.C.
Eolica Pietramontecorvino Srl	Cesena (FC)	Italy	EUR	100,000	PLT Energia Srl	100.00	100.00	F.C.
Eolica Wind Power Srl	Cesena (FC)	Italy	EUR	10,000	PLT Wind 2022 SpA	100.00	100.00	F.C.
Eolo Energie - Corleone - Campofiorito Srl	Cesena (FC)	Italy	EUR	10,000	PLT Wind 2020 Srl	100.00	100.00	F.C.
Faren Srl	Cesena (FC)	Italy	EUR	10,000	SEF GREEN SRL	100.00	100.00	F.C.
FAS Srl	Cesena (FC)	Italy	EUR	119,000	PLT Energia Srl	100.00	100.00	F.C.
Finpower Wind Srl	Milan	Italy	EUR	10,000	Eni New Energy SpA	100.00	100.00	F.C.
Fotovoltaica Pietramontecorvino Srl	Cesena (FC)	Italy	EUR	100,000	SEF Srl	100.00	100.00	F.C.
FV4P Srl	Forlì (FC)	Italy	EUR	10,000	SEF Srl	100.00	100.00	F.C.
Gemsa Solar Srl	Cesena (FC)	Italy	EUR	10,000	SEF Srl	100.00	100.00	F.C.
GPC Due Srl	Cesena (FC)	Italy	EUR	12,000	SEF Srl	100.00	100.00	F.C.
GPC Uno Srl	Cesena (FC)	Italy	EUR	25,000	SEF Srl	100.00	100.00	F.C.
Green Parity Srl	Cesena (FC)	Italy	EUR	10,000	PLT Energia Srl	100.00	100.00	F.C.
Lugo Società Agricola Srl	Cesena (FC)	Italy	EUR	10,000	SEF Solar Srl	100.00	100.00	F.C.
Lugo Solar Tech Srl	Cesena (FC)	Italy	EUR	100,000	SEF Solar Srl	100.00	100.00	F.C.
Marano Solar Srl	Cesena (FC)	Italy	EUR	10,000	SEF Solar Srl	100.00	100.00	F.C.
Marano Solare Srl	Cesena (FC)	Italy	EUR	10,000	SEF Srl	100.00	100.00	F.C.
Marcellinara Wind Srl	Cesena (FC)	Italy	EUR	35,000	PLT Wind 2022 SpA	100.00	100.00	F.C.
Micropower Srl	Cesena (FC)	Italy	EUR	30,000	PLT Wind 2020 Srl	100.00	100.00	F.C.
Molinetto Srl	Cesena (FC)	Italy	EUR	10,000	Faren Srl	100.00	100.00	F.C.
Montefano Energia Srl	Cesena (FC)	Italy	EUR	20,000	SEF Srl	100.00	100.00	F.C.
Monte San Giusto Solar Srl	Cesena (FC)	Italy	EUR	10,000	SEF Srl	100.00	100.00	F.C.
Olivadi Srl	Cesena (FC)	Italy	EUR	100,000	PLT Wind 2020 Srl	100.00	100.00	F.C.

(*) F.C. = full consolidation, Eq. = equity-accounted
(†) = joint ventures

Parco Eolico di Tursi e Colobraro Srl	Cesena (FC)	Italy	EUR	31,000	PLT Wind 2022 SpA	100.00	100.00	F.C.
Pescina Wind Srl	Cesena (FC)	Italy	EUR	50,000	PLT Wind 2020 Srl	100.00	100.00	F.C.
Pieve5 Srl	Cesena (FC)	Italy	EUR	10,000	SEF Solar Srl	100.00	100.00	F.C.
PLT Energia Srl	Cesena (FC)	Italy	EUR	3,865,474	Eni New Energy SpA	100.00	100.00	F.C.
PLT Engineering Srl	Cesena (FC)	Italy	EUR	10,000	PLT Energia Srl	100.00	100.00	F.C.
PLT Wind 2020 Srl	Cesena (FC)	Italy	EUR	1,000,000	PLT Energia Srl	100.00	100.00	F.C.
PLT Wind 2022 SpA	Cesena (FC)	Italy	EUR	1,000,000	PLT Energia Srl	100.00	100.00	F.C.
Pollenza Sole Srl	Cesena (FC)	Italy	EUR	32,500	SEF Srl	100.00	100.00	F.C.
Ravenna 1 FTV Srl	Cesena (FC)	Italy	EUR	10,000	SEF Srl	100.00	100.00	F.C.
RF-AVIO Srl	Cesena (FC)	Italy	EUR	10,000	SEF Srl	100.00	100.00	F.C.
RF-Cavallerizza Srl	Cesena (FC)	Italy	EUR	10,000	SEF Srl	100.00	100.00	F.C.
Ruggiero Wind Srl	Cesena (FC)	Italy	EUR	10,000	PLT Energia Srl	100.00	100.00	F.C.
SAV - Santa Maria Srl	Cesena (FC)	Italy	EUR	10,000	PLT Wind 2022 SpA	100.00	100.00	F.C.
SEF Green SRL	Cesena (FC)	Italy	EUR	500	SEF Srl	100.00	100.00	F.C.
SEF Miniwind Srl	Cesena (FC)	Italy	EUR	50,000	SEF Srl	100.00	100.00	F.C.
SEF Solar Abruzzo Srl	Cesena (FC)	Italy	EUR	10,000	SEF Srl	100.00	100.00	F.C.
SEF Solar II Srl	Cesena (FC)	Italy	EUR	1,000	SEF Srl	100.00	100.00	F.C.
SEF Solar Srl	Cesena (FC)	Italy	EUR	120,000	SEF Srl	100.00	100.00	F.C.
SEF Srl	Cesena (FC)	Italy	EUR	25,000	Eni New Energy SpA	100.00	100.00	F.C.
Società Agricola Agricentro Srl	Cesena (FC)	Italy	EUR	10,000	SEF Solar Srl	100.00	100.00	F.C.
Società Agricola Casemurate Srl	Cesena (FC)	Italy	EUR	10,000	SEF Srl	100.00	100.00	F.C.
Società Agricola Forestale Pianura Verde Srl	Cesena (FC)	Italy	EUR	100,000	Società Agricola Agricentro Srl	100.00	100.00	F.C.
Società Agricola Isola d'Agri Srl	Cesena (FC)	Italy	EUR	10,000	SEF Solar Srl	100.00	100.00	F.C.
Società Agricola L'Albero Azzurro Srl	Cesena (FC)	Italy	EUR	100,000	Società Agricola Agricentro Srl	100.00	100.00	F.C.
Società Agricola SEF Bio Srl	Cesena (FC)	Italy	EUR	10,000	SEF Srl	100.00	100.00	F.C.
Società Energie Rinnovabili 1 SpA	Rome	Italy	EUR	120,000	SER Spa CEF 3 Wind Energy Spa	96.00 4.00	100.00	F.C.
Società Energie Rinnovabili SpA	Palermo	Italy	EUR	121,636	CEF 3 Wind Energy Spa	100.00	100.00	F.C.
Timpe Muzzunetti 2 Srl	Cesena (FC)	Italy	EUR	2,500	PLT Energia Srl Third parties	70.00 30.00	70.00	F.C.
Vivaro FTV Srl	Cesena (FC)	Italy	EUR	10,000	SEF Srl	100.00	100.00	F.C.
VRG Wind 127 Srl	Cesena (FC)	Italy	EUR	10,000	PLT Energia Srl	100.00	100.00	F.C.
VRG Wind 149 Srl	Cesena (FC)	Italy	EUR	10,000	PLT Wind 2022 SpA	100.00	100.00	F.C.
W-Energy Srl	Cesena (FC)	Italy	EUR	93,000	PLT Energia Srl	100.00	100.00	F.C.
Wind Park Laterza Srl	San Donato Milanese (MI)	Italy	EUR	10,000	Eni New Energy SpA	100.00	100.00	F.C.
Wind Salandra Srl	Cesena (FC)	Italy	EUR	100,000	PLT Wind 2020 Srl	100.00	100.00	F.C.
Windsol Srl	Cesena (FC)	Italy	EUR	3,250,000	PLT Wind 2020 Srl	100.00	100.00	F.C.
Wind Turbines Engineering 2 Srl	Cesena (FC)	Italy	EUR	5,450,000	PLT Wind 2020 Srl	100.00	100.00	F.C.

RENEWABLES
OUTSIDE ITALY

Company name	Registered office	Country of operation	Currency	Share Capital	Shareholders	% Ownership	% Equity ratio	Consolidation or valuation method (*)
Aleria Solar SAS	Bastia (France)	France	EUR	100	Eni Plenitude Operations France Sas	100.00	100.00	F.C.
Alpinia Solar SLU	Madrid (Spain)	Spain	EUR	3,000	Eni Plenitude Renewables Luxembourg Sarl	100.00	100.00	F.C.
Anberia Invest SLU	Madrid (Spain)	Spain	EUR	3,000	PLT Engineering Spagna SLU	100.00	100.00	F.C.
Argon SAS	Argenteuil (France)	France	EUR	180,000	Eni Plenitude Operations France Sas	100.00	100.00	F.C.
Arm Wind Llp	Astana (Kazakhstan)	Kazakhstan	KZT	19,069,100,000	Eni Energy Solutions BV	100.00	100.00	F.C.
Athies-Samoussy Solar PV1 SAS	Argenteuil (France)	France	EUR	68,000	Krypton SAS	100.00	100.00	F.C.
Athies-Samoussy Solar PV2 SAS	Argenteuil (France)	France	EUR	40,000	Krypton SAS	100.00	100.00	F.C.
Athies-Samoussy Solar PV3 SAS	Argenteuil (France)	France	EUR	36,000	Krypton SAS	100.00	100.00	F.C.
Athies-Samoussy Solar PV4 SAS	Argenteuil (France)	France	EUR	14,000	Xenon SAS	100.00	100.00	F.C.
Athies-Samoussy Solar PV5 SAS	Argenteuil (France)	France	EUR	14,000	Xenon SAS	100.00	100.00	F.C.

(*) F.C. = full consolidation, Eq. = equity-accounted
(†) = joint ventures

Belle Magiocche Solaire SAS	Bastia (France)	France	EUR	10,000	Eni Plenitude Operations France Sas	100.00	100.00	F.C.
Bonete Solar SLU	Madrid (Spain)	Spain	EUR	3,000	Eni Plenitude Renewables Luxembourg Sarl	100.00	100.00	F.C.
Brazoria Class B Member Llc	Dover - Delaware (USA)	USA	USD	1,000	Eni New Energy US Inc	100.00	100.00	F.C.
Brazoria County Solar Project Llc	Dover - Delaware (USA)	USA	USD	1,000	Brazoria HoldCo Llc	100.00	89.27	F.C.
Brazoria HoldCo Llc	Dover, Delaware (USA)	USA	USD	206,355,897.15	Brazoria Class B Member Llc Third parties	89.27 10.73	89.27	F.C.
Camelia Solar SLU	Madrid (Spain)	Spain	EUR	3,000	Eni Plenitude Renewables Luxembourg Sarl	100.00	100.00	F.C.
Celtis Solar SLU	Madrid (Spain)	Spain	EUR	3,000	Eni Plenitude Renewables Luxembourg Sarl	100.00	100.00	F.C.
Corazon Energy Class B Llc	Dover - Delaware (USA)	USA	USD	100	Eni New Energy US Inc	100.00	100.00	F.C.
Corazon Energy Llc	Dover - Delaware (USA)	USA	USD	100	Corazon Tax Equity Partner Llc	100.00	91.74	F.C.
Corazon Energy Services Llc	Dover - Delaware (USA)	USA	USD	100	Eni New Energy US Inc	100.00		Eq.
Corazon Tax Equity Partnership Llc	Dover - Delaware (USA)	USA	USD	199,142,207.16	Corazon En. Class B Llc Third parties	91.74 8.26	91.74	F.C.
Corlinter 5000 SLU	Madrid (Spain)	Spain	EUR	3,000	PLT Engineering Spagna SLU	100.00	100.00	F.C.
Desarrollos Empresariales Illas SLU (ex Desarrollos Empresariales Illas, S.L.)	Madrid (Spain)	Spain	EUR	3,000	Eni Plenitude Renewables Luxembourg Sarl	100.00	100.00	F.C.
Desarrollos Energéticos Riojanos SL	Villarcayo De Merindad De Castilla La Vieja	Spain	EUR	876,042	Eni Plenitude SpA SB Energías Amb. de Outes SLU	60.00 40.00	100.00	F.C.
Ecovent Parc Eolic SAU	Madrid (Spain)	Spain	EUR	1,037,350	Eni Plenitude SpA SB	100.00	100.00	F.C.
Ekain renovables SLU	Madrid (Spain)	Spain	EUR	3,000	PLT Engineering Spagna SLU	100.00	100.00	F.C.
Energía Eólica Boreas SLU	Madrid (Spain)	Spain	EUR	3,000	Eni Plenitude SpA SB	100.00	100.00	F.C.
Energías Ambientales de Outes SLU	Madrid (Spain)	Spain	EUR	643,451.49	Eni Plenitude SpA SB	100.00	100.00	F.C.
Energias Alternativas Eolicas Riojanas SL	Logroño (Spain)	Spain	EUR	2,008,901.71	Eni Plenitude SpA SB Des. Energéticos Riojanos SL	57.50 42.50	100.00	F.C.
Eni Energy Solutions BV	Amsterdam (Netherlands)	Netherlands	EUR	20,000	Eni Plenitude SpA SB	100.00	100.00	F.C.
Eni New Energy Australia Pty Ltd	Perth (Australia)	Australia	AUD	4	Eni Plenitude SpA SB	100.00	100.00	F.C.
Eni New Energy Batchelor Pty Ltd	Perth (Australia)	Australia	AUD	1	Eni New En. Australia Pty Ltd	100.00	100.00	F.C.
Eni New Energy Katherine Pty Ltd	Perth (Australia)	Australia	AUD	1	Eni New En. Australia Pty Ltd	100.00	100.00	F.C.
Eni New Energy Manton Dam Pty Ltd	Perth (Australia)	Australia	AUD	1	Eni New En. Australia Pty Ltd	100.00	100.00	F.C.
Eni New Energy US Holding Llc	Dover - Delaware (USA)	USA	USD	100	Eni New Energy US Inc Eni New Energy US Inv. Inc	99.00 1.00	100.00	F.C.
Eni New Energy US Inc	Dover - Delaware (USA)	USA	USD	100	Eni Plenitude SpA SB	100.00	100.00	F.C.
Eni New Energy US Investing Inc	Dover (USA)	USA	USD	1,000	Eni New Energy US Inc	100.00	100.00	F.C.
Eni Plenitude Operations France SAS (ex Dhamma Energy S.A.S.)	Argenteuil (France)	France	EUR	1,116,489.72	Eni Plenitude Renewables Luxembourg Sarl	100.00	100.00	F.C.
Eni Plenitude Renewables France SAS (ex Dhamma Energy Development S.A.S.)	Argenteuil (France)	France	EUR	51,000	Eni Plenitude Renewables Luxembourg Sarl	100.00	100.00	F.C.
Eni Plenitude Renewables Hellas Single Member SA	Athens (Greece)	Greece	EUR	627,464	Eni Plenitude SpA SB	100.00	100.00	F.C.
Eni Plenitude Renewables Luxembourg Sàrl (ex DHAMMA ENERGY GROUP S.à r.l.)	Dudelange (Luxembourg)	Luxembourg	EUR	10,253,560	Eni Plenitude SpA SB	100.00	100.00	F.C.
Eni Plenitude Renewables Spain SLU (ex Dhamma Energy Management, S.L.U.)	Madrid (Spain)	Spain	EUR	6,680	Eni Plenitude Renewables Luxembourg Sarl	100.00	100.00	F.C.
Eni Plenitude Rooftop France SAS (ex Dhamma Energy Rooftop S.A.S.)	Argenteuil (France)	France	EUR	40,000	Eni Plenitude Renewables Luxembourg Sarl	100.00	100.00	F.C.
Eolica Cuellar de la Sierra SLU	Madrid (Spain)	Spain	EUR	110,999.77	PLT Spagna SL	100.00	51.00	F.C.
Estanque Redondo Solar SLU	Madrid (Spain)	Spain	EUR	3,000	Eni Plenitude Renewables Luxembourg Sarl	100.00	100.00	F.C.
Fotovoltaica Escudero SLU (ex Fotovoltaica Escudero SL)	Valencia (Spain)	Spain	EUR	3,000	Eni Plenitude Renewables Luxembourg Sarl	100.00	100.00	F.C.
Guajillo Energy Storage Llc	Dover - Delaware (USA)	USA	USD	100	Eni New Energy US Hold Llc	100.00	100.00	F.C.
Guilleus consulting SLU	Madrid (Spain)	Spain	EUR	3,000	PLT Engineering Spagna SLU	100.00	100.00	F.C.
Holding Lanas Solar Sàrl	Argenteuil (France)	France	EUR	100	Eni Plenitude Operations France Sas	100.00	100.00	F.C.
Inveese SAS	Bogotà (Colombia)	Colombia	COP	100,000,000	PLT colombia Sas Third parties	75.00 25.00	38.25	F.C.
Ixia Solar SLU	Madrid (Spain)	Spain	EUR	3,000	Eni Plenitude Renewables Luxembourg Sarl	100.00	100.00	F.C.

(*) F.C. = full consolidation, Eq. = equity-accounted
(†) = joint ventures

Krypton SAS	Argenteuil (France)	France	EUR	180,000	Eni Plenitude Operations France Sas	100.00	100.00	F.C.
Lanas Solar SAS	Argenteuil (France)	France	EUR	100	Holding Lanas Solar Sàrl	100.00	100.00	F.C.
Membrio Solar SLU	Madrid (Spain)	Spain	EUR	3,000	Eni Plenitude Renewables Luxembourg Sarl	100.00	100.00	F.C.
Miburia Trade SLU	Madrid (Spain)	Spain	EUR	3,000	PLT Engineering Spagna SLU	100.00	100.00	F.C.
Olea Solar SLU	Madrid (Spain)	Spain	EUR	3,000	Eni Plenitude Renewables Luxembourg Sarl	100.00	100.00	F.C.
Opalo Solar SLU	Madrid (Spain)	Spain	EUR	3,000	Eni Plenitude Renewables Luxembourg Sarl	100.00	100.00	F.C.
Pistacia Solar SLU	Madrid (Spain)	Spain	EUR	3,000	Eni Plenitude Renewables Luxembourg Sarl	100.00	100.00	F.C.
PLT Colombia SAS	Bogotà (Colombia)	Colombia	COP	510,840,000	PLT Energia Srl Third parties	51.00 49.00	51.00	F.C.
PLT Engineering Colombia SAS	Bogotà (Colombia)	Colombia	COP	1,000,000	PLT Engineering Srl Third parties	60.00 40.00	60.00	F.C.
PLT Engineering Romania Srl	Cluj-Napoca (Romania)	Romania	RON	4,400	PLT Engineering Srl Micropower Srl	95.00 5.00	100.00	F.C.
PLT Engineering Spagna SLU	Madrid (Spain)	Spain	EUR	3,000	PLT Engineering Srl	100.00	100.00	F.C.
PLT Spagna SL	Madrid (Spain)	Spain	EUR	100,000	PLT Energia Srl Third parties	51.00 49.00	51.00	F.C.
POP Solar SAS	Argenteuil (France)	France	EUR	1,000	Eni Plenitude Renewables Luxembourg Sarl	100.00	100.00	F.C.
Punes Trade SLU	Madrid (Spain)	Spain	EUR	3,000	PLT Engineering Spagna SLU	100.00	100.00	F.C.
SKGRPV1 Single Member Private Company	Athens (Greece)	Greece	EUR	14,600	Eni Plenitude Ren Hellas SA	100.00	100.00	F.C.
SKGRPV2 Single Member Private Company	Athens (Greece)	Greece	EUR	14,600	Eni Plenitude Ren Hellas SA	100.00	100.00	F.C.
SKGRPV3 Single Member Private Company	Athens (Greece)	Greece	EUR	14,600	Eni Plenitude Ren Hellas SA	100.00	100.00	F.C.
SKGRPV4 Single Member Private Company	Athens (Greece)	Greece	EUR	13,600	Eni Plenitude Ren Hellas SA	100.00	100.00	F.C.
SKGRPV5 Single Member Private Company	Athens (Greece)	Greece	EUR	13,600	Eni Plenitude Ren Hellas SA	100.00	100.00	F.C.
SKGRPV6 Single Member Private Company	Athens (Greece)	Greece	EUR	19,300	Eni Plenitude Ren Hellas SA	100.00	100.00	F.C.
SKGRPV7 Single Member Private Company	Athens (Greece)	Greece	EUR	31,000	Eni Plenitude Ren Hellas SA	100.00	100.00	F.C.
SKGRPV8 Single Member Private Company	Athens (Greece)	Greece	EUR	19,200	Eni Plenitude Ren Hellas SA	100.00	100.00	F.C.
SKGRPV9 Single Member Private Company	Athens (Greece)	Greece	EUR	19,200	Eni Plenitude Ren Hellas SA	100.00	100.00	F.C.
SKGRPV10 Single Member Private Company	Athens (Greece)	Greece	EUR	18,800	Eni Plenitude Ren Hellas SA	100.00	100.00	F.C.
SKGRPV11 Single Member Private Company	Athens (Greece)	Greece	EUR	25,300	Eni Plenitude Ren Hellas SA	100.00	100.00	F.C.
SKGRPV12 Single Member Private Company	Athens (Greece)	Greece	EUR	19,000	Eni Plenitude Ren Hellas SA	100.00	100.00	F.C.
SKGRPV13 Single Member Private Company	Athens (Greece)	Greece	EUR	30,900	Eni Plenitude Ren Hellas SA	100.00	100.00	F.C.
SKGRPV14 Single Member Private Company	Athens (Greece)	Greece	EUR	39,900	Eni Plenitude Ren Hellas SA	100.00	100.00	F.C.
SKGRPV15 Single Member Private Company	Athens (Greece)	Greece	EUR	19,000	Eni Plenitude Ren Hellas SA	100.00	100.00	F.C.
SKGRPV16 Single Member Private Company	Athens (Greece)	Greece	EUR	19,000	Eni Plenitude Ren Hellas SA	100.00	100.00	F.C.
SKGRPV17 Single Member Private Company	Athens (Greece)	Greece	EUR	10,200	Eni Plenitude Ren Hellas SA	100.00	100.00	F.C.
SKGRPV18 Single Member Private Company	Athens (Greece)	Greece	EUR	5,200	Eni Plenitude Ren Hellas SA	100.00	100.00	F.C.
SKGRPV19 Single Member Private Company	Athens (Greece)	Greece	EUR	12,200	Eni Plenitude Ren Hellas SA	100.00	100.00	F.C.
SKGRPV20 Single Member Private Company	Athens (Greece)	Greece	EUR	12,200	Eni Plenitude Ren Hellas SA	100.00	100.00	F.C.
Tebar Solar SLU	Madrid (Spain)	Spain	EUR	3,000	Eni Plenitude Renewables Luxembourg Sarl	100.00	100.00	F.C.
Xenon SAS	Argenteuil (France)	France	EUR	1,500,100	Eni Plen Operations Fr Sas Third parties	0.01 99.99	100.00	F.C.
Zinnia Solar SLU	Madrid (Spain)	Spain	EUR	3,000	Eni Plenitude Renewables Luxembourg Sarl	100.00	100.00	F.C.

(*) F.C. = full consolidation, Eq. = equity-accounted
(†) = joint ventures

E - MOBILITY

ITALY

Company name	Registered office	Country of operation	Currency	Share Capital	Shareholders	% Ownership	% Equity ratio	Consolidation or valuation method (*)
Be Charge Srl	Milan	Italy	EUR	500,000	Be Power SpA	100.00	100.00	F.C.
Be Charge Valle d'Aosta Srl	Milan	Italy	EUR	10,000	Be Charge Srl	100.00	100.00	F.C.
Be Power SpA	Milan	Italy	EUR	698,251	Eni Plenitude SpA SB	99.19	100.00	F.C.
					Third parties	0.81		

ASSOCIATES AND JOINT VENTURES

RETAIL

ITALY

Company name	Registered office	Country of operation	Currency	Share Capital	Shareholders	% Ownership	% Equity ratio	Consolidation or valuation method (*)
Bettercity SpA	Bergamo	Italy	EUR	50,000	Eni Plenitude SpA SB	50.00		Eq.
					Third parties	50.00		
E-Prosume Srl(†) (in liquidation)	Milan	Italy	EUR	100,000	Evolvere Venture SpA	50.00		Eq.
					Third parties	50.00		
Evogy Srl Società Benefit	Seriate (BG)	Italy	EUR	11,785.71	Evolvere Venture SpA	45.45		Eq.
					Third parties	54.55		
Renewable Dispatching Srl	Milan	Italy	EUR	200,000	Evolvere Venture SpA	40.00		Eq.
					Third parties	60.00		
Tate Srl	Bologna	Italy	EUR	408,509.29	Evolvere Venture SpA	36.00		Eq.
					Third parties	64.00		

OUTSIDE ITALY

Company name	Registered office	Country of operation	Currency	Share Capital	Shareholders	% Ownership	% Equity ratio	Consolidation or valuation method (*)
Enera Conseil SAS (†)	Clichy (France)	France	EUR	9,690	Eni G&P France SA	51.00		Eq.
					Third parties	49.00		

RENEWABLES

ITALY

Company name	Registered office	Country of operation	Currency	Share Capital	Shareholders	% Ownership	% Equity ratio	Consolidation or valuation method (*)
GreenIT SpA (†)	San Donato Milanese (MI)	Italy	EUR	50,000	Eni Plenitude SpA SB	51.00		Eq.
					Third parties	49.00		
Hergo Renewables SpA (†)	Milan	Italy	EUR	50,000	Eni Plenitude SpA SB	65.00		Eq.
					Third parties	35.00		
Siel Agrisolare Srl (†)	Cesena (FC)	Italy	EUR	10,000	SEF Srl	51.00		Eq.
					Third parties	49.00		

(*) F.C. = full consolidation, Eq. = equity-accounted
(†) = joint ventures

OUTSIDE ITALY

Company name	Registered office	Country of operation	Currency	Share Capital	Shareholders	% Ownership	% Equity ratio	Consolidation or valuation method (*)
Bluebell Solar Class A Holdings II Llc	Wilmington (Delaware) (USA)	USA	USD	82,351,634	Eni New Energy US Inc Third parties	99.00 1.00		Eq.
Clarensac Solar SAS	Meyreuil (France)	France	EUR	25,000	Eni Plen Operations Fr Sas Third parties	40.00 60.00		Eq.
EnerOcean SL (†)	Malaga (Spain)	Spain	EUR	409,784	Eni Plenitude SpA SB Third parties	25.00 75.00		Eq.
Novis Renewables Holdings Llc	Wilmington (Delaware) (USA)	USA	USD	100	Eni New Energy US Inc Third parties	49.00 51.00		Eq.
Novis Renewables Llc (†)	Wilmington (Delaware) (USA)	USA	USD	100	Eni New Energy US Inc Third parties	50.00 50.00		Eq.
POW - Polish Offshore Wind-Co Sp. z o.o. (†)	Warsaw (Poland)	Poland	PLN	5,000	Eni Energy Solutions BV Third parties	95.00 5.00		Eq.
Vårgrønn AS (†)	Stavanger (Norway)	Norway	NOK	400,000	Eni Energy Solutions BV Third parties	65.00 35.00		Eq.

(*) F.C. = full consolidation, Eq. = equity-accounted
(†) = joint ventures

CHANGES IN THE SCOPE OF CONSOLIDATION FOR 2022

COMPANIES INCLUDED

Agrikroton Srl - Società Agricola	Cesena (FC)	Renewables	Acquisition
Anberia Invest SLU	Madrid (Spain)	Renawables	Acquisition
Borgia Wind Srl	Cesena (FC)	Renawables	Acquisition
Brazoria Class B Member Llc	Dover - Delaware (USA)	Renawables	Relevance has arisen
Brazoria HoldCo Llc	Dover, Delaware (USA)	Renawables	Relevance has arisen
Corazon Energy Class B Llc	Dover - Delaware (USA)	Renawables	Acquisition
Corazon Energy Llc	Dover - Delaware (USA)	Renawables	Acquisition
Corazon Energy Services Llc	Dover - Delaware (USA)	Renawables	Acquisition
Corazon Tax Equity Partnership Llc	Dover - Delaware (USA)	Renawables	Acquisition
Corlinter 5000 SLU	Madrid (Spain)	Renawables	Acquisition
Corridonia Energia Srl	Cesena (FC)	Renawables	Acquisition
Dynamica Srl	Cesena (FC)	Renawables	Acquisition
Ecoener Srl	Cesena (FC)	Renawables	Acquisition
Ekain Renovables SLU	Madrid (Spain)	Renawables	Acquisition
Elettro Sannio Wind 2 Srl	Cesena (FC)	Renawables	Acquisition
Energía Eólica Boreas SLU	Madrid (Spain)	Renawables	Acquisition
Enerkall Srl	Cesena (FC)	Renawables	Acquisition
Eni Plenitude Renewables Hellas Single Member SA	Athens (Greece)	Renawables	Acquisition
Eolica Cuellar de la Sierra SLU	Madrid (Spain)	Renawables	Acquisition
Eolica Pietramontecorvino Srl	Cesena (FC)	Renawables	Acquisition
Eolica Wind Power Srl	Cesena (FC)	Renawables	Acquisition
Eolo Energie - Corleone - Campofiorito Srl	Cesena (FC)	Renawables	Acquisition
Faren Srl	Cesena (FC)	Renawables	Acquisition
FAS Srl	Cesena (FC)	Renawables	Acquisition
Fotovoltaica Escudero SLU	Valencia (Spain)	Renawables	Step acquisition
Fotovoltaica Pietramontecorvino Srl	Cesena (FC)	Renawables	Acquisition
FV4P Srl	Forlì (FC)	Renawables	Acquisition
Gemsa Solar Srl	Cesena (FC)	Renawables	Acquisition
GPC Due Srl	Cesena (FC)	Renawables	Acquisition
GPC Uno Srl	Cesena (FC)	Renawables	Acquisition
Green Parity Srl	Cesena (FC)	Renawables	Acquisition

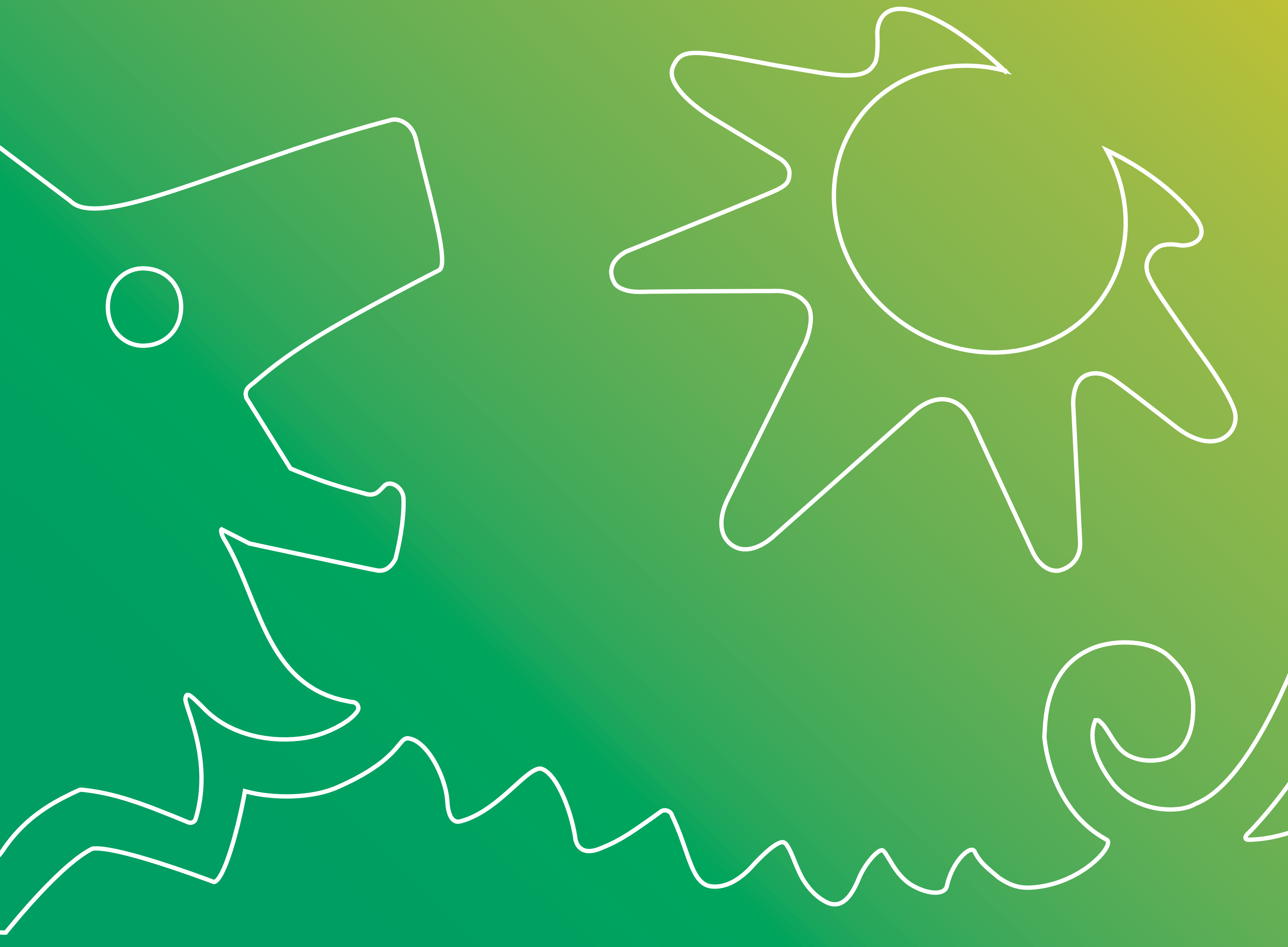
Guajillo Energy Storage Llc	Dover - Delaware (USA)	Renawables	Acquisition
Guilleus Consulting SLU	Madrid (Spain)	Renawables	Acquisition
Inveese SAS	Bogotà (Colombia)	Renawables	Acquisition
Lugo Società Agricola Srl	Cesena (FC)	Renawables	Acquisition
Lugo Solar Tech Srl	Cesena (FC)	Renawables	Acquisition
Marano Solar Srl	Cesena (FC)	Renawables	Acquisition
Marano Solare Srl	Cesena (FC)	Renawables	Acquisition
Marcellinara Wind Srl	Cesena (FC)	Renawables	Acquisition
Miburia Trade SLU	Madrid (Spain)	Renawables	Acquisition
Micropower Srl	Cesena (FC)	Renawables	Acquisition
Molinetto Srl	Cesena (FC)	Renawables	Acquisition
Monte San Giusto Solar Srl	Cesena (FC)	Renawables	Acquisition
Montefano Energia Srl	Cesena (FC)	Renawables	Acquisition
Olivadi Srl	Cesena (FC)	Renawables	Acquisition
Parco Eolico di Tursi e Colobraro Srl	Cesena (FC)	Renawables	Acquisition
Pescina Wind Srl	Cesena (FC)	Renawables	Acquisition
Pieve5 Srl	Cesena (FC)	Renawables	Acquisition
PLT Colombia SAS	Bogotà (Colombia)	Renawables	Acquisition
PLT Energia Srl	Cesena (FC)	Renawables	Acquisition
PLT Engineering Colombia SAS	Bogotà (Colombia)	Renawables	Acquisition
PLT Engineering Romania Srl	Cluj-Napoca (Romania)	Renawables	Acquisition
PLT Engineering Spagna SLU	Madrid (Spain)	Renawables	Acquisition
PLT Engineering Srl	Cesena (FC)	Renawables	Acquisition
PLT Puregreen SpA	Cesena (FC)	Renawables	Acquisition
PLT Spagna SL	Madrid (Spain)	Renawables	Acquisition
PLT Wind 2020 Srl	Cesena (FC)	Renawables	Acquisition
PLT Wind 2022 SpA	Cesena (FC)	Renawables	Acquisition
Pollenza Sole Srl	Cesena (FC)	Renawables	Acquisition
Punes Trade SLU	Madrid (Spain)	Renawables	Acquisition
Ravenna 1 FTV Srl	Cesena (FC)	Renawables	Acquisition
RF-AVIO Srl	Cesena (FC)	Renawables	Acquisition
RF-Cavallerizza Srl	Cesena (FC)	Renawables	Acquisition
Ruggiero Wind Srl	Cesena (FC)	Renawables	Acquisition
SAV - Santa Maria Srl	Cesena (FC)	Renawables	Acquisition
SEF Green SRL	Cesena (FC)	Renawables	Acquisition
SEF Miniwind Srl	Cesena (FC)	Renawables	Acquisition
SEF Solar Abruzzo Srl	Cesena (FC)	Renawables	Acquisition
SEF Solar II Srl	Cesena (FC)	Renawables	Acquisition
SEF Solar Srl	Cesena (FC)	Renawables	Acquisition
SEF Srl	Cesena (FC)	Renawables	Acquisition
SKGRPV1 Single Member Private Company	Athens (Greece)	Renawables	Acquisition
SKGRPV2 Single Member Private Company	Athens (Greece)	Renawables	Acquisition
SKGRPV3 Single Member Private Company	Athens (Greece)	Renawables	Acquisition
SKGRPV4 Single Member Private Company	Athens (Greece)	Renawables	Acquisition
SKGRPV5 Single Member Private Company	Athens (Greece)	Renawables	Acquisition
SKGRPV6 Single Member Private Company	Athens (Greece)	Renawables	Acquisition
SKGRPV7 Single Member Private Company	Athens (Greece)	Renawables	Acquisition
SKGRPV8 Single Member Private Company	Athens (Greece)	Renawables	Acquisition
SKGRPV9 Single Member Private Company	Athens (Greece)	Renawables	Acquisition
SKGRPV10 Single Member Private Company	Athens (Greece)	Renawables	Acquisition
SKGRPV11 Single Member Private Company	Athens (Greece)	Renawables	Acquisition
SKGRPV12 Single Member Private Company	Athens (Greece)	Renawables	Acquisition
SKGRPV13 Single Member Private Company	Athens (Greece)	Renawables	Acquisition
SKGRPV14 Single Member Private Company	Athens (Greece)	Renawables	Acquisition

SKGRPV15 Single Member Private Company	Athens (Greece)	Renawables	Acquisition
SKGRPV16 Single Member Private Company	Athens (Greece)	Renawables	Acquisition
SKGRPV17 Single Member Private Company	Athens (Greece)	Renawables	Acquisition
SKGRPV18 Single Member Private Company	Athens (Greece)	Renawables	Acquisition
SKGRPV19 Single Member Private Company	Athens (Greece)	Renawables	Acquisition
SKGRPV20 Single Member Private Company	Athens (Greece)	Renawables	Acquisition
Società Agricola Agricentro Srl	Cesena (FC)	Renawables	Acquisition
Società Agricola Casemurate Srl	Cesena (FC)	Renawables	Acquisition
Società Agricola Forestale Pianura Verde Srl	Cesena (FC)	Renawables	Acquisition
Società Agricola Isola d'Agri Srl	Cesena (FC)	Renawables	Acquisition
Società Agricola L'Albero Azzurro Srl	Cesena (FC)	Renawables	Acquisition
Società Agricola SEF Bio Srl	Cesena (FC)	Renawables	Acquisition
Timpe Muzzunetti 2 Srl	Cesena (FC)	Renawables	Acquisition
Vivaro FTV Srl	Cesena (FC)	Renawables	Acquisition
VRG Wind 127 Srl	Cesena (FC)	Renawables	Acquisition
VRG Wind 149 Srl	Cesena (FC)	Renawables	Acquisition
W-Energy Srl	Cesena (FC)	Renawables	Acquisition
Wind Salandra Srl	Cesena (FC)	Renawables	Acquisition
Wind Turbines Engineering 2 Srl	Cesena (FC)	Renawables	Acquisition
Windsol Srl	Cesena (FC)	Renawables	Acquisition

COMPANIES EXCLUDED

Eni North Sea Wind Ltd	London (UK)	Renewables	Loss of control
Eolica Lucana SpA	Milan	Renewables	Merger in Eni New Energy SpA
Green Energy Management Services Srl	Rome	Renewables	Merger in Eni New Energy SpA
Instalaciones Martínez Díez SLU	Torrelavega (Spain)	Retail	Merger in Eni Plenitude Iberia SLU

Impact Report 2022



plenitude

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Company with a sole shareholder
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April 2023

As required by Italian regulations, Eni Plenitude SpA Società Benefit (hereinafter also 'Plenitude', 'The Company') publishes the Impact Report 2022 annexed to the Financial Statements in order to report on the impact generated during the entire year with respect to its common benefit purposes. This Report complements the Sustainability Report, which will be published on voluntarily later in the year and contains the overall representation of Plenitude's approach to sustainability. This document has been subjected voluntarily to a Limited Assurance audit by an independent auditing company.

Who we are

We are a **Benefit Corporation (Società Benefit)** of the energy world.
We believe that only **a just transition** can generate future-proof change.
We work to be **people and companies best ally** in the challenge of **energy awareness**.

What we do

We adopt an **integrated approach to sustainability**, from **energy production** to its **responsible use**.
We invest in **technological innovation** to offer products and services that enable **virtuous daily choices**.

How we do it

We inspire communities to join us in becoming **ambassadors for the change**.
We share our expertise to promote **ethical behavior**, starting internally.
We promote an **inclusive culture** to attract and develop talent

Why we do it

We believe that together, through **conscious choices**, we can reach the **net zero-emission** goal.
We want to take care of our planet, starting with energy.

plenitude

Table of contents

Message from the Impact Manager

Plenitude is a Benefit Corporation (Società Benefit) committed to supporting its customers in the energy transition, respecting their interests and the common-benefit purposes that the Company has defined in its Articles of Association.

In this Impact Report, we clearly and objectively explained the concrete and measurable results we achieved during 2022, thanks to the commitment and passion of all of us at Plenitude. These include, for example, the increase in the installed capacity of renewable energy production plants, the increase in charging points for electric vehicles and the many initiatives to spread the sustainable use of energy.

We confirm our commitment to promoting responsible consumption patterns through fair and affordable technological solutions. We continue to view diversity and inclusion as core values for Plenitude, as well as fairness and transparency as the foundation of our relationships with customers and stakeholders.

In a sector like the energy sector, full of complexities and opportunities, we want to continue to improve and be the protagonists and enablers of a true energy transition.

Stefano Goberti

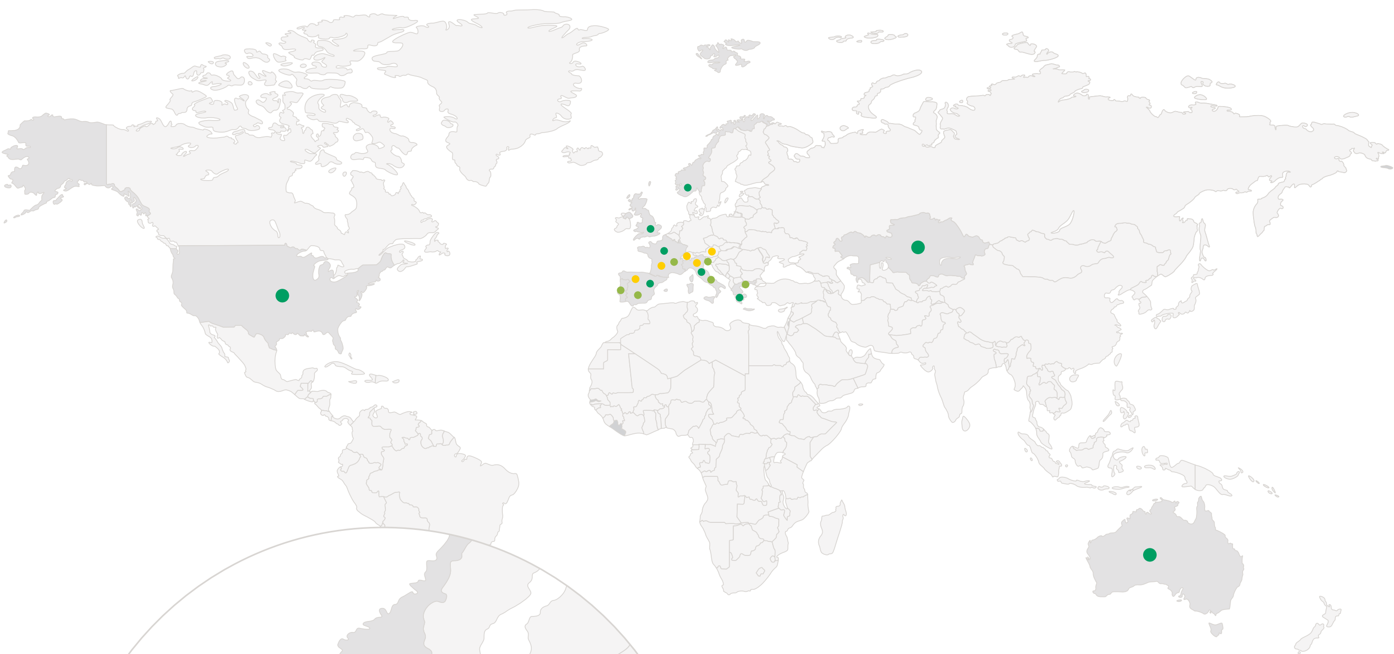
Impact Manager and
Chief Executive Officer

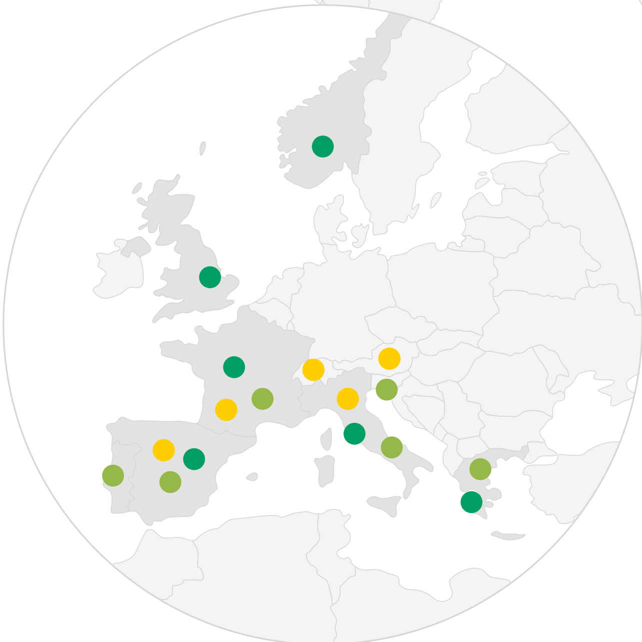
Stefano Goberti

Highlights

Eni Plenitude SpA Società Benefit, a wholly-owned subsidiary of Eni SpA, contributes to the energy transition by adopting a unique business model that integrates electricity production from renewables, the sale of gas and electricity, and energy solutions having high added value for retail customers and an extensive network of charging points for electric vehicles. The Company is present on four continents with about 2,350 employees at year-end 2022 across three business areas: Renewables, Retail, and e-mobility, offering services to **10 million customers** to support them in the **energy transition** to positively impact the community and the environment.

Plenitude in the world





RENEWABLES   RETAIL   E-MOBILITY

RENEWABLES
- ITALY
- FRANCE
- UNITED KINGDOM
- GREECE
- NORWAY
- SPAIN
- KAZAKISTAN
- AUSTRALIA
- USA

RETAIL
- ITALY
- FRANCE
- GREECE
- SLOVENIA
- SPAIN
- PORTUGAL

E-MOBILITY
- ITALY
- AUSTRIA
- FRANCE
- SPAIN
- SWITZERLAND

COMMON BENEFIT PURPOSES

Main results 2022

SPREADING THE CULTURE OF SUSTAINABLE ENERGY USAGE

Organisation of several **initiatives, events and partnerships** for sharing information and knowledge, among which:

- Plenitude participated in different musical events, with energy efficiency interventions and spread of the culture of sustainable energy usage: **FirenzeRocks, The Island Experience** in Pantelleria, **Primavera Sound** in Barcelona (**>700,000 total attendance**)
- Through Evolvere: Expansion of the **Adesso Magazine** with topics related to sustainable energy issues, reaching around **20,000 subscribers**. Publication of **55 articles** in 2022, reaching more than **50,000 users** and over **100,000 page views**
- Through Be Charge: publication of **40 e-mobility articles, 100 newsletters shared** and **130,000 users contacted**

PROVIDING SOLUTIONS AND TECHNOLOGIES FOR RESPONSIBLE ENERGY USAGE

- **2.2 GW of installed capacity** of the renewable energy production plants (46% wind and 54% photovoltaic), included the "small scale" (Evolvere property) doubling the 2021 result, which allowed **2.55 TWh of electricity from renewable sources** to be produced. Emissions of **1,211 thousand tonnes of CO_2eq** *(+ 136.5% compared to 2021) were avoided in 2022
- **Energy efficiency upgrades** that avoided the emission of approximately **57,000 tonnes of CO_2eq** in 2022** (+168% compared to 2021) by end customers
- **13,093** electric vehicle **charging points** installed by the subsidiary Be Charge, which in 2022 avoided atmospheric emissions of **7,405 tonnes of CO_2eq***** (+279 % compared to 2021) from electric vehicles in mobility

PROMOTING DIVERSITY AND INCLUSION

- **44.9% female presence** in Plenitude's population
- **58,059 total hours of training** provided. **27 average hours** of training **per employee**. The **2025 target of 25 average hours** per employee already exceeded in 2022
- Organisation of several D&I awareness initiatives, events and partnerships, including:
  - Zero Tolerance Event
  - Online Course on 'Women's Leadership'
  - Partnership with the Winning Women Institute (WWI)

PROMOTING CUSTOMER CENTRICITY THROUGH TRANSPARENT AND FAIR RELATIONSHIPS

- **2.7x Net Promoter Score in Italy in 2022 compared to 2018**
- Telephone customer service **satisfaction level** at **86.7%**, up 0.8 percentage points compared to 2021. **Resolution** level of telephone customer service requests increased to **87.1%** (+1 percentage point compared to 2021)
- **82.6% satisfied customers** (+12.8 percentage points vs 2021)
- **+ 22.2 Net Promoter Score Relational** (+23,7 vs 2021)
- **88% of new contracts at the European level were signed paperless**

*Avoided emissions refer to the amount of CO_2eq that would have been emitted into the atmosphere given the same electricity production with the current generation mix of the various producing countries. For details on the calculation methodology, please refer to paragraph 3.1.2. Calculation Methodology
**Avoided emissions related to renovation measures include CappottoMio, Energy Performance Contract (EPC) and Energy Efficiency Certificates (TEE) and refer to energy savings due to energy efficiency in buildings. For details on the calculation methodology, please refer to paragraph 3.1.2. Calculation Methodology
*** The calculation of the avoided CO_2eq emissions is based on data provided by ISPRA on the average emissions of the Italian ICE vehicle fleet. For details on the calculation methodology, please refer to paragraph 3.1.2. Calculation Methodology

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Plenitude Società Benefit

1.1 The journey of Plenitude Società Benefit

Since its foundation in 2017, Plenitude has been expanding its activities in the energy sector through acquisitions by increasing the generation of electricity from renewables (organic development of projects, acquisitions, strategic partnerships and joint ventures) and offering innovative energy solutions and electric mobility services.
In 2021, the realisation of this sustainability-driven business model accelerated rapidly when the company updated its Articles of Association to become a Benefit Corporation (Società Benefit), while integrating Eni's renewable energy portfolio.

Each step of Plenitude's history demonstrates its commitment to offering its customers a **value proposition supporting the energy transition**.
Becoming a Benefit Corporation (Società Benefit) then marked a fundamental step in the Company's journey towards an increasingly sustainable business model. It formalised the commitment to combine the goal of profit to create shared value by pursuing the four purposes of common benefit.

Milestones in the growth of Plenitude Società Benefit

2017
Launch of Eni gas e luce

2018
Expansion of the activities within the Greek market through the acquisition of Zenith

2019
Acquisition of Sea (energy renovation of buildings)
Launch of E-Start services on the market for the recharging of electric vehicles targeted to residential and business customers

2020
Acquisition of Evolvere (distributed generation of renewable energy from photovoltaic plants)
Partnership with OVO in France (provider of solutions for an efficient use of energy)

2021
January 2021
Acquisition of Aldro Energia (expansion of the Spanish and Portuguese energy markets)
July 2021
Conclusion of the integration process of Eni's portfolio of Italian renewable energy activities
Eni gas e Luce becomes a Benefit Corporation (Società Benefit)
November 2021
Acquisition of Be Power (electric charging services)

2022
March 2022
Transformation of Eni gas e luce into Plenitude
December 2022
Acquisition of 100% of PLT: PLT Energia S.r.l. and SEF S.r.l. and their controlled and participated companies (generation of electricity from renewable sources and supply of energy to retail customers)

1.1.1
Being a Benefit Corporation (Società Benefit)

Benefit Corporation (Società Benefit) represent an evolution of the very concept of a company, integrating into its corporate purpose the aim of positively impacting the context in which they operate, particularly on the environment. This business model, introduced in Italy with Law no. 208 of 28 December 2015[1], envisages the possibility for companies to integrate **the corporate purpose with specific objectives of common benefit**, while at the same time maintaining the for-profit legal status. Benefit Corporation (Società Benefit), conducting their business activity, pursue a dual purpose: the generation of profit and the achievement of one or more aims of common benefit in relation to people, communities, territories, environment, cultural and social activities and assets, organisations, associations, and any other stakeholder.

In order to ensure transparency, the regulations require Benefit Corporation (Società Benefit) to report annually on their performance with regard to:

CORPORATE GOVERNANCE	To assess the degree of transparency and accountability of the company in the pursuit of its aims of common benefit, with particular attention to the company's purpose, the level of involvement of stakeholders, and the degree of transparency of the policies and practices adopted by the company;
EMPLOYEES	To assess employee and collaborator relations in terms of wages, salaries and benefits, training and personal development opportunities, quality of the working environment, internal notice, flexibility and job security;
OTHER STAKEHOLDERS	To assess the company's relations with its customers, suppliers, the territory and local communities in which it operates, voluntary actions, donations, cultural and social activities, and any action supporting local development and its supply chain;
ENVIRONMENT	To assess the impacts of society, with a life cycle perspective of products and services, in terms of resource use, energy, raw materials, production processes, logistics and distribution processes, use and consumption, and end-of-life.

On 1 July 2021, Plenitude officially became **the first large Italian Benefit Corporation (Società Benefit) in the energy sector**. In accordance with its Bylaws, the Company identified four common-benefit purposes and deliberated the appointment of the CEO as the Impact Manager. Plenitude is committed to **spreading the culture of sustainable energy use**, developing solutions and technologies to **ensure responsible energy usage, promoting diversity and inclusion as valuable resources, and managing its relationship with customers with fairness and transparency, offering products and services in line with their needs**. The Company is committed to publishing the Impact Report annually, measuring and reporting to its stakeholders the actual impact of its actions and the future objectives to fulfil its common benefit purposes.

1 - For further details on the Law n. 208 of December 28, 2015, Articles 376-384 please refer to the following link: https://www.gazzettaufficiale.it/eli/id/2015/12/30/15G00222/sg

1.1.2
Governance of the Benefit Corporation (Società Benefit)

To guide the pursuit of the commitments assumed as a Benefit Corporation (Società Benefit), it is crucial to structure a **'Governance of Sustainability' to deal with common benefit purposes**.
Plenitude's governance model is committed to overseeing the implementation and evaluating the results achieved with regard to the four common-benefit purposes, with the ultimate aim of ensuring consistency, transparency and continuity in the commitment to integrate sustainability into business strategies.
In order to ensure the highest level of commitment within the organisation, Plenitude identified the Company's Chief Executive Officer as **Impact Manager** to oversee specific functions and actions pertaining to the pursuit of the common benefit purposes in carrying his position as Chairman of the Sustainability Committee.
Moreover, to guarantee a continuous and cross-cutting oversight of the benefit topics, specific roles have been defined within the Company's organisational structure:

SUSTAINABILITY, DIGITAL & COMMUNICATION

The **Sustainability, Digital & Communication** function is responsible for the various activities carried out by the Company in the field of sustainability. As such it ensures the proper implementation of the actions aimed at ensuring a positive impact in environmental, social and governance terms through the development of specific initiatives, promoting actions that favour the dissemination of a culture of sustainability within the Company.

SUSTAINABILITY & ESG

The **Sustainability&ESG** unit, part of Sustainability, Digital & Communication, carries out activities such as context analysis, strategy and positioning definition, sustainability, and impact reporting. In addition, it identifies, develops, and monitors sustainability initiatives, implements qualitative/quantitative methodologies and tools for assessing sustainability and ESG aspects, and participates in national and European industry associations, contributing to advocacy activities.
In carrying out its activities, the Sustainability&ESG unit operates in coordination with the Sustainable Development unit and the other competent units of Eni for the respective processes, and with other company units involved, ensuring the appropriate information flows.

SUSTAINABILITY COMMITTEE

The **Sustainability Committee** is responsible, inter alia, for providing periodic updates on Sustainability&ESG issues. More specifically, it is responsible for examining and assessing the Company's sustainability policy and verifying the implementation of the business initiatives, the Company's positioning on sustainability issues and the international regulations in that area, trends relating to the sector in which it operates and the resulting involvement of the Company. The Chief Executive Officer chairs the Committee, and its members are the heads of the company functions: Sustainability, Digital & Communication, People, Culture & Services, Chief Financial & Risk Officer, Legal, Regulatory and Compliance Affairs, Retail- International Markets.

BOARD OF STATUTORY AUDITORS

The **Board of Statutory Auditors** integrates the supervisory responsibilities over the Company attributed by the legislation with monitoring the pursuance of the purposes of common benefit.

Plenitude's commitment to sustainability is reflected in the remuneration of the CEO and Top management, which is linked to the achievement of specific ESG objectives: **25% of the short-term variable remuneration and 35% of the long-term variable remuneration are linked to the achievement of ESG targets** related to decarbonization, energy transition, circular economy and gender equality.

1.2

Plenitude's common benefit purposes

By virtue of its status as a Benefit Corporation (Società Benefit), Plenitude is committed to pursuing **four specific common benefit purposes**, each broken down into macro-objectives, through which it intends to act to generate a positive impact on society and the environment, actively contributing to ten of the **Sustainable Development Goals (SDGs)** defined in the 2030 Agenda approved by the **United Nations**.

	SPREADING THE CULTURE OF SUSTAINABLE ENERGY USAGE	PROVIDING SOLUTIONS AND TECHNOLOGIES FOR RESPONSIBLE ENERGY USAGE	PROMOTING DIVERSITY AND INCLUSION	PROMOTING CUSTOMER CENTRICITY THROUGH TRANSPARENT AND FAIR RELATIONSHIPS
DESCRIPTION	**Contributing to the creation and spread of a culture of sustainable energy usage** by promoting access to renewable energy sources and raising people's awareness of their conscious energy consumption, and making them active participants in the ongoing energy transition	**Promoting the development and marketing of products, services and technologies able to guarantee the responsible use of energy**, improving the quality of life, **in cooperation with other entities**.	**Recognising our people as a valuable resource, ensuring they are diverse and fully integrated** through establishing a welcoming working environment and supporting a healthy worklife balance.	**Placing Customers first, encouraging them to use energy more efficiently and making them the focal point of activities**, communicating with them honestly and transparently, providing quality products and services in line with their needs, to make the lifestyles and habits of the entire community more sustainable.
OBJECTIVES	COMMUNICATION	RENEWABLE ENERGY	DIVERSITY, INCLUSION AND HUMAN RIGHTS	LISTENING TO THE CUSTOMER
	EDUCATION	ENERGY EFFICIENCY	PEOPLE'S WELL-BEING AND SAFETY	SERVICES DIGITALISATION
	PARTNERSHIPS AND EVENTS	E-MOBILITY	TRAINING AND TALENTS	SERVICE AND PRODUCT QUALITY
CONTRIBUTION TO THE SDGs	11 SUSTAINABLE CITIES AND COMMUNITIES; 12 RESPONSIBLE CONSUMPTION AND PRODUCTION; 13 CLIMATE ACTION; 17 PARTNERSHIPS FOR THE GOALS	7 AFFORDABLE AND CLEAN ENERGY; 12 RESPONSIBLE CONSUMPTION AND PRODUCTION; 13 CLIMATE ACTION	3 GOOD HEALTH AND WELL-BEING; 4 QUALITY EDUCATION; 5 GENDER EQUALITY; 8 DECENT WORK AND ECONOMIC GROWTH	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

1.2.1
The business model

Plenitude presents to the market a diversified offer which **integrates** the production of renewable energies, the sale of energy and energy solutions for its customers and a network of charging infrastructures for electric vehicles with an international outreach.

plenitude

The 'Renewables' business area is dedicated to the generation of electricity from renewable sources	The 'Retail' business area deals with the purchase and sale of gas and electricity, and energy solutions	The 'e-mobility' business areas offer Charging Services for electric vehicles
WIND ENERGY ON SHORE AND OFF SHORE	ELECTRICITY	OWNER OF CHARGING STATIONS
PHOTOVOLTAIC	GAS	OPERATOR OF CHARGING STATIONS
OTHER	ENERGY SOLUTIONS	OPERATOR OF ELECTRIC MOBILITY SERVICES

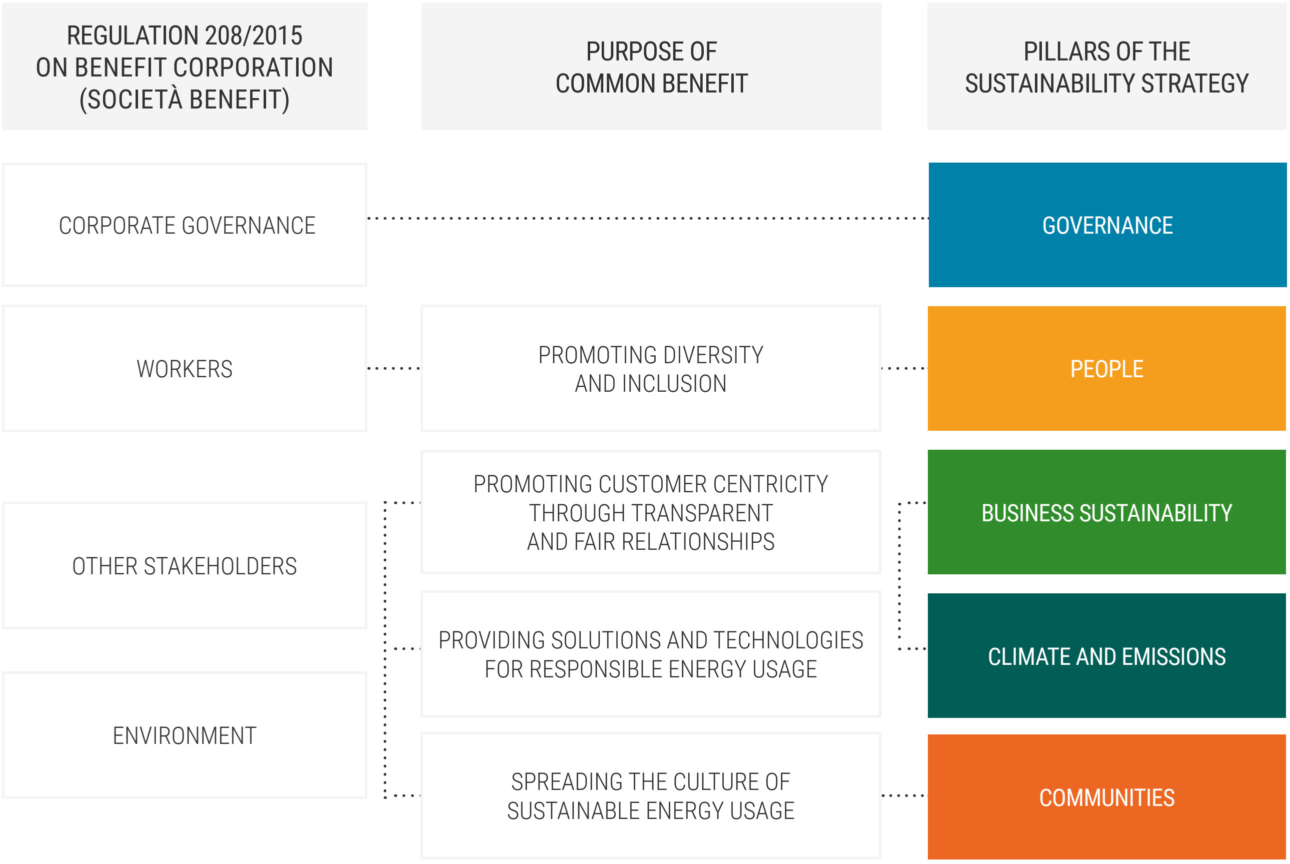
The sustainability strategy integrated with the **business model has outlined a model of doing business focussed on sustainable growth**, with the primary goal of reaching carbon neutrality by 2040.

Plenitude's sustainability strategy, as it is defined, is based on five pillars:

GOVERNANCE	Compliance with the principles of **integrity** and **professional ethics**, corporate values, and corporate procedures, ensuring **transparency** and consistency in the pursuit of corporate objectives. Identification of **internal bodies** and **roles of responsibility** related to the definition of the **sustainability strategy** for the pursuit of common benefit goals.
CLIMATE AND EMISSIONS	Pursuit of the **decarbonization strategy** to achieve carbon neutrality Scope 1, 2 and 3 by 2040 by increasing the installed capacity of the renewable energy production plants, offering energy-saving solutions and progressively offsetting the CO_2 emissions from gas combustion by customers and developing electric mobility services.
BUSINESS SUSTAINABILITY	Management of how the Company operates and conducts its activities, respecting all stakeholders and using natural resources. Particular attention is dedicated to **Customer satisfaction, innovation and digitalisation** processes and the integration of ESG aspects along the entire **value chain**.
PEOPLE	**Safeguard and enhancement** of Plenitude's **people**, respecting their uniqueness, ensuring an **inclusive environment**, and fostering personal and professional **growth** through specific career paths.
COMMUNITIES	Commitment to **create shared value** for local communities, collaborating in the acceleration towards a more sustainable economic system. Listening to the expectations and needs of different stakeholders through a **multi-stakeholder approach**.

The common benefit purposes are closely linked to the pillars of Plenitude's sustainability strategy, as well as to the in-depth dimensions required of Benefit Corporation (Società Benefit) by Italian Law No. 208/2015.

The synergy between common benefit and Plenitude's sustainability strategy



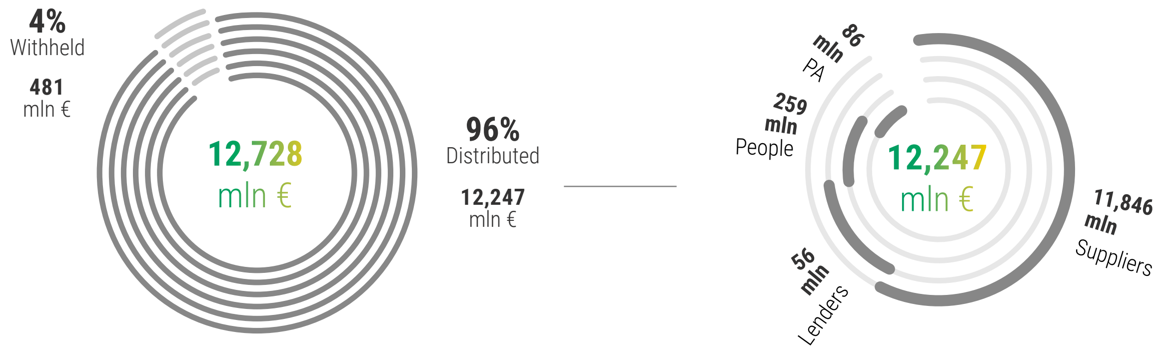
1.2.2
Value generated and distributed

Plenitude's business model integrates the profit objective with the pursuit of the common benefit to create value for the community. In 2022, the economic value generated by Plenitude amounted to EUR **12,728** million (+72% compared to the EUR 7,384 million recorded in 2021): more than 96% - or approximately **EUR 12,247 million - was distributed** to the various stakeholders.

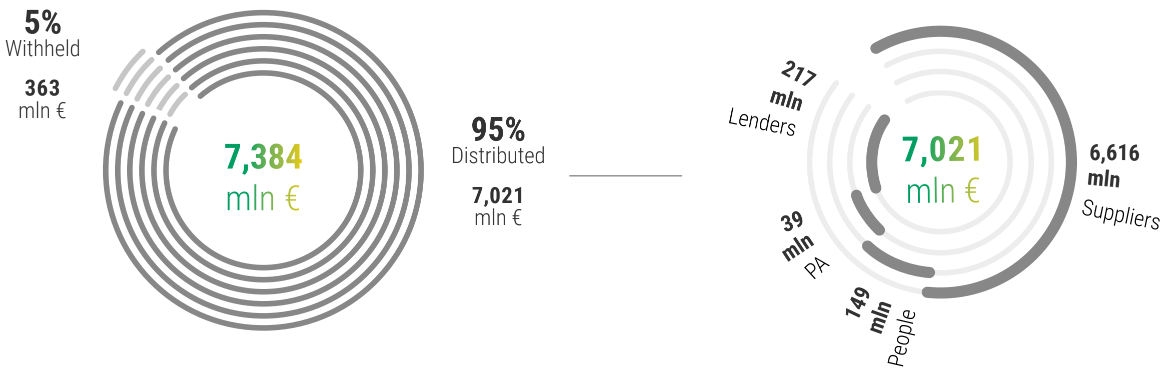
Specifically, around EUR 11,846 million (97% of the value distributed) was allocated to contractors of goods and services (particularly contractors of natural gas and electricity), while around EUR 259 million (2% of the value distributed) was distributed to employees, including salaries, welfare contributions, TFR and other personnel expenses, with an increase of more than 70% compared to the corresponding value in 2021 (EUR 149 million) due to the growth in the workforce in line with the Company's expansion.

During the year, EUR 56 million in dividends and borrowing expenses were distributed to lenders, and taxes of EUR 86 million were paid.

Economic value creation



2022



2021

The Impact on Communities

Being a Benefit Corporation (Società Benefit) means combining profit goals to have a positive impact on society, communities, people and the environment. To this end, in 2022, also through its subsidiaries, Plenitude invested around EUR 1.3 million in initiatives to support local communities, including:

DONATIONS	• Support for **Caritas Italiana** in enhancing activities and interventions **against educational poverty**. In particular, Plenitude supported **ten projects in Italy** (three in the North and seven in the South) involving about **600 young people** between 10 and 29 years of age. Young people from disadvantaged communities were involved in workshops and activities to give them the opportunity to embrace their talents and understand how to consciously cultivate them, limit school drop-outs and help NEETs (young people not in employment, education or training) to build their future. Some examples of the projects supported were theatre workshops, videomaking, emotion management, 'integrating skills' for the disabled and test preparation courses for university selections. Thanks to Plenitude's support, vocational traineeships, school reinforcement and remedial work, and sports and volunteering socialisation courses were activated.

- Partnership with **Humana People to People**, thanks to which Ecoboxes for collecting used clothes and toys were sent to each Plenitude location during the Christmas period. In a fortnight, a total of 615 kg of clothes and toys were collected, which will be given to people in distress or poverty, i.e. children and adults in the countries where Humana operates. The percentage of clothes that will be sent for reuse exceeds 70%, about 25% will be sent for recycling, and a small part will be sent for energy recovery. These garments will save almost 3.7 million litres of water, over 2,200 kg of non-emitted CO_2, 185 kg of pesticides and 369 kg of fertilisers, which would otherwise have been used to produce new clothes[2]. This initiative also enabled participation in Humana education and training projects in Brazil, India, Malawi, Mozambique and Zambia.

INVESTMENTS IN THE COMMUNITY

- Plenitude, together with the **Fondazione Eni Enrico Mattei (FEEM)** and **the Associazione Nazionale Presidi (ANP)**, launched the initiative **'Più conosco meno consumo' (The more I know, the less I consume)** in 2022, which outlines a true citizenship path for primary school pupils (particularly from 9 to 11 years old). The project addresses energy sustainability issues through media education and digital well-being. The project took place in Turin, Florence, Rome, Bari, Palermo and Cagliari in twelve state-run comprehensive schools involving **approximately 900 pupils**.

SPONSORSHIPS

- On 29 and 30 October 2022, Plenitude sponsored the **RunForInclusion** in Milan, the first fun and non-competitive run open to all, where the values of diversity, inclusion, sustainability and celebrating uniqueness in all its forms were shared. Participation in this initiative was an important opportunity to showcase Plenitude's commitment to all sustainability issues and to emphasise how the inclusion of diversity is one of the Company's core values.

- Cultural activities: **Bella Family**, the project planned for the 2022-2023 school year, stems from the need to make the new generations aware of the importance of adopting 'smart' behaviour in the family, i.e. oriented towards the digitisation of services and more sustainable consumption choices, to achieve not only savings in terms of money and time but also a lower impact on the environment.

2 - Sources and methodology for calculating avoided consumption: Laura Farrant, 'Environmental benefits from recycling clothes', Technical University of Denmark, Department of Management Engineering, Quantitative Sustainability Assessment, Copenhagen, 2008. Regarding the figure for avoided CO_2 emissions, please refer to the following link: https://euric-aisbl.eu/resource-hub/reports-studies/study-lca-based-assessment-of-the-management-of-european-used-textiles

2

Generated Impact And Future Objectives

2.1

Spreading the culture of sustainable energy usage

Contributing creating and promoting a culture of sustainable energy usage is one of the objectives that Plenitude is committed to pursuing with perseverance and dedication. Accordingly, in Italy, the Company invests in communication and education activities, organising events, and developing partnerships to share information, expertise, and experiences that may stimulate conscious and efficient energy consumption habits both within and outside the organisation.

PURPOSE	MACRO-OBJECTIVES	OBJECTIVE DESCRIPTION
SPREADING THE CULTURE OF SUSTAINABLE ENERGY USAGE	COMMUNICATION	Development of initiatives aimed at raising awareness and addressing lifestyles.
	EDUCATION	Development of initiatives to educate, train and share knowledge and good practices.
	PARTNERSHIPS AND EVENTS	Development of *partnerships* with key players in the area and organisation of cultural and educational events to spread awareness on energy use and promote the *e-mobility* culture.

2.1.1
Communication

MACRO-OBJECTIVES	2022 TARGETS	2022 PERFORMANCE	FUTURE TARGETS
COMMUNICATION	Involvement of influencers to raise awareness of responsible air conditioning use through the creation of social content identified by the hashtag **#rinfrescatiresponsabilmente**	A total of **1,272,652 impressions** and 1,522 clicks on the link for content in stories, with 21,123 post engagements. Receipt of **positive comments** under influencers' posts. OBJECTIVE ACHIEVED	Evaluation of the **launch of communication campaigns to continue awareness-raising** on the principles of responsible and conscious use of energy in 2023
	• Continuation of the **Vitamina E** digital magazine initiative • Publication on the *online* page **Guida al caro energia**	• **Vitamina E**: almost **200,000 visits to the section** and 178,000 unique visitors • Published on the *online* • page **'Guida al caro energia'** OBJECTIVE ACHIEVED	In continuity with what was achieved in 2022, **preparation of a content plan that will aim to continue to keep the messages conveyed** by the 'Vitamina E' and 'Guida al caro energia' initiatives in 2023
	Launch of the *partnership* with **STEP Futurability District**	The partnership with **STEP Futurability District** launched IN PROGRESS	• This partnership will be replaced by **similar partnerships** -e.g. with **BASE in Milan** - in 2023 • Participation in the '**I light up less**' initiative

Plenitude organises **communication activities and creates special content addressed** to its stakeholders. The communication material is realised in partnership with different actors and published on several communication channels to reach as many stakeholders as possible.

2022 Performance

The **Clima-NoStress** campaign was carried out in 2022. Two Instagram profiles were involved in spreading greater awareness about the responsible use of air conditioning by creating posts and reels with an ironic and funny tone. This influencer marketing strategy resulted in 1,272,652 impressions and 1,522 clicks on the link, with 21,123 post engagements. The comments received under the influencers' posts were positive, and users appreciated the campaign's positive and ironic tone.

Within the context of the **Vitamina E** initiative - a project launched in 2020 to collect, within a dedicated section of the agi.com website, articles, podcasts and content that talk about the cause of energy efficiency and how it is concretely supported - Plenitude is committed to supporting its stakeholders in finding their way in an increasingly complex and fragmented information environment. In collaboration with Agenzia Giornalistica Italiana (AGI), in 2022, Plenitude continued to publish short articles, videos and podcasts on the AGI website about how the Company handles energy efficiency issues, reaching 200,000 magazine visits.

The online page **'Guida al caro energia'** (i.e. Guide to increasing energy costs) enabled customers (as well as anyone interested in the subject) to deepen their knowledge of the evolution of the energy market and the recent changes in context. Moreover, it provides the reader with information on how to make their homes more energy efficient with sustainable energy use and solutions customised to their different living contexts. In the first four months since the page was launched, 12,964 users were reached. In 2022, Plenitude entered into a partnership with **STEP FuturAbility District**. Visitors are given the opportunity to become more **aware of the digital transformation in progress** and its impact on all areas of daily life: personal and professional. It is a space that supports the construction of an inclusive digital society where anyone can discover the tools and skills needed to build their future. Plenitude was present inside the Fastweb exhibition space as a technology and innovation partner. There, it was able to share its knowledge and expertise and tell about Plenitude's positioning as a Company attentive to issues such as sustainability, innovation and the accessibility to these.

Future targets

Continuing the achievements of 2022, Plenitude is committed to preparing new content related to energy efficiency issues within the context of the 2022 **'Vitamina E'** and **'Guida al caro energia'** initiatives. To reach an ever-broader audience of stakeholders, Plenitude also aims to formalise **new partnerships**, including one with the BASE in Milan, and to launch **communication campaigns** to tell how it uses its technologies to promote more efficient and responsible use of energy.

Furthermore, during 2023 and on National Energy Saving Day in particular, Plenitude aims to participate in the **'M'illumino di meno'** (i.e. I light up less) initiative, which Caterpillar and Rai Radio 2 have been organising annually since 2005 to spread the culture of environmental sustainability and resource saving, to raise public awareness to a conscious use of energy.

2.1.2
Education

MACRO-OBJECTIVES	2022 TARGETS	2022 PERFORMANCE	FUTURE TARGETS
EDUCATION	• Display of the installation **"Feeling the energy"** during Fuorisalone 2022 • Launch of the Più conosco, meno consumo project realised in cooperation with EniScuola in 2022	• **Feeling the Energy**, a multi-sensory experience realised together with the firm of Carlo Ratti and Italo Rota, whose aim was to make energy known through the five senses. • Launch of the **Più conosco, meno consumo** project OBJECTIVE ACHIEVED	In continuity with 2022, evaluation of the **launch of projects uniting the worlds of art and energy** in 2023
	Through Evolvere: continuation of **#evolveregreen** and **#evolvereyoung** and development of the B Corp **#UnlockEducation** campaign by Evolvere during 2022	Through Evolvere: • Further development of the **Adesso Magazine** with topics related to sustainable energy issues, reaching around **20,000 subscribers**. Publication of **55 articles** in 2022, reaching approximately **50,000 users** and over **100,000 page views** • Support and dissemination of the 2021/22 B Corp campaign on social media OBJECTIVE ACHIEVED	In 2023, through Evolvere: • **Participation in events** to promote the energy transition culture • **Development of new educational projects** for young children
	Through Be Charge: • Standardisation of **La Via Elettrica** edutainment format • Publication of **digital e-mobility related educational content** by Be Power in 2022	Through Be Charge: • **'La Via Elettrica'** edutainment format • Publication of **40 articles dedicated to e-mobility, 100 newsletters shared and 130,000 users contacted** OBJECTIVE ACHIEVED	In 2023, through Be Charge: • **Realisation of other educational formats** for schools with an e-mobility theme • Re-edition of the **'La Via Elettrica'** edutainment format • Continuation of publication of **digital e-mobility related educational and gamification content**

As it firmly believes that raising energy awareness is a powerful tool for fostering change, Plenitude shares its technical expertise to collaborate with others to the realisation of educational content related to energy saving and sustainability issues.

2022 Performance

In 2022, Plenitude developed and presented the **'Feeling the energy'** installation during Fuorisalone 2022 in Milan at the Brera Botanical Garden. The purpose was to offer a multi-sensory experience in which the five senses can perceive energy in different ways. By following the itinerary, visitors were accompanied in a search for the value of energy in all its facets: sound, light and wind. Feeling the Energy was awarded **'Most Interactive Installation' at the Fuorisalone Awards 2022** and was appreciated by 85% of visitors. Within a week, 6,479 visitors were registered at the installation, and 30 national press articles and 99 web articles covered the topic. Thanks in part to the involvement of talents who helped tell the story of the installation, 376,935 influencer impressions were recorded. The installation was then taken to the Jardin Botanico in Madrid in October 2022 to continue the story started in Italy in one of the geographical areas where Plenitude is present with projects related to the development of the renewable energy market. Furthermore, Plenitude launched the 'Più conosco, meno consumo' (i.e. The more I know, the less I consume) project in cooperation with the Fondazione Eni Enrico Mattei (FEEM) and the Associazione Nazionale Presidi (ANP)[3].

3 - For further information, please consult the section 'The Impact on Communities'

In 2022, the subsidiary Evolvere further developed the **'Adesso' newsletter magazine**, reaching around 20,000 subscribers, a 67% increase over the previous year. By publishing **55 articles** in 2022, Evolvere reached an audience of over **50,000 users** and over **100,000 page views**. The magazine proved a useful tool for strengthening the existing link with young people and users interested in sustainable energy issues.

Publication of 40 articles dedicated to e-mobility, 100 newsletters shared and 130,000 users contacted

The publication of articles in the columns **#evolveregreen** and **#evolvereyoung**, dedicated to key topics in the field of sustainability, also increased. This content is then republished in graphic form on the Facebook and Instagram platforms. 15 articles were published in the columns with in-depth coverage of topics such as savings, sustainability culture and other curiosities related to renewable energy.
In order to reach a wide and intergenerational audience, Evolvere also participated in several events, speaking to both adults, who could try their hand at the renewable energy quiz, and children. Evolvere tells children about the potential of solar energy through the fairy tale 'The Story of the Brave Friends Who Saved the Beautiful Kingdom' by the blog MammaOca[4].

Evolvere then participated in the **#UnlockTheChange** campaign, created during the first lock-down and promoted by the Italian B Corps to raise awareness among companies and citizens on the need to move towards a new economic model that considers not only profit but also the positive impact of a company on people, the environment and, more generally, on all stakeholders.

In 2021, Plenitude, through its subsidiary Be Charge, devised the experiential format for families **'La Via Elettrica-Kids drive the change' (The Electric Way-Kids drive the change)**, which would bring people closer to and engage with the topic of electric mobility in an appealing and fun way. As it had set out to do, in 2022, Be Charge worked on standardising the format, which was presented at both the Umbria Green Festival and Natale degli Alberi in Milan. Furthermore, an installation was installed during Fuorisalone 2022 in Milan in order to promote the project, enabling visitors to get in touch with the world of Be Charge.Through Be Charge, Plenitude continued to tell the story of e-mobility and its evolution through various digital channels: columns on social channels, the Be Charge blog and a dedicated bi-weekly newsletter.

Around 20,000 subscribers (+67% vs 2021) to the newsletter and 50,000 unique users on Evolvere's 'Adesso' magazine with 100,000 page views

In 2022, it produced over 40 articles under the four headings e-mobility tips, e-mobility news, e-mobility green travel, and e-mobility life. Furthermore, it shared over 100 newsletters and demos with educational content aimed at the Be Charge e-driver community, which in 2022 had over 130,000 profiled contacts. The content produced included the e-mobility education columns including 'Falsi miti vs real' (False myths vs real), 'Charge the question' and 'E-quiz', which recorded more than 19 million social impressions on Facebook and Instagram channels (+36% compared to 2021), involving more than 550,000 users.

4 - For further information, please consult the following page: [We chase away the clouds together with Radiant (evolvere.com)]

Future targets

In order to pursue its goal of raising awareness of energy-conscious consumption, for 2023, Plenitude is considering launching projects dedicated to the representation of energy through art.

Plenitude, also through Be Charge and Evolvere, will continue promoting the culture of sustainability by sharing content addressed to the entire audience of its stakeholders. As a continuation of what was realised in 2022, the launch of projects that unite the worlds of art and energy for educational purposes is under assessment.

In 2023, Evolvere will continue to elaborate on different types of content on sustainability and the energy transition, in which it will also disseminate the knowledge and best practices acquired within the B Corp and Quinto Ampliamento (Fifth Extension) networks. In order to engage its stakeholders, the company is committed to both sharing them on social channels and physically participating in events.

Instead, to stimulate the younger generation on the issues in question, the #evolveregreen and #evolvereyoung columns will continue to be published in the online magazine 'Adesso'. Finally, to reach even the youngest children and their families, the collaboration started during the Evolvere year with the MammaOca blog for the fairy tale 'The Story of the Brave Friends Who Saved the Beautiful Kingdom' will also continue.

In line with Evolvere, the Content Hub Magazine Be Charge will also be enriched with new e-mobility content, particularly new collaborations on green travel. New communication methods will be explored, including gamification (a teaching methodology that uses play to foster emotional involvement), podcasts and other interaction channels. In this regard, a dedicated TikTok channel is planned to be activated to reach the younger generation as well.

Be Charge, too, will continue to work on the edutainment format 'La Via Elettrica', to involve and entertain more and more people. The format will be repeated during festivals and local area activations whenever possible. In this regard, the edition of the 'La Via Elettrica during the Fuorisalone in Milan 2023' format is already planned.

2.1.3
Partnerships and events

MACRO-OBJECTIVES	2022 TARGETS	2022 PERFORMANCE	FUTURE TARGETS
PARTNERSHIPS AND EVENTS	**Development** of the following **partnerships**: TEDx Milan, Assobenefit	• Attended **TEDx Micro and Macro** and **TEDx Sustainability** events • Membership of **Assobenefit** OBJECTIVE ACHIEVED	Evaluation of participation in **similar events to convey related content** in 2023
	Partnerships at the following events: • **FirenzeRocks** • **The Island Experience in Pantelleria** • **Primavera Sound in Barcelona**	Plenitude participated in several musical events, with energy efficiency interventions and spread of the culture of sustainable energy use: LiveNation **(FirenzeRocks)**, **The Island Experience** in Pantelleria, **Primavera Sound** in Barcelona **(>700,000 total attendance)** OBJECTIVE ACHIEVED	Evaluation of participation as a partner **in energy efficiency projects at music events** in 2023

To expand its capacity to spread good practices on the responsible use of energy, Plenitude develops partnerships with key players in the territory and organises cultural and educational events.

2022 Performance

In 2022, Plenitude participated in a series of events, supporting their organisations with concrete actions, with the ultimate aim of supporting the dissemination of a sustainability culture, in particular:

TEDx Milan: in May, TEDx events - Micro and Macro - were organised at Teatro Franco Parenti in Milan. In November, the sustainability-themed TEDx was again organised at Teatro Franco Parenti. By supporting these initiatives, Plenitude has demonstrated its commitment to disseminating useful topics and tools to understand the energy transition better. The events recorded an influx of 500 people per evening, as well as online participation through live streaming.

Firenze Rocks: Plenitude contributed to the realisation of the event by increasing the efficiency of the Festival's backstage area, powered by a hybrid generator, and of the food area with innovative low-consumption cold rooms. Furthermore, it was possible to relax while charging one's smartphone thanks to photovoltaic panels in the Plenitude area. The event hosted a total of 200,000 spectators over four days.

The Island experience in Pantelleria: Plenitude participated in the event by contributing with the installation of electricity columns and photovoltaic panels, which were then donated to the host municipality to help achieve the goal of becoming the first carbon-free island in Italy. The festival recorded 2,400 total admissions.

Primavera Sound in Barcelona: Plenitude took part in the Music Festival in Spain by carrying out energy efficiency works that contributed to making the festival more sustainable. In particular, Plenitude installed batteries to power one of the stages used by the artists with renewable energy and installed photovoltaic panels on the merchandising area. The festival recorded 500,000 total admissions.

In 2022, Plenitude joined Assobenefit, which aims, among other things, to:

- Promote the achievement and dissemination of good practices in exercising the provisions of the law establishing Benefit Corporation (Società Benefit) also in the protection of the collective interests of the associates;
- Stimulate the continuous improvement by the market and the correct application of corporate governance and measurement, control and reporting tools for Benefit Corporation (Società Benefit);
- Monitor study and research activities on Benefit Corporation (Società Benefit) by receiving information and promoting the improvement of legislation.

Future targets

With a view to the future and in continuity with the previous year, Plenitude is considering confirming its participation in educational events in order to continue spreading the sustainability culture. Furthermore, it is considering participating as a partner in energy-saving and energy-efficiency initiatives within the context of music events.

2.2

Solutions and technologies for responsible energy usage

Since it operates in the energy sector, Plenitude is aware of the fundamental role that it can play in promoting the energy transition.

The Company defined a decarbonization strategy that aims to achieve carbon neutrality Scope 1, 2 and 3 by 2040 through increasing the installed capacity of the renewable energy production plants, offering energy-saving solutions such as energy saving and distributed pahotovoltaic interventions for homes and companies, progressively offsetting the CO_2 emissions from gas combustion by customers and the developing electric mobility services.

PURPOSE	MACRO-OBJECTIVES	OBJECTIVE DESCRIPTION
PROVIDING SOLUTIONS AND TECHNOLOGIES FOR RESPONSIBLE ENERGY USAGE	RENEWABLE ENERGY	Enhancing renewable energy production and selling activities.
	ENERGY EFFICIENCY	Development of solutions available to Customers to increase energy efficiency.
	E-MOBILITY	Expansion of the network of charging points for electric vehicles powered by renewable energy throughout Italy and abroad.

2.2.1
Renewable energy

MACRO-OBJECTIVES	2022 TARGETS	2022 PERFORMANCE	FUTURE TARGETS
RENEWABLE ENERGY	**Over 2 GW** of renewable energy capacity installed in 2022	**2.2 GW of installed capacity** of renewable energy production plants (46% wind and 54% photovoltaic), which allowed **2.55 TWh of renewable energy** to be produced. In 2022, emissions of **1,211 thousand tonnes of CO_2eq** were avoided (+ 136.5% compared to 2021). OBJECTIVE ACHIEVED	**Over 3 GW of capacity installed from renewable energy generation plants in 2023**
	Increase in certified renewable electricity supply in 2022	**12.5 TWh** of certified electricity sold with European guarantees of origin in Europe OBJECTIVE ACHIEVED	Additional **increase in certified renewable electricity supply** in 2023
	Extension of the project entailing **thermography through the use of a drone** in 2022	In 2022, thermographic drone inspections were extended to 13 plants in Italy (8 plants) and France (5 plants) compared to the pilot plant conducted in Italy in 2021. OBJECTIVE ACHIEVED	In 2023: • Continue **thermographic inspections** by drone • Start experimenting with inspection of **wind blades** by drone

2022 saw Plenitude strengthen its presence in renewables by reaching an installed capacity of 2.2 GW, doubling the 2021 result and expanding the project pipeline to around 13 GW. This growth was achieved through the organic development of projects in the United States, Kazakhstan and Spain, as well as through acquisitions in Europe and the United States.

2022 Performance

In Italy, the Company completed the acquisition of **PLT Energia**, a major player in the energy sector with a portfolio that includes over 400 MW of assets in Italy, a pipeline of projects under development[5] in Italy and Spain, and a base of 90,000 retail customers in Italy. Growth also involved **GreenIT**, the joint venture dedicated to the production of electricity from renewable sources in Italy, which was created through a partnership between CDP Equity[6] and Plenitude. GreenIT acquired a portfolio from the Fortore Energia Group consisting of four onshore wind farms operating in Italy with a total capacity of 110 MW, of which 56 MW in Plenitude.

In Spain, Plenitude acquired the El Monte wind farm that, with its 105 MW and 5.5 MW turbines, is the largest wind farm in its portfolio and has completed the 50 MW photovoltaic plant in Cerillares. Also in the United States, more precisely in Texas, Plenitude significantly expanded its portfolio by purchasing a 266 MW photovoltaic system and completing another system for a further 263 MW.

In 2022, Plenitude achieved its announced goal of increasing installed capacity to more than 2 GW, reaching **2.2 GW**, doubling the year-end 2021 figure (1.1 GW). Of this capacity, 37% is located domestically and 63% abroad (mainly in the United States, Spain and France), with **54%** relating to **photovoltaic systems** and the remaining **46%** to **wind farms**. Renewable energy production amounted to 2.55 TWh in 2022, al-

5 - For further information, please consult the following link: Plenitude strengthens its presence in Italy and Spain by signing an agreement to acquire 100% of PLT
6 - For further information, please consult the following page: GreenIT acquires 110 MW wind projects in Italy

most three times as much as in 2021 (1 TWh). About 70% is located abroad (mainly in the United States, Spain and Kazakhstan) and the remaining 30% is in Italy. As a result, emissions of **1,211 thousand tonnes of CO_2eq (tCO_2eq)** were avoided in 2022[7], an increase of 136.5% compared to the avoided emissions of 512 thousand tCO_2eq in 2021.

Since April 2022, Plenitude has been offering all of its *Business To Consumer* segment customers energy **certified through guarantees of European origin**, as generated by plants fuelled by 100% renewable energy[8]. This made it possible to arrive at about **12.5 TWh of certified electricity** through guarantees of origin in 2022, out of a total of energy supplied on the European market, amounting to approximately 18.8 TWh.

Furthermore, to drive change in an ever-changing external environment, Plenitude searches for innovations that promote the sustainable development of new business and technology solutions through partnerships with start-ups and industry-leading companies. It is with this in mind that, through Eni Joule[9], Plenitude has selected a start-up company that proposes a variable-geometry micro-wind solution with passive self-adaptation, capable of producing energy even in weak, intermittent and short-duration winds. Plenitude then initiated developments of the technology towards residential applications, which, being typically located at low altitudes, are often in such conditions.

At the same time, Plenitude has extended the project started in 2021 that envisages the use of drones for **thermographic inspections** to 13 plants distributed between Italy and France. In photovoltaic modules, malfunctions at the individual cell level can affect the performance of the module and the photovoltaic string to which it belongs. In causing production losses, the malfunction usually has an abnormal temperature rise at certain points. In situations such as these, a thermographic analysis of the operation of the photovoltaic system is a simple and quick procedure to understand where to intervene, allowing production losses to be reduced.

In summary, thermography is able to detect insulation, losses, infiltration and humidity and is therefore essential to conduct precise measurements and immediately identify energy-critical areas. More specifically, compared to traditional ground thermography, the thermographic inspections carried out with drones allow a greater number of photovoltaic modules to be examined in less time, increasing the efficiency of operations and the safety of the operator.

Future targets

In 2023, Plenitude intends to expand its portfolio under management further, **exceeding 3 GW of installed capacity**[10] and, in the long-term, aims to exceed 7 GW by 2026 and more than 15 GW in 2030. Based on forward-looking forecasts, by 2040, the electricity generation capacity from renewable sources from proprietary plants will be able to meet the energy needs of the customer base.

Furthermore, the Company is committed to **extending the project** involving **thermographic inspection by drone** to other plants and launching a pilot project in Italy to use drones also for inspections of wind farm blades. Finally, field tests of **innovative wind power technology** developed in 2022 are planned for 2023.

7 - Avoided emissions represent the amount of CO_2eq that would have been emitted into the atmosphere given the same electricity production with the current generation mix of the various producing countries. For details on the calculation methodology, please refer to paragraph 3.1.2. Calculation methods.

8 - The electricity consumed by residential Customers does not come directly from a renewable electricity generation plant. Instead, Plenitude acquires the Guarantees of Origin from third party renewable energy producers to certify that electricity produced from renewable sources has been generated in a quantity that equals to the Customer's annual consumption.

9 - Eni's business school has supported the growth of sustainable enterprises with training courses and acceleration programmes since 2020. For more information, please visit the following page: Our mission for innovation | Joule Eni

10 - For further information, please consult the following link: https://www.eni.com/assets/documents/eng/investor/presentations/2023/2023-capital-markets-update/2023-Capital-Markets-Update-presentation.pdf

2.2.2
Energy efficiency

MACRO-OBJECTIVES	2022 TARGETS	2022 PERFORMANCE	FUTURE TARGETS
ENERGY EFFICIENCY	Through SEA: • Continuation of interventions through CappottoMio and Energy Performance Contract • Continuation of project management activities to obtain Energy Efficiency Certificates or White Certificates	Energy requalification measures that avoided the emission of around 57,000 tonnes of CO_2eq in 2022 (+168% compared to 2021) **by end customers**. OBJECTIVE ACHIEVED	Through SEA, in 2023: • Continuation of energy efficiency measures **(CappottoMio)** • Consolidation and growth in Energy Performance **Contracts** • **Continuation of project** management activities to obtain **Energy Efficiency Certificates or White Certificates**
	Through Evolvere: 28 MW of installed capacity from owned photovoltaic plants (in Plenitude)	Through Evolvere: 28 MW of installed capacity from owned photovoltaic plants (in Plenitude) OBJECTIVE ACHIEVED	Through Evolvere, in 2023: Continued commitment to the installation of photovoltaic capacity for potential prosumers
	Finalisation of preliminary development activities for the management of Renewable Energy Communities (RECs)	Plenitude's commitment to the implementation of Energy Communities continued on the technological, dissemination, regulatory and operational levels. However, the preliminary activities under the 2022 target are still unfinished due to incomplete regulations. IN PROGRESS	In 2023: • Extend the functionality of IT mediums to induce consumer behavioural changes • Complete the preliminary development activities for the management of Energy Communities • Initiate commercial activity for the realisation of RECs

The **efficient management of energy demand and consumption** is a fundamental aspect of the energy transition, as it allows **its demand to be reduced** and, as a consequence, the impacts related to its production can be reduced. Thanks to the acquisition of important companies such as Sea (Plenitude's ESCO - Energy Service Company), Evolvere and Enera and the collaboration with a wide network of business partners, Plenitude offers its customers a vast range of energy efficiency solutions through **energy upgrades** on buildings and the **installation of photovoltaic systems** in the different countries where the retail business area operates.

2022 Performance

As it had set out to do in 2021, Plenitude continued to offer its customers various energy upgrades during 2022.

In particular, with the **'CappottoMio'** service, Plenitude, through its subsidiary SEA, undertook energy requalification and earthquake-proof consolidation works in condominiums and single-family buildings that resulted in the avoidance of around 35,000 tCO_2eq (an increase of 62% compared to 2021). Furthermore, with the signing of **energy performance contracts (EPC)**[11], Plenitude and SEA carried out **interventions for requalification** and energy efficiency for industrial customers such as large enterprises and SMEs, thanks to which they were able to avoid the emission of 2,669 tonnes of CO_2eq in 2022. Nevertheless, Plenitude continues to pursue project management activities to obtain **Energy Efficiency Certificates (TEE)**, which in 2022 resulted in the avoidance of 19,610 tCO_2eq emissions. Overall, emissions avoided through energy upgrades by the end market amounted to around **57,000 tCO_2eq**[12].

11 - The EPC model implies that SEA covers the initial investment and management costs of the intervention, while the customer pays the Company a share of the energy savings generated.

Through its subsidiary **Evolvere**, Plenitude provides **sales, installation, management, and monitoring services for photovoltaic systems** directly to end customers, which thus become prosumers, meaning consumers who produce and consume energy and renewable, storing the unused energy and injecting the surplus into the grid. In 2022, Evolvere owned photovoltaic systems in Italy, corresponded to 40 MW, of which 28 MW of installed capacity in Plenitude.
Evolvere assembles more than **160,000 prosumers** from all over Italy through the **My Solar Family** digital community, which allows them to monitor the energy and economic flows related to their (mainly residential) photovoltaic system. This is possible, also thanks to Eugenio, a proprietary technology made up of a cloud system and hardware installed at the Customer's premises. **Eugenio** is Evolvere's smart energy ecosystem that allows to monitor and manage photovoltaic system, storage and energy flows, to maximise energy efficiency and self-consumption, making the investment virtuous and using renewable energy.

In 2022, an agreement was reached to set up a Joint Venture between Plenitude and Elmet, a company of the Gruppo Costruzioni Turistiche Immobiliari (Cotim), which will be dedicated to the design, construction, operation and maintenance of an energy system to meet the needs of the Chorus Life smart district in Bergamo.

Renewable energy communities (RECs): a new model for sharing energy

Renewable Energy Communities are based on the **collaboration** between several actors to produce, self-consume and share photovoltaic energy through the public distribution network. They are backed by an incentive tariff, a reduction in grid charges (proportional to the energy that they can share), and the withdrawal of the fed-in energy by the GSE. Such measures encourage people to take part in **self-production initiatives**, even without being the owner of a roof or making investments but simply consuming the community energy. There is no need to buy and sell energy between participants, only to adhere to the community. This stimulates the installation of new photovoltaic power and the local use of the energy thus produced, with a double environmental benefit. As it has always been a convinced promoter of new energy solutions, Plenitude aspires to support the RECs throughout the useful life of the community and systems. To this end, for over three years the Company has been monitoring the regulatory path (which has yet to be finalised) that is leading to the development of communities in Italy and took action on several fronts in 2022.

These include: technological (e.g. application and software development), dissemination (e.g. meetings and workshops with associations) and regulatory (e.g. participation in relevant regulatory consultations). However, the preparatory process slowed down, and by the end of 2022, it still needed to be completed. The delay was caused by the low demand for the design and start-up of RECs due to the wait for the Regulatory Authority for Energy, Networks and the Environment (ARERA) and the Ministry of Environment and Energy Security (MASE) to complete the regulatory framework and start publishing the National Recovery and Resilience Plan (NRP) calls for RECs. The expected completion of the regulatory framework in early 2023 will remove uncertainties and complete the preparatory path, as well as build confidence in the ERC promoters and kick-start demand.
In particular, on the operational front, it activated, in cooperation with Evolvere and RSE, the **EvoNaRse project** involving a block of flats consisting of 30 residential units and two commercial businesses located on the ground floor of the building. In the building, the company installed a 10 kWp photovoltaic system on the roof and a 5 kW/12 kWh battery storage system in the technical rooms. The energy generated by the solar panels is used directly (or by means of storage) to power the common services as a priority, while the residual production is intended for sharing with the apartment blocks that have joined the project. One of the most interesting aspects of EvoNaRse is the integrated solution for real-time monitoring of the energy produced by the photovoltaic modules on the roof, stored in the batteries and consumed by each user.

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12 - Avoided emissions related to requalification measures include CappottoMio, EPC and TEE, and refer to energy savings due to energy efficiency in buildings. For details on the calculation methodology, please refer to paragraph 3.1.2. Calculation methods.

Future targets

Plenitude will continue offering energy requalification services for condominiums, single-family buildings, industries and small and medium enterprises. In 2023, the implementation of interventions through the CappottoMio and Energy Performance Contracts (EPC) will be continued. Project management activities to obtain Energy Efficiency Certificates (TEE) will also continue.

Evolvere confirms its commitment and objectives in continuing to install photovoltaic capacity for potential prosumers, even in the face of an ever-changing regulatory environment in the renewable sector.

In 2023, the design and implementation of an energy system to meet the needs of the Chorus Life smart district in Bergamo are scheduled to begin. The energy system will be managed with an innovative, dynamic dispatching system based on artificial intelligence algorithms that will minimise CO_2 emissions.
In the smart district area, further evaluations of initiatives to maximise the energy efficiency of the urban district are underway, as well as a number of initiatives to establish Energy Communities.

Plenitude is also expected to be increasingly involved in initiatives related to the issuance of European, national and regional calls (e.g. National Recovery and Resilience Plan (NRP)) related to energy efficiency.

2.2.3
e-mobility

MACRO-OBJECTIVES	2022 TARGETS	2022 PERFORMANCE	FUTURE TARGETS
E-MOBILITY	Through Be Charge: 12,950 charging points installed in Italy and Europe by the end of 2022	13,093 charging points for electric vehicles installed by the subsidiary Be Charge, which in 2022 avoided the emission of 7,405 tonnes of CO_2eq into the atmosphere (+279% compared to 2021) by electric vehicles in mobility OBJECTIVE ACHIEVED	Through Be Charge: About 20,000 installed charging points as at 31/12/23
	Through Be Charge, advancement of projects in 2022 in the following areas: • Demand response: real time despatching optimisation algorithms • Stationary storage • Digital products	Through Be Charge: development of products based on big data & advanced analytics: • Demand Response: qualifying charging infrastructure for UVAM project • Stationary storage: Four units ordered and delivered IN PROGRESS	Through Be Charge, in 2023: • Demand Response: developing algorithms for V1G and enabling V2G • Stationary storage: Order for four more units under approvalt • Finalise a product to be shared with selected targets of customers and potential partners.

Through its subsidiary Be Charge, Plenitude invests in the electric mobility market, supporting the installation of **charging stations** for electric vehicles powered by renewable energy throughout Italy and abroad. Plenitude's objective is to accelerate the transition to a **more sustainable and less polluting mobility model**.

2022 Performance

With its acquisition of Be Charge in November 2021, Plenitude, with a total of **13,093 charging points** installed in December 2022 (+111% compared to 2021), is **now one of the most important operators in the electric vehicle charging services segment in Italy and Europe**. Thanks to the service offered, in 2022, the emission into the atmosphere of **7,405 tonnes of CO_2eq**[13] by electric mobility vehicles was avoided, tripling the result achieved in 2021 (1,950 tCO_2eq).

The Company is playing a leading role in the radical transformations taking place in the energy sector. In its capacity as a high-tech Company, it integrates the innovative management of digital flows and the new activities of the energy market with the electric mobility sector. It is also involved in innovative projects on both the technological and digital flow management fronts. In this regard, in 2022, it undertook several projects that will have a significant impact in terms of benefits for the energy system in the following areas:

DEMAND RESPONSE

As part of the **Demand Response** activity, which enables the provision of flexibility resources to the distribution and transmission grid, several recharging infrastructures were qualified to provide flexibility services to the distribution and transmission grid.

These qualifications are part of the UVAM (Virtual Enabled Mixed Units) pilot project organised by Terna, the national electricity grid operator, which enables electricity consumption units, electricity production units and batteries, including electric vehicle charging stations, to provide flexibility services vital to the proper functioning of the electricity system. Flexibility consists of the readiness of these units to change their electricity consumption and production profiles should the need arise to balance electricity production and consumption at the grid level. In the case, for example, of the recharging operation of an electric vehicle, if there is an imbalance on the electricity grid between the energy produced and the energy consumed, it is possible to intervene by temporarily reducing the energy absorbed by electric vehicles connected to the Be Charge infrastructure.

STATIONARY STORAGE

The use of stationary storage systems combined with electric vehicle charging stations is an enabling factor for users to enjoy the benefits of fast charging infrastructure, even in remote locations or in locations with limited grid connection potential.

During 2022, four booster batteries with 200 kW of power and 100 kWh of storage capacity were installed for each site. When combined with a limited power grid connection, they will enable the installation of high-power charging stations that would otherwise not have been possible to power.

13 - The calculation of the avoided CO_2eq emissions is based on data provided by ISPRA on the average emissions of the Italian ICE vehicle fleet. For details on the calculation methodology, please refer to paragraph 3.1.2. Calculation methods.

DIGITAL PRODUCTS

The development of new digital products based on big data was the focus of a pilot project that Be Charge implemented during the reporting year. The aim of the project is to offer a better service to customers by also developing communication in line with their characteristics through physical and digital touchpoints. The project has had its first analysis and design phase and will see the product finalisation part in 2023.

Again in the academic area, several Company executives are annually involved in research projects related to sustainable mobility, electricity markets and Big Data & Analytics in collaboration with the Energy Strategy Group of the Politecnico di Milano.

Future targets

In 2023, Be Charge aims to further expand its network of public charging stations for electric vehicles in Italy and Europe, with plans to reach **about 20,000 charging points installed in Italy and Europe** by the end of the year[14].

The Company will also still be engaged in innovative projects on both the technology and digital flow management fronts. In particular, as part of the Demand Response activity, the development of real-time dispatching algorithms is underway, which will make it possible to perfect modulation in V1G mode (charging service without feeding electricity into the grid). Furthermore, tests are underway to enable V2G modulation (charging service with electricity fed into the grid). As far as stationary storage is concerned, an additional four units are expected to be delivered. In 2023, the company plans to improve customer service by also working on dedicated communication.

The company will also continue its academic collaboration, with executives and employees already engaged in research projects on sustainable mobility, electric markets and the world of big data and analytics with the Energy Strategy Group of the Politecnico di Milano.

14 - For further information, please consult the following link: https://www.eni.com/assets/documents/eng/investor/presentations/2023/2023-capital-markets-update/2023-Capital-Markets-Update-presentation.pdf

2.3

Promoting diversity and inclusion

Plenitude considers people at the centre of its organisation. In order to protect them, the Company strives to maintain a safe and inclusive working environment where diversity constitutes a valuable element in the business' growth path. In this perspective, Plenitude operates according to a management approach geared towards the safeguarding and growth of each person in an atmosphere of mutual respect, continuous involvement, enhancement of competencies and personal satisfaction.

PURPOSE	MACRO-OBJECTIVES	OBJECTIVE DESCRIPTION
PROMOTING DIVERSITY AND INCLUSION	DIVERSITY, INCLUSION AND HUMAN RIGHTS	Promoting the appreciation of diversity and fostering a culture of inclusion.
	PEOPLE'S WELL-BEING AND SAFETY	Ensuring a working environment that safeguards the well-being of all people.
	TRAINING AND TALENTS	Encouraging participation in training courses, including transversal courses and talent development programmes.

2.3.1 Diversity, inclusion and human rights

MACRO-OBJECTIVES	2022 TARGETS	2022 PERFORMANCE	FUTURE TARGETS
DIVERSITY, INCLUSION AND HUMAN RIGHTS	100% equal pay for men and women in 2025	**98 gender pay ratio*** by total remuneration IN PROGRESS	**100% equal pay for men and women in 2025**
	50% women out of the total workforce in 2025	**44.9% female presence** in Plenitude's population IN PROGRESS	In 2025: **50% women out of the total number of employees and 40% of managerial positions** in Italy and abroad **held by women**
	Additional advocacy and engagement initiatives in 2022: • Diversity Talks with TLON • Partnership with WII launch • Contest Together for the Future • #CEOntheroad • Zero Tolerance Event	Organisation of several **D&I awareness initiatives, events and partnerships**, including: • Zero Tolerance Event • Online Course on 'Women's Leadership' • Partnership with the Winning Women Institute (WWI) • #CEOntheroad OBJECTIVE ACHIEVED	Continuation of **awareness-raising initiatives on D&I issues and involvement of Plenitude people** in 2023 in new projects, including: • Corporate volunteering • Welcome to Plenitude
	Implementation of the Sustainability by design strategy by 2023	• Completion of the process of defining the **Strategic Sustainable Sourcing model** • **100% suppliers selected based on social criteria** as defined in the process OBJECTIVE ACHIEVED	

* Women vs men gender pay ratio at the same role level and seniority. The same indicator calculated solely based on gender ('raw pay ratio') is 83 for fixed remuneration and 76 for total remuneration.

By endorsing the Eni Code of Ethics, Plenitude commits to implement an organisational model whereby respect for equal opportunities and the prevention of any kind of discrimination are fundamental pillars.

2022 Performance

The values of diversity and inclusion are fundamental to the company, which has set itself several medium/long-term objectives for these issues. By committing to their pursuit, it reached 44.9% **female presence**. Plenitude's population is also characterised by a strong presence of young people (45%), falling within the 18-24 age group (2%) and the 25-39 age group (43% of the total) and a corresponding proportion of employees are included in the 40-54 age group (40%) and over 55 (15%)[15]. Plenitude renewed its commitment to bridging the gender gap in the countries where it operated in 2022. The remuneration policy applied made it possible to improve further the pay ratio between women and men, which, in 2022, stands at 97.8 with reference to total remuneration (fixed and variable). The same indicator recorded in 2021 was 96.7.

In order to promote a working environment where diversity and inclusion are values internalised by all people, it is crucial to disseminate their values within the organisation. With the aim of developing an increasingly inclusive culture that recognises and promotes the diversity of each person, valuing their experience and identity, several activities were carried out during 2022. Among these, the Company organised the **Zero Tolerance** event, aimed at disseminating the policy to create a work environment free from discrimination, violence and harassment of all kinds and to give everyone the tools to identify misconduct and report it.

Gender diversity

In March 2022, on the occasion of International Women's Day, Plenitude offered its employees an online course on **'Women's Leadership'** by TLON[16]. Furthermore, with its desire to attest its commitment to gender equality, in 2022, Plenitude embarked on a partnership with the **Winning Women Institute (WWI)**, the first Italian organisation involved with the issue of gender equality at work. Through this partnership, Plenitude went through a pre-audit phase that enabled it to become more aware of the strengths it already had in relation to gender equality and the actions to be implemented in the future, with a view to continuous improvement.

Inclusion

During 2022, a **collaboration with TLON** was set up, which resulted in the realisation of a series of initiatives aimed at involving and raising awareness among employees regarding D&I. Among these, from April to June 2022, the **'Diversity Talks'** course was launched, consisting of a series of meetings on personal growth to improve work well-being and collaboration. During these meetings, employees participated in a debate on diversity as a value and in the application of concrete exercises to help create an increasingly inclusive, thriving and positive working environment. Finally, July saw the launch of the **Flourishing Exercises** initiative, which makes a series of podcasts available to Plenitude people with the aim of accompanying them in their personal growth and improved well-being at work.

In 2022, the two editions of **'Together for the future'**, the international competition designed to foster greater integration between company areas and between people in the various countries where Plenitude operates, were held with the aim of raising awareness of Plenitude's new positioning, with a focus on sustainability. The contest allowed all participants to take part in building the future of Plenitude by devising projects on the theme of sustainability, working in groups made up of people from different countries/cultures.

15 - Employees by employment category: executives (91), middle managers (802), office workers (1,399) and blue collar (55).
16 - TLON is a permanent school of philosophy, events agency, publisher and theatre library

The **#CEOntheroad** initiative, launched in 2022, was the roadshow that brings the CEO to Plenitude offices around the world with the aim of promoting a sharing of the Plenitude strategy, as well as aspects such as affinity, knowledge and building a relationship of trust and transparency with the top management. During the reporting year, the initiative included eight stops in Italy and abroad. The interaction with the CEO allowed not only the discussion of Plenitude's transformation and objectives, but increasingly strengthened the sense of belonging and, consequently, people's commitment.

In order to further bring people in Plenitude closer together, the **THANK YOU WALL** was created. It is a physical (or digital) board present at all Plenitude locations worldwide where anyone can thank a colleague for something personal or professional.

Consolidation of the 'Strategic Sustainable Sourcing' project

Plenitude is attentive to issues of diversity, inclusion and human rights not only internally but also across the entire value chain. In particular, 2022 saw the consolidation of the evolution of the procurement function, in collaboration with its suppliers, through the implementation of the **Strategic Sustainable Sourcing model**, which allows the Company to know and measure suppliers' commitment to respecting people's rights through in-depth studies and dedicated workshops.

The relationship with 100% of Plenitude's suppliers was managed through a supply chain management guided by sustainability criteria both in the scouting and qualification process, through the development and use of the **Open-es Platform**, and in the evaluation process by introducing **necessary or 'rewarding' requirements on sustainability, innovation and equal opportunities** in the selection procedures.

Future targets

The approach to D&I at Plenitude remains integrated: while starting with a focus on the gender dimension, the aim is to also work on all the other multiple dimensions of diversity (e.g. age, nationality, disability, sexual orientation). For this reason, Plenitude is building a D&I Roadmap comprising a series of actions and initiatives to be launched in the short- and medium/long-term, starting from the main dimensions of diversity that have been identified. Priority actions have been defined in the D&I area for 2023 and beyond. The strategy will be broken down with particular reference to the following pillars: Inclusive **Culture & Behaviours, Leadership/Management Buy-in & Training, and Structural Inclusion**.

In the medium/long-term, Plenitude remains committed to achieving the following ambitious targets for 2025: 100% equal remuneration between men and women, 50% female presence over the total employee base, and 40% of managerial positions covered by women in Italy and abroad. Furthermore, Plenitude has set itself the goal of integrating and including all the countries where it is present among the beneficiaries of its sustainability strategy and D&I actions and initiatives.

In 2023, it plans to implement the following initiatives:
1. Involve the corporate population to make them aware of the importance of using inclusive language in the various forms of communication (formal/informal - verbal/written). This initiative will be the starting point for implementing an internal **newsletter on Diversity, Equity and Inclusion issues** later;
2. Involve, through **Alleyship meetings**, an increasing number of people who will receive training/information material on the topic and will be responsible for spreading an inclusive culture in everyday working life;
3. Commit, with the **launch of the Volunteering project**, to give Plenitude people the opportunity to take two days of paid leave for voluntary work at non-profit organisations working within some of the SDGs for which Plenitude is committed to taking concrete action.

In 2023, **internal communication initiatives** will be continued and further developed with the aim of increasing people integration, active involvement and engagement, always with a view to People Centricity and Sustainability.

#CEOntheroad, the CEO's roadshow in all Plenitude locations in Italy and around the world, will continue with new stops abroad to complete the tour and evolve the initiative.

2.3.2 People's well-being and safety

MACRO-OBJECTIVES	2022 TARGETS	2022 PERFORMANCE	FUTURE TARGETS
PEOPLE'S WELL-BEING AND SAFETY	Launch of the OHI (Organizational Health Index) Survey	OHI (Organizational Health Index) Survey launched in March OBJECTIVE ACHIEVED	Periodic monitoring of OHI indicators
	Development of the Employee Experience project in 2022	Analysis of the as-is and development of next steps together with Eni IN PROGRESS	Communication to improve the perception of the welfare offer in 2023
	Progress of the 'Beyond Smart Working' project, launching collaborative workshops and co-design activities	Progress of the 'Beyond Smart Working' project, with co-design workshops OBJECTIVE ACHIEVED	Extension of the model with the gradual involvement of all Plenitude people during 2023

Plenitude is committed to dealing with health and safety in the workplace as an essential element for the performance of business activities. As such, the Company methodically updates and improves the tools that enable risk minimisation and oversees the issue in line with the Health and Safety Policy that defines the health and safety management guidelines. Moreover, Plenitude offers its people a company **welfare plan** that is considered a best practice in the sector.

2022 Performance

The attention Plenitude pays to its people also takes shape through the spread and strengthening of the culture of health, safety and environment (HSE). These aspects are of fundamental importance to the Company, which has also included operational assets in its scope since July 2021. All levels of the company and contract workers are involved in the commitment to achieve the set targets. Plenitude people and contract workers actively participate in the dissemination of the HSE culture. Consistent with previous years, no accidents were recorded among employees in 2022. On the other hand, an accident occurred to a contract workers, which brought the total accident frequency rate (TRIR) to 0.23.
In 2022, the Company continued its commitment to the health, safety and well-being of its employees by implementing listening and involvement programmes to understand their needs better. In particular, in March 2022, **the Organisational Health Index (OHI) survey** was launched to identify strengths and opportunities to improve corporate health and promote company-wide collaboration and integration. The survey involved all Plenitude people in Italy and abroad. The results of the survey will help define and develop the improvement actions that will be implemented in the coming years. Plenitude is committed to periodically monitoring the performance of the OHI indicators with a commitment to continuous improvement.
All employees are offered a corporate welfare plan focusing on work-life balance and parenthood, protecting physical and mental well-being and providing innovative tools for work management. With a view to continuous improvement, the **Employee Experience Project** was launched in 2022, which entailed:

- an analysis of the current welfare offer to understand what needs to be developed. Through Eni, the analysis was accompanied by active listening to the community also through focus groups;

- the adoption of the People Experience philosophy to ensure workspaces better suited to new ways of working.

During 2022, the Beyond Smart Working course also continued with the aim of involving Plenitude people in the construction of the new 'fluid' working model, able to read the transformation and reap the full potential and benefits of remote working. To this end, in the first half of 2022, Plenitude organised co-design workshops, a testing phase of the identified practices (between June and July 2022) and the definition of the new working model in December 2022. A Train the Trainer was also conducted in December 2022 to train Ambassadors in order to extend the new model to all Plenitude people in 2023.

Future targets

In 2023, Plenitude will be engaged in a programme of activities whose objective is to raise awareness and increase the culture of Safety and the Environment.

The Company will also **adapt its welfare offer to the changed external contexts and needs**, updating the basket of services, initiatives and tools offered by listening to its people. Nevertheless, it will strive to communicate its welfare offer internally even more effectively on new channels and to facilitate its use also through the introduction of new digital tools. Furthermore, design activities to **improve workspaces to ensure the well-being** of the Plenitude population will also continue.

Workplace, Plenitude's corporate social medium, will increasingly be a virtual place for meeting, information, discussion and mutual knowledge to increase engagement and awareness. Through dedicated projects and challenges, people will be invited to get involved and participate in building the future of the company.

Finally, the implementation and scaling-up phase of the **Beyond Smart Working** model will continue through communication activities and in-person workshops. The aim will be to engage and raise awareness on issues such as responsible leadership, flexible time management and wellbeing of the people.

2.3.3 Training and talents

MACRO-OBJECTIVES	2022 TARGETS	2022 PERFORMANCE	FUTURE TARGETS
TRAINING AND TALENTS	• 25 hours of training per employee in 2025 • 6,500 hours of **digital upskilling** in 2022 (+50% participants vs. 2021)	• **58,059 total hours of training** provided. **27 average hours of training per employee**. The **2025 target of 25 average hours** per employee already **exceeded** in 2022 • over 9,000 hours of training in **Digital Upskilling** (including Big Data and Service Design) in 2022 (+110% participants vs 2021) OBJECTIVE ACHIEVED	• Maintain the **target of 27 average hours** of training per employee **in 2025** • Continuation of the **'Person at the Centre'** change management course in 2023
	Maintaining 100% of employees involved in **performance evaluation**	**100%** of target employees involved **in performance evaluation** OBJECTIVE ACHIEVED	**Maintaining 100%** of target employees involved in performance evaluation in 2023
	Implementation of **induction and networking paths** for new recruits	Implementation of **induction and networking paths** for new recruits OBJECTIVE ACHIEVED	**Maintaining induction and networking paths** and launch of the 'Welcome to Plenitude' initiative for new recruits in 2023

Plenitude strongly believes in the power of training as a tool for growing and enhancing the skills of its people, considering it as an engine for business development.

2022 Performance

In 2022, Plenitude continued to invest in the growth of its people, in Italy and abroad, by increasing the training offered, providing a total of 58,059 hours of training (+29% compared to 45,076 hours in 2021[17]), or an average of 27 hours per employee[18]. Total training expenditure in 2022 was approximately EUR 1.8 million (EUR 1.4 million in 2021), confirming the strategic importance Plenitude attaches to the acquisition and consolidation of its people's skills. The Company also offers its talents the opportunity to participate in specialised master courses through partnerships with universities or training institutions. More than 9,000 hours of training in Digital Upskilling, Big Data and Service Design were delivered in 2022, involving more than 1,100 participants in the process of developing strategic skills for the company.
To track the level of learning, Plenitude applies performance assessment mechanisms, such as systems for evaluating the annual performance of individuals and potential by population brackets (Junior, Expert and Senior), tools for the annual review of the entire Company population and systems for managing professional models, also to monitor skills. In 2022, the annual review process fully covered the Company's population, demonstrating the concreteness and consistency of management's commitment to promoting its people's growth.

In 2022, Plenitude consolidated its onboarding programme, which started in 2021. With a view to continuous improvement, a periodic monitoring survey was carried out and administered to all employees involved. The onboarding programme also includes the assignment of a buddy, i.e. an employee who already has experience in the company and who voluntarily undertakes to facilitate the integration of new employees by solving their initial doubts and introducing them to company life.

December 2022 also saw the launch of the 'Person at the Centre' change management programme, an evolutionary project that works on vision, mindset, emotional climate and execution while simultaneously acting on the motivation of Plenitude people. The project is divided into three different programmes: the first, aimed at the entire population; the second, aimed at middle management; and finally, one dedicated to the management team.

Future targets

In the years to come, Plenitude will continue to use training as a strategic lever to ensure the Company's success. To this end, Plenitude plans to provide a minimum of 27 hours of training per employee on average by 2025.

Furthermore, in 2023 Plenitude is committed to maintaining a high level of coverage of employee performance appraisals and to further improving the onboarding process through the 'Welcome to Plenitude' initiative. The initiative will consist of an event aimed at new employees joining the company in order to give them an overview of Plenitude's values, sustainability strategy and organisational structure.

Furthermore, the continuation of the 'Person at the Centre' change management project is planned, which aims to develop a culture increasingly oriented towards the centrality of the person and sustainable work organisation.

17 - This figure differs from the one reported in the 2021 Impact Report (48,958 hours) in that only the actual training hours are taken into account.
18 - Average training hours: executives (27), middle managers (31), office workers (25), and blue collar (36)

2.4
Promoting customer centricity through transparent and fair relationships

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

For Plenitude, building a constant and transparent dialogue and establishing long-lasting and trustworthy relationships with its customers represent crucial elements for business development. With the aim of fully understanding the expectations and needs of its customers, the Company has structured an active, digital and quality-based system for understanding their needs in order to guarantee them the highest possible level of satisfaction.

PURPOSE	MACRO-OBJECTIVES	OBJECTIVE DESCRIPTION
PROMOTING CUSTOMER CENTRICITY THROUGH TRANSPARENT AND FAIR RELATIONSHIPS	LISTENING TO THE CUSTOMER	Developing tools and initiatives to identify Customers expectations and improve customer satisfaction.
	SERVICES DIGITALISATION	Enhance digital tools to facilitate the use of services and favour transparency in customer relations..
	SERVICE AND PRODUCT QUALITY	Ensuring the highest level of quality both in the services delivered and in the creation of new products.

2.4.1
Listening to the customer

MACRO-OBJECTIVES	2022 TARGETS	2022 PERFORMANCE	FUTURE TARGETS
LISTENING TO THE CUSTOMER	Training involving 30 people for 16 hours each (480 hours total in the field of Customer Centricity) in 2022	Training involving 32 people for 16 hours each (512 hours total in the field of Customer Centricity) OBJECTIVE ACHIEVED	Training involving 30 people for 16 hours each (480 hours total in the field of Customer Centricity) in 2023
	Maintaining the level of the telephone customer service performance indicators recorded in 2021 also for 2022 (CES, resolution, service satisfaction)	Telephone customer service **satisfaction level** at **86.7%**, up 0.8 pp compared to 2021. **Resolution** level of telephone service requests increased to **87.1%** (+1 pp compared to 2021) OBJECTIVE ACHIEVED	Maintaining the performance indicators level recorded in 2022 also throughout 2023
	3.5x Net Promoter Score in Italy in 2025 compared to 2018	2.7x Net Promoter Score in Italy in 2022 compared to 2018 IN PROGRESS	3.5x Net Promoter Score in Italy in 2025 compared to 2018

Plenitude's business approach is strongly focused on Customer Centricity. The positive experience of customers and attention paid to their needs are crucial elements for competitive advantage.

2022 Performance

To define suitable solutions for its Customers, Plenitude adopts the Design Thinking method, which is a process to better understand users' needs, challenge the original assumptions, redefining problems and developing innovative solutions to deliver meaningful and valuable omnichannel experiences. Plenitude, through the **Design Academy**, provides its people with training based on a design process driven by qualitative and quantitative data, through which they learn design research methodologies, service design tools and techniques, and the development of a systemic approach based on customer-centricity. The training provided is instrumental in acquiring the skills necessary to internalise the customer-centred approach. In 2022, Plenitude more than met its target set in 2021 by involving 32 people for 16 hours each (512 training hours in total).

The Plenitude Design Academy enables skills to design solutions, products and experiences that meet customers' needs

In a particularly complex year, characterised by the tariff increase, the results confirmed an **increase in the level of customer satisfaction with the hotline service**. This is a major achievement for Plenitude, which has always been very attentive to its customers. By actively listening to needs, the Company strives to improve the services it offers constantly. To this end, it has structured a monitoring system that makes use of **periodic surveys** to check call centre customer service satisfaction (Resolvability, Customer Service Satisfaction and Customer Effort Score). The recorded service satisfaction rate is 86.7% (up 0.8 pp compared to 2021). The perceived ability to solve problems handled at the call centre, i.e. the resolution rate, also increased to 87.1%, up from 86.1% in 2021. Consequently, the Customer Effort Score, which assesses how comfortable the customer feels during interaction with the Company, also increased compared to 2021 (86) to 86.8.

In line with the increase in the previous indicators, the Net Promoter Score (NPS), which is monitored through instant feedback surveys that ask customers to rate their experience in the immediate area, also increased by 15% year-on-year. Therefore, despite the increase in the price of gas on the international market and the consequent increase in costs on the bill, the percentage of customers who would recommend Plenitude is growing.

Future targets

Given the positive performance recorded in recent years, Plenitude is committed to **maintaining a high level of customer focus** by providing high-quality services in 2023. To this end, in line with what was planned for 2022, also for 2023 Plenitude plans to involve 30 people for 16 hours each (480 hours total) in **Design Thinking training.**

2.4.2
Services digitalisation

MACRO-OBJECTIVES	2022 TARGETS	2022 PERFORMANCE	FUTURE TARGETS
DIGITISATION OF SERVICES	Consolidation of digital assets and implementation of new functionalities for customers in 2022	**Rebranding** of all digital touchpoints and consolidation from a technological point of view, and release of new digital assets. OBJECTIVE ACHIEVED	**Consolidation of digital assets**, homogenisation of digital presence and implementation of new functionalities for customers in 2023
	90% of new contracts at the European level signed paperless by 2025	**88% of new contracts at the European level were signed paperless** IN PROGRESS	**90% of new contracts** at the European level **signed paperless** by 2025

For Plenitude, research and technological innovation are essential elements for business development. Through innovation and digital transformation, it is in fact possible to effectively fulfil sustainability objectives, while enriching the know-how and skills within the organisation and stimulating a continuous evolution of the services offered.

2022 Performance

The innovation of agile business process management is enabled and accelerated by the **internal digitisation of assets** undertaken in 2021. Thanks to the **Digital Acceleration** project, Plenitude outlined its digital transformation path, leveraging a reference technology roadmap and accelerating the digitisation of internal and customer-focused assets.
During 2022, the Company completed important steps in the technological evolution of its digital assets, consolidating them through structural interventions to improve performance.

Furthermore, in line with Plenitude's new identity, the digital touchpoints also underwent a re-branding operation. Finally, as it set out to do at the end of 2021, the Company released new digital assets to improve the customer experience.
The percentage of digital bills **(e-invoices)** rose from 36% in 2021 to approximately 40%[19] in 2022, achieving the target Plenitude set for itself last year.

Finally, the signing of **new digitally managed contracts** increased considerably, reaching 88% of 'paperless' sales[20] across Europe in 2022 (up compared to 84% in 2021).

Future targets

In the years to come, Plenitude is committed to further strengthening its digital efforts, consolidating existing **digital assets** and expanding its digital presence, also by enabling new customer capabilities planned for 2023.
Furthermore, it plans to attain a target of 90% paperless contracts by 2025.

19 - Includes Italy, France, Spain and Portugal, and Greece and Slovenia.
20 - Includes Italy, France, Spain and Portugal, and Greece considering only the type of signature per contract (does not include any printed copies sent to the customer).

2.4.3
Service and Product Quality

MACRO-OBJECTIVES	2022 TARGETS	2022 PERFORMANCE	FUTURE TARGETS
SERVICE AND PRODUCT QUALITY	• Implementation of the WeCare Model and development of dedicated caring initiatives, including Tellis • Development of new Be Charge app functions	• In 2022, the **WeCare model** was correctly implemented, and the Tellis **service was launched** • Development and further improvement of **evaluation and monitoring tools** by **Be Charge** OBJECTIVE ACHIEVED	Consolidation of the **WeCare model** in 2023
	Maintaining the performance indicators level recorded in 2021 during 2022 (First call resolution, Self Care, call centre waiting time)	• **First-call resolution** and **self-care indicators** both **improved**. • Waiting time at the call centre has increased due to the introduction of a conversational Artificial Intelligence system that aims to better filter and target customer requests OBJECTIVE ACHIEVED	**Maintaining the quality performance indicators level** recorded in 2022 also in 2023
		The following indicators: % of satisfied customers and NPS Relational showed increased performance compared to 2021	Maintaining the performance indicators level recorded in 2022 also throughout 2023

2022 Performance

In 2022, Plenitude began consolidating the new **WeCare operating model**, which was implemented in 2021 in order to ensure exclusivity, efficiency and an immediate response to different customer needs. The model foresees an innovative service built on the **customer-centricity** concept, in which the customers interact with a Customer Support reference person, who remains permanent. In 2022, in line with what was anticipated in 2021, the service was also extended to deaf people thanks to a specific caring **initiative**, the **'Tellis' initiative**.

At the same time, Be Charge consolidated and further developed **tools for monitoring and evaluating customer satisfaction** concerning their experience of using the charging stations. This process is based on analysing ratings and reviews issued by users on the well-known MSP service aggregator (Nextcharge) platform, which acts as a collector of ratings on individual charging stations. The objective of the evaluation system is to precisely detect the level of satisfaction with the service in specific areas, thus being able to intervene extensively with dedicated actions. The analysis revealed that the Be Charge network has the highest approval rating in Italy to date and is recognised by the rating as the most reliable.

2022 was a year marked by the tariff increase, increasing uncertainty on the part of customers and the resulting need to handle more service requests. Despite this, given the creation of a management model that puts the customer experience and thus the quality of the service rendered at the centre, as confirmed by the qualitative performance indicators, the indicators measuring the level of service and call centre waiting times were only marginally affected by the scenario compared to 2021. The average waiting time, slightly increased from 2021.

Confirming this, the results of the Customer Satisfaction surveys that Plenitude carries out several times a year on a statistically representative sample of the entire customer base show a **growth in the level of cus-**

tomer satisfaction. The monitoring of the relevant indicators measured on statistically representative samples of the entire Plenitude Customer Base shows an increase in 2022 compared to the previous year. In particular, the percentage of residential customers who give Plenitude a rating of 7 to 10 (on a scale of 1 to 10) is 82.6% (+12.8 pp).
Furthermore, the NPS Relational value[21] stands at +22.2.
In monitoring the service quality indicators, Plenitude adheres to the specific and general commercial quality standards established by the Italian Authority for the Regulation of Energy and the Environment (ARERA) for sale and distribution companies.

Moreover, the Company integrates the assessment with the First Call Resolution (FCR) and Self-Care indicators; that is, the percentage of problems that have been solved during the first call and the percentage of operations carried out independently by the customers out of the total number of requests. Confirming Plenitude's commitment to resolving customer requests on first contact, FCR increased by 1 percentage point over 2021, standing at 93%. Similarly, the Self Care percentage increased by 3 percentage points over 2021, reaching 50%, confirming Plenitude's efforts to 'digitise' the assets available to its customers.

Future targets

Given the performance recorded in 2022 and the uncertain environment of the energy market, **maintaining a high level of customer focus** also in 2023 is planned by providing **high-quality services**, reinforcing the **WeCare model**. The level of the Customer Satisfaction indicators, which are monitored through periodic surveys of a representative sample of residential customers, is expected to be maintained in 2022.

21 - NPS - Relational: Plenitude asks a representative sample for the probability to recommend Plenitude to relatives, friends and colleagues according to the relation established with it. The evaluation are given are on a scale of 0 to 10. The value represented in the text is the difference between the percentage of people giving a value between 9 and 10 (Promoters) and the percentage of people giving a value between 0 and 6 (Detractors). Ratings between 7 and 8 are considered neutral.

3

Annexes

3.1
Methodological note

To communicate transparently and timely its commitment to creating a positive impact on the environment and on society to its stakeholders, Plenitude periodically reports its environmental, economic, and social performance through the publication of the Sustainability Report, voluntarily drawn up, and their impact through the Impact Report, in line with the regulations of reference.

Plenitude's Impact Report 2022 has been drafted in compliance with Italian Law No. 208 of 28 December 2015: for each of the four common benefit aims, the Company's commitments in terms of specific objectives, the actions implemented to achieve them, the performance indicators, and the objectives it aims to achieve in the future are explained. The performance indicators have been selected according to the reporting method with reference to the 'GRI Sustainability Reporting Standards (2021 GRI Standards) of the Global Reporting Initiative (GRI). Furthermore, in reporting the required information and data, Plenitude has applied the reporting principles outlined in *GRI 1: Fundamental Principles 2021*, which are instrumental in ensuring reliable and quality sustainability reporting.

Most of the quantitative data used for the development of the KPIs required by the indicators are managed through specific Company software, which allows for their automatic collection and aggregation. The information reported provides the best possible representation of the performance based on data available at the time of writing; the Company is committed to monitoring its progress in subsequent years. Unless otherwise specified, the data and performance indicators refer to the reference year (1 January 2022 - 31 December 2022).

In this way, Plenitude aims to create a long-lasting, trustworthy relationship with its stakeholders, to consolidate a business that is increasingly responsible and to contribute to the spread of information and knowledge related to sustainability, thus strengthening its importance. This document has been subjected to a Limited Assurance audit by an independent auditing company voluntarily.

3.1.1
Perimeter

Key performance indicators' scopes are aligned with the objectives set by the Company and represent the potential impact of the activities managed by Plenitude. The data refer to the Italian and foreign companies consolidated as of December 31 of the reporting year unless otherwise specified.
Particularly, as regards the data concerning new suppliers assessed according to social criteria, all Eni Plenitude SpA Società Benefit suppliers whose Vendor Management function is centralised were considered, namely all Italian suppliers, mega suppliers, and international suppliers.

3.1.2
Calculation methodology

KPI	METHODOLOGY
PURPOSE - PROVIDING SOLUTIONS AND TECHNOLOGIES FOR RESPONSIBLE ENERGY USAGE	
Avoided GHG emissions	■ Relating to **renewable energy** production: the calculation is made per Eni's 'Methodologies for estimating greenhouse gas emissions', based on international best practices on the subject. ■ Referring to **energy upgrading**: • **CappottoMio**: Evaluation of avoided emissions using a Conventional Energy Performance Certificate as per 12.2 Annex A of Italian Legislative Decree 6 August 2020 providing the value of CO_2 emissions in kg/m2 per year. Before 6 August 2020, energy savings, and thus emission reductions, were quantified by reference to the pre- and post-intervention Energy Performance Indices for heating as declared for the purposes of ENEA tax deductions (the 2022 figure takes into account savings from previous years). • **EPC**: Energy saving is evaluated as the difference between the monitored post-intervention consumption and the calculated pre-intervention consumption. Reference is made to the table of updated national standard parameters published by the Ministry of the Environment and Energy Security and to the authorisations to emit Greenhouse Effect Gases for thermal energy, while reference is made for electrical energy to the emission factor for electrical consumption of the 363/2022 report of the Italian Institute for Environmental Protection and Research (ISPRA) referring to the updated efficiency and decarbonization indicators of the national energy system and the electrical sector. • **TEE (Energy Efficiency Certificates)**: Consumption data monitored and verified by the GSE for the purpose of obtaining TEEs, for which the conversion parameter taken from the updated national standard parameter table published by the Italian Ministry of the Environment and Energy Security is used with reference to authorisations to emit Greenhouse Gases. ■ Referring to the **electrical mobility** services: The energy sold at the charging points was converted into km travelled, calculating an average consumption of the Italian electric vehicle fleet of 5.13 km per kWh. Similarly, considering the average emissions (ISPRA) of the Italian ICE electric fleet (internal combustion vehicles), it is possible to estimate a saving of 0.116 kg of CO_2 per km travelled in electric mode, 0.3755 g of NOx per km, 0.0222 g of PM2.5 per km and 0.0322 of PM10 per km.
Renewable installed capacity	The indicator measures the maximum capacity of power plants in Plenitude that use renewable energy. The capacity is considered “installed” once the power plants are in operation, or the mechanical completion phase has been reached. The mechanical completion represents the final construction stage excluding the grid connection.
PURPOSE - PROMOTION OF DIVERSITY AND INCLUSION	
New suppliers evaluated according to social criteria	The indicator represents all new suppliers subjected to a new qualification process. The scope of the analysis consists of all suppliers of Eni Plenitude Società Benefit SpA whose Vendor Management function is centralised, such as all Italian suppliers, mega suppliers and international suppliers.
Training hours	Hours provided to Plenitude employees through training courses managed and carried out by Eni Corporate University (classroom and remote) and through training on the job. Average training hours are calculated as total training hours divided by the average number of employees in the year.
Security	**TRIR**: total recordable injury rate (injuries leading to days of absence, medical treatments and cases of work limitations). Numerator: number of total recordable injuries; denominator: hours worked in the same period. Result of the ratio multiplied by 1,000,000

3.2

Common benefit purposes and indicators

PURPOSE	MACRO-OBJECTIVES	KPIs	SDGs
SPREADING THE CULTURE OF SUSTAINABLE ENERGY USAGE	Communication	• List of initiatives • Number of impressions	11, 12, 13, 17
	Education	• List of initiatives • Number of impressions • Number of newsletter subscribers	
	Partnerships and events	• List of partnerships • List of events	
PROVIDING SOLUTIONS AND TECHNOLOGIES FOR RESPONSIBLE ENERGY USAGE	Renewable energy Innovation	• **GRI Sector Standard EU 1**: Installed capacity by energy source and regulatory regime • **GRI Sector Standard EU 2**: Net energy output broken down by primary energy source and by regulatory regime • Tonnes of CO_2eq avoided • Quantity (TWh) Certified renewable electricity sold	7, 12, 13
	Energy efficiency Innovation	• **GRI Sector Standard G4**: Demand-side management programmes for residential, commercial, institutional and industrial customers • Tonnes of CO_2eq avoided (split between energy upgrades and panel installation) • Number of photovoltaic systems installed at customers' premises and related photovoltaic output	
	Electric mobility Innovation	• Electric mobility solutions offered • Tonnes of CO_2eq avoided • Number of installed charging points	
PROMOTING DIVERSITY AND INCLUSION	Diversity and inclusion	• **GRI 405-1 b:** Diversity of governance bodies and employees • **GRI 405-2:** Ratio of basic salary and remuneration of women to men • Adoption of dedicated policies • List of initiatives and programmes • **GRI 414-1:** New suppliers that were screened using social criteria	3, 4, 5, 8
	People's well-being and safety	• **GRI 401-2:** Benefits provided to full-time employees that are not provided to temporary or part-time employees • **GRI 403-9 aiii:** Work-related injuries • Initiatives for understanding the needs of employees	
	Training and talents	• **GRI 404-1:** Average hours of training per year per employee • **GRI 404-2 a:** Programs for upgrading employee skills and transition assistance program • **GRI 404-3:** Percentage of employees receiving regular performance and career development reviews	
PROMOTING CUSTOMER CENTRICITY THROUGH TRANSPARENT AND FAIR RELATIONSHIPS	Listening to the customer	• Level of satisfaction with telephone customer service (%) - (Parent Company) • Resolvability of telephone service requests (%) - (Parent Company) • Customer effort score (CES) - (Parent Company) • Net Promoter Score	9
	Services digitalisation	• Sales on the digital channel (%) • E-invoices (%)	
	Services and Products Quality	• Development of customer experience management models • Specific and general commercial quality standards - ARERA (Parent Company) • First call resolution (%) • Self-care (%) • Satisfied customers (%) • NPS Relational	

3.3
GRI Content Index

Declaration of use	Eni Plenitude SpA Società Benefit has reported the information mentioned in this GRI table of contents for the period 1 January 2022 - 31 December 2022 with reference to the GRI Standards.
GRI 1 used	GRI 1 - Fundamental Principles - Version 2021

GRI INDICATOR	DISCLOSURE	SPECIFIC REQUEST	PAGE
INFORMATION ON THE ORGANISATION			
2-1	Organizational details		4
2-5	External assurance		47
2-6	Activities, value chain and other business relationships		11
201-1	Direct economic value generated and distributed		13-14
PROVIDING SOLUTIONS AND TECHNOLOGIES FOR RESPONSIBLE ENERGY USAGE			
EU1	Installed capacity, broken down by primary energy source and regulatory regime		24-25
EU2	Net energy production by primary energy source and regulatory regime		24-25
G4 - DMA - DP	Demand-side management programmes targeted to residential, commercial, institutional and industrial customers		26-27
PROMOTING DIVERSITY AND INCLUSION			
405-1	Diversity of governance bodies and employees	*b. Percentage of employees per employee category in each of the following diversity categories: i. gender; ii. age group (under 30, between 30 and 50, over 50); iii. other diversity indicators, if relevant (such as minorities or vulnerable groups)*	32
405-2	Ratio of basic salary and remuneration of women to men		32
414-1	New suppliers that were screened using social criteria		33
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees		34-35
403-9	Work-related injuries	*a.iii. the number and rate of recordable work-related injuries*	34
404-1	Average hours of training per year per employee		36
404-2	Programs for upgrading employee skills and transition assistance programs	*a. type and scope of programmes implemented and assistance offered to improve employees' skills*	36
404-3	Percentage of employees receiving regular performance and career development reviews		36

3.4

Independent Auditors' Report

pwc

ENI PLENITUDE SPA SOCIETÀ BENEFIT

INDEPENDENT AUDITOR'S LIMITED ASSURANCE ON THE IMPACT REPORT PURSUANT TO LAW NO. 208/2015

YEAR ENDED 31 DECEMBER 2022

pwc

Independent auditor's limited assurance on the Impact Report

To the Board of Directors of Eni Plenitude SpA Società Benefit

Pursuant to paragraph 382 of Law no. 208 of 28 December 2015, we have been engaged to undertake a limited assurance engagement on the Impact Report of Eni Plenitude SpA Società Benefit and its subsidiaries (hereinafter the "Group") for the year ended 31 December 2022 prepared with reference to the "Global Reporting Initiative Sustainability Reporting Standards" defined by the GRI – Global Reporting Initiative (the "GRI Standards") and updated in 2021, disclosed within the paragraph "Methodological Note" of the Impact Report.

Responsibilities of the Directors for the Impact Report

The Directors of Eni Plenitude SpA Società Benefit are responsible for the preparation of the Impact Report in compliance with the provisions of paragraph 382 of Law No. 208 of 28 December 2015 and with reference to the "Global Reporting Initiative Sustainability Reporting Standards" defined in 2016, and updated in 2021, by GRI - Global Reporting Initiative (the "GRI Standards"), as illustrated in the "Methodological Note" section of the Impact Report.

The Directors are also responsible for such internal controls determined as necessary to enable the preparation of an Impact Report that is free from material misstatement, whether due to fraud or error.

The Directors are also responsible for the sustainability performance and results related to the common benefit purposes of Eni Plenitude SpA Società Benefit, as well as for identifying its stakeholders and significant topics to be reported on.

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the *Code of Ethics for Professional Accountants* issued by the *International Ethics Standards Board for Accountants*, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies *International Standard on Quality Control 1 (ISQC Italia 1)* and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

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Auditor's responsibilities

Our responsibility is to express a conclusion, based on the procedures performed, on whether the Impact Report complies with the requirements of the Section 382 of Law No. 208 of 28 December 2015 and of the GRI Standards. We conducted our work in accordance with "International Standard on Assurance Engagements ISAE 3000 (Revised) - Assurance Engagements other than Audits or Reviews of Historical Information" (hereinafter also "ISAE 3000 *Revised*") issued by the International Auditing and Assurance Standards Board (IAASB) for *limited assurance engagements*. That standard requires that we plan and perform procedures to obtain limited assurance about whether the Impact Report is free from material misstatement.

The procedures performed in a limited assurance engagement are less in scope than those performed in a reasonable assurance engagement in accordance with ISAE 3000 Revised (*reasonable assurance engagement*) and, therefore, do not provide us with a sufficient level of assurance that we have become aware of all significant facts and circumstances that might be identified in a reasonable assurance engagement.

The procedures performed on the Impact Report were based on our professional judgement and consisted in interviews, primarily of Group personnel responsible for the preparation of the information presented in the Impact Report, analyses of documents, recalculations and other procedures designed to obtain evidence considered useful.

In detail, we performed the following procedures:

1) analysis, through interviews, of the governance system and management process of sustainable development-related issues inherent in the Group's strategy and operations;

2) analysis of the determination of the relevant topics reported on in the Impact Report, with reference to the information related to the governance, the employees, the environment and other stakeholders;

3) understanding of the processes underlying the generation, collection and management of significant qualitative and quantitative information included in the Impact Report;

4) analysis of the conformity and internal consistency of the qualitative information reported in the Impact Report against the guidelines identified in the "Methodological Note" section of this report;

5) obtaining the rep letter, signed by the legal representative of Eni Plenitude SpA Società Benefit, on the compliance of the Impact Report with the guidelines indicated in the paragraph "Methodological Note," as well as on the reliability and completeness of the information and data contained therein.

   In detail, we held meetings and interviews with the management of Eni Plenitude SpA Società Benefit and we performed limited analyses of documentary evidence, to gather information about the processes and procedures supporting the collection, consolidation, processing and submission of non-financial information to the function responsible for the preparation of the Impact Report.

Moreover, for material information, considering the activities and characteristics of the Group:

- at a Group level:

  a) with reference to the qualitative information presented in the Impact Report, we carried out interviews and acquired supporting documentation to verify its consistency with available evidences;

  b) with reference to quantitative information, we performed both analytical procedures and limited tests to verify, on a sample basis, the accuracy of data aggregation.

- for the following entities, Eni Plenitude SpA Società Benefit, Eni New Energy SpA, Arm Wind LLP and Be Charge Srl (a wholly owned subsidiary of Be Power SpA), which we selected on the basis of their activities, contribution to performance indicators and location, we carried out onsite visits during which we met the persons responsible and obtained documentary evidence, on a sample basis, about the correct application of the procedures and calculation methods applied for the indicators.

Conclusion

Based on the work performed, nothing has come to our attention that causes us to believe that the Impact Report of Eni Plenitude SpA Società Benefit for the year ended 31 December 2022 is not prepared, in all material respects, in compliance with the requirements of paragraph 382 of Law No.208 of 28 December 2015 and with reference to the GRI Standards as illustrated in the "Methodological Note" section of the Impact Report.

Milan, 7 April 2023

PricewaterhouseCoopers Business Services Srl

Signed by

Paolo Bersani
(Partner)

This report has been translated from the Italian original solely for the convenience of international readers.

We have the energy
to change

plenitude