

Eni SpA Ordinary Shareholders' Meeting 10 May 2018

Answers to the questions received prior to the Shareholders' Meeting,
pursuant to art. 127-ter of Italian Legislative Decree No. 58/1998

The Italian text prevails over the English translation.





Ordinary Shareholders' Meeting of Eni SpA on 10th May 2018
Answers to questions submitted before the Shareholders' Meeting
under Art. 127-ter of Italian Legislative Decree 58/1998

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SHAREHOLDER FONDAZIONE ETICA¹

Questions in cooperation with Re: Common, Global Witness and Corner House

1. QUESTIONS ON CORRUPTION PROBE INTO ENI'S DEALINGS IN CONGO

As reported and acknowledged in Eni's annual reports², Eni is now under criminal investigation by Milan prosecutors over allegedly corrupt dealings in Congo-Brazzaville:

- On 14 March 2017, Eni received an information request from Italian Financial Police concerning oil deals in 2013, 2014 and 2015 and Eni's local partners on the relevant permits.
- On 6 July 2017, Italian Financial Police notified Eni of an investigation into alleged international corruption and made a further information request concerning relationships between Eni's subsidiaries and third party companies.
- In April 2018 the Public Prosecutor of Milan submitted a further information request and search order, notifying Eni that its employees – including a senior manager – were suspects in the corruption probe.
- On 6 April 2018, Italian authorities reportedly searched Eni's offices and the homes of other individuals in Rome, Milan and Montecarlo, as part of the Public Prosecutor's investigation into alleged corruption in Congo³.

1. DOMANDE SULL'INDAGINE IN MATERIA DI CORRUZIONE RELATIVA AGLI AFFARI ENI IN CONGO

Come riportato nella relazione finanziaria annuale Eni 2017, la società è attualmente oggetto di un'indagine penale da parte della magistratura di Milano in relazione a presunte pratiche corruttive in Congo-Brazzaville:

- Il 14 marzo 2017, Eni ha ricevuto una richiesta di produzione documentale dalla guardia di Finanza in relazione ad accordi petroliferi nel 2013-2015 e ai partner locali Eni nelle relative licenze.
- Il 6 luglio 2017 la guardia di Finanza italiana ha notificato la notizia di indagine per presunta corruzione internazionale e ha fatto un'ulteriore richiesta documentale relativa ai rapporti tra le controllate Eni e società terze.
- Nell'aprile 2018 il pubblico ministero di Milano ha disposto un'ulteriore richiesta documentale e un provvedimento di perquisizione, notificando a Eni che suoi dipendenti – compreso un senior manager – erano sospettati nell'indagine per corruzione.
- Il 6 aprile 2018, in base alle voci che girano le Autorità italiane hanno perquisito gli uffici Eni e le abitazioni private di certi individui a Roma, Milano e Montecarlo, nell'ambito dell'indagine condotta dal pubblico ministero per presunta corruzione in Congo.

¹ La traduzione in italiano delle domande formulate in inglese è stata fatta a cura della Società per consentire una migliore lettura del documento. Il testo ufficiale cui fare riferimento rimane quello inglese formulato dall'Azionista.

² Reuters, 6 April 2018, "Eni offices searched in Congo Republic corruption probe", <https://www.reuters.com/article/us-enicongorepublic-probe/eni-offices-searched-in-congo-republic-corruption-probe-idUSKCN1HD12Z?src=ilaw>; Eni Annual Report on Form 20-F 2017, p F-94, https://www.eni.com/docs/en_IT/enicom/publicationsarchive/publications/reports/rapporti-2017/Annual-Report-On-Form-20-F-2017.pdf

³ Reuters, 6 April 2018, "Inchiesta Eni Congo, perquisizioni Gdf a Milano, Roma e Montecarlo", <https://it.reuters.com/article/topNews/idITKCN1HD14T-OITTP> and Corriere Della Sera, 6 April 2018, "Milano, nuova inchiesta sull'Eni: 'Pagò tangenti anche in Congo'" http://milano.corriere.it/notizie/cronaca/18_aprile_06/milano-nuovainchiesta-sull-eni-pago-tangenti-anche-congo-4f287c3c-395c-11e8-8e49-98826bd21e1a.shtml?refresh_ce-cp



1.1 Did the March 2017 information requests relate to the Mwafi, Foukanda, Djambala, Kitina, Southern Sector and Loango fields, on which Eni is (or was) partnered with local companies AOGC, Kontinent Congo and Petro-Congo and whose opaque ownership Global Witness and RE:Common have questioned at previous Eni AGMs?

1.1 La richiesta d'informazioni del marzo 2017 è relativa ai giacimenti Mwafi, Foukanda, Djambala, Kitina, Southern Sector e Loango, nei quali Eni è o era partner delle compagnie locali AOGC, Kontinent Congo e PetroCongo la cui poco trasparente struttura societaria era già stata messa in discussione alle precedenti assemblee da parte di Global Witness RE:Common?

Answer

We can confirm that the request for delivery of documentation according to art. 248 of the Italian Code of Criminal Procedure, dated 10 March 2017, from the Milan Public Prosecutor's Office concerned documentation relating to the Mwafi, Foukanda, Djambala, Kitina, Secteur Sud and Loango permits.

1.2 Eni previously informed shareholders at its 2015, 2016 and 2017 AGMs that its third party relationships on the 2013-2015 oil deals were the legitimate result of local content laws (albeit awarded on an apparently discretionary basis by Congolese authorities without competitive auction). If so, why do these relationships now appear to be the focus of an investigation in Italy for alleged international corruption?

1.2 Nelle assemblee 2015, 2016 e 2017 Eni aveva informato gli azionisti che le relazioni con terze parti nelle operazioni petrolifere del periodo 2013-2015 erano legittimate dalle leggi locali sulla partecipazione di imprese nazionali a tali tipi di accordi (anche se assegnate da parte delle autorità congolese su base evidentemente discrezionale senza alcun'asta competitiva). Se così fosse, perché questi rapporti sembrano essere nel fuoco di un'indagine italiana per presunta corruzione internazionale?

Answer

We can confirm the information already provided to shareholders at the 2015, 2016 and 2017 Shareholders' Meetings regarding the legitimacy of the transactions carried out by the subsidiary Eni Congo S.A. with the Republic of Congo.

1.3 The July 2017 request, by contrast, related only "in part" to the 2013-2015 deals referred to in the March notification, implying the July 2017 request also related to other dealings and relationships going back to 2012. Which additional dealings or relationships did the July 2017 request relate to?

1.3 Per contro, la richiesta di documenti del luglio 2017 è relativa solo in parte alle operazioni del 2013-2015 ai quali si riferisce la notifica del marzo 2017, con l'implicazione che tale richiesta è relativa ad altri affari e relazioni che datano 2012. A quali altri affari e relazioni è relativa la richiesta del luglio 2017?

Answer

The request to hand over documentation according to Article 248 of the Italian Code of Criminal Procedure of the Milan Public Prosecutor's Office of July 2017 related to documents concerning



possible relations between Eni SpA and/or its affiliates with some companies that are not Eni's partners in joint ventures in Congo or in other countries.

Eni and World Natural Resources

In 2013, a company called World Natural Resources obtained 23% of the Marine XI licence in Congo. In April 2018, L'Espresso magazine reported that World Natural Resources is beneficially owned by four individuals who L'Espresso allege are connected to the top executives of ENI⁴. L'Espresso named the individuals as Alexander Haly, Maria Paduano, Andrea Pulcini and Rita Muraglia.

Eni e la World Natural Resources

Nel 2013, una società chiamata World Natural Resources ha ottenuto il 23% della licenza Marine XI in Congo. In Aprile 2018, la rivista L'Espresso riporta che World Natural Resources è di proprietà di quattro persone che L'Espresso asserisce siano collegate ai massimi dirigenti di ENI. L'Espresso ha fatto i nomi di Alexander Haly, Maria Paduano, Andrea Pulcini e Rita Muraglia.

1.4 Can Eni comment on whether any of its employees or managers hold interests in World Natural Resources – whether directly or through an intermediary, family member or associate? If so, whom?

1.4 Può Eni commentare se qualcuno dei suoi dipendenti o dirigenti detiene partecipazioni nella World Natural Resources - direttamente o tramite un intermediario, un familiare o un socio? Se sì, chi?

Answer

To Eni's knowledge, none of its employees has a direct or indirect interest in World Natural Resources.

1.5 Did any employees or managers of Eni have knowledge of this deal? If so, whom and when did they learn of the deal?

1.5 Qualche dipendente o dirigente di Eni è a conoscenza di questo affare? Se è così, da chi e quando hanno saputo dell'affare?

Answer

Eni does not hold and has never held any interest in the Marine XI permit in Congo. Eni is not aware of the details of the transaction by which the company World Natural Resources obtained a 23% stake in the Marine XI licence in 2013. Moreover, Eni only became aware of this transaction as a result of the search order served on two of its employees in April 2018 as part of the Milan Public Prosecutor's Office investigation described on page 211 of the 2017 Annual Financial Report.

1.6 Has any Eni director or employee ever declared an interest in World Natural Resources to Eni? Please provide details if so.

⁴ L'Espresso, 11 April 2018, "Tutta la storia del maxi giacimento in Congo" <http://espresso.repubblica.it/inchieste/2018/04/11/news/eni-tutta-la-storia-del-maxi-giacimento-in-congo-1.320483>



1.6 Qualche direttore o dipendente Eni ha mai dichiarato interesse alla World Natural Resources per Eni? In caso affermativo potrebbe fornire dei dettagli?

Answer

No director or employee of Eni has ever declared to the company that he/she has an interest in the company World Natural Resources.

1.7 According to UK Companies House filings, among the former directors of World Natural Resources is Chief Olufemi Akinmade⁵, a previous manager of Eni Nigeria who represented Dan Etete in negotiations for the OPL 245 deal in Nigeria (which is currently under investigation in Milan for corruption). Was any member of Eni's management aware of Chief Akinmade's involvement in the World Natural Resources and when was this learned?

1.7 Secondo i documenti depositati dalle società britanniche, tra gli ex direttori di World Natural Resources c'è il Chief Olufemi Akinmade, un precedente dirigente dell'Eni Nigeria che ha rappresentato Dan Etete nelle trattative per l'accordo OPL245 in Nigeria (che è attualmente sotto inchiesta a Milano per corruzione). Qualche membro del management di Eni era a conoscenza del coinvolgimento di Akinmade nella World Natural Resources e quando è stato informato?

Answer

As far as Eni is aware, none of its managers was aware of Mr Akinmade's involvement in World Natural Resources. Eni only learned that Mr. Akinmade had been a member of the Board of Directors of the company World Natural Resources from June 2014 to April 2015 as a result of the search order served on two of its employees in April 2018 as part of the Milan Public Prosecutor's Office investigation described on page 211 of the 2017 Annual Financial Report.

1.8 Andrea Pulcini was reportedly Managing Director of Agip Trading Services Limited from 1994 to 2005⁶. Has Andrea Pulcini been employed by, or formally represented, Eni since Agip's dissolution 2009⁷? If so, in what capacity and under what job title? Was ENI aware of Pulcini's beneficial ownership of shares in WNR?

1.8 Andrea Pulcini è stato Amministratore delegato di Agip Trading Services Limited dal 1994 al 2005 Andrea Pulcini è stato assunto, o formalmente rappresentato, da Eni dallo scioglimento dell'Agip nel 2009? Se è così, con quali competenze e per quale mansione specifica? L'Eni era a conoscenza della partecipazione effettiva di Pulcini alle azioni di WNR?

Answer

Mr. Andrea Pulcini worked for Eni until 31 May 2005 when he was dismissed by the company for just cause (serious breach of fiduciary obligations), ceasing on that date any activity, assignment

⁵ UK Companies House website, <https://beta.companieshouse.gov.uk/officers/kMhZIBYjSQLOp1Qg2QzPAIfWHdk/appointments>

⁶ L'Espresso, 11 April 2018, "Tutta la storia del maxi giacimento in Congo"

⁷ According to filings referred to in Open Corporates, the company was dissolved on 8 September 2009 <https://opencorporates.com/companies/gb/03005842>



or role in the interest of the company. Eni was not and is not aware of any possible interest of Mr. Pulcini in the company World Natural Resources.

1.9 Can ENI detail, if any, its contractual relations with Maria Paduano?

1.9 Può Eni dettagliare, se esistono, i propri rapporti contrattuali con Maria Paduano?

Answer

Maria Paduano was hired by Eni in September 2017 in the area of sustainability, in line with her professional background and she receives a salary which is within the average remuneration for the company. We cannot provide any further information about this because it is personal information about an employee.

Beneficial owners of Eni's Joint Venture partners in Congo

As acknowledged in answers prior to its 2017 AGM, Eni's joint venture partner on the Loango field (and one of its former joint venture partners on the Southern Sector fields) is Kontinent Congo, set up by former IMF resident representative in Congo Yaya Moussa⁸. ENI stated that "*Further checks into Kontinent in 2015 identified claims that Yaya Moussa and a Portuguese citizen, another minor shareholder in Kontinent Congo, might represent the interests of the Presidential family in some manner*" but following further investigation "*these claims were found to be groundless and no credible evidence supporting them was found*".

Beneficiari dei partner in Joint Venture di Eni in Congo

Come riconosciuto nelle risposte precedenti all'AGM 2017, il partner in joint venture di Eni nel campo Loango (e uno dei suoi ex partner in joint venture nei campi del Settore Sud) è Kontinent Congo, creato dall'ex rappresentante dell'FMI residente in Congo Yaya Moussa.

Eni ha affermato che "*Ulteriori controlli sulla Kontinent nel 2015 hanno individuato il sospetto che Yaya Moussa e un cittadino portoghese, un altro azionista di minoranza nella Kontinent Congo, potrebbero in qualche modo rappresentare gli interessi della famiglia presidenziale*" ma a seguito di ulteriori indagini "*queste affermazioni sono risultate infondate e non è stata trovata alcuna prova credibile a sostegno di queste*".

1.10 Would Eni confirm the identity of the Portuguese shareholder in Kontinent Congo? Is Eni involved in any other business with this person?

1.10 Eni confermerebbe l'identità dell'azionista portoghese nella Kontinent Congo? Eni è coinvolta in altri affari con questa persona?

1.11 Is the identity of the Portuguese shareholder relevant in any way to investigations into Congo, either that of Italian prosecutors or investigators in any other country?

⁸ Eni, 13 April 2017, Answers to the questions received prior to the Shareholders' Meeting, p.53, https://www.eni.com/docs/en_IT/enicom/company/governance/shareholders-meeting/2017/questions-and-answers-beforethe-shareholders-meeting-2017.pdf



1.11 L'identità dell'azionista portoghese è in qualche modo rilevante per le indagini in Congo, sia quella dei pubblici ministeri italiani sia degli investigatori da qualsiasi altro paese?

Answers to questions 1.10-1.11

To Eni's knowledge, the identity of the Portuguese citizen identified in the 2015 Kontinent due diligence as a possible minority shareholder in Kontinent does not affect the ongoing investigations. There are no relationships between the Company and the aforementioned Portuguese citizen.

1.12 Does either of these shareholders – Yaya Moussa or the Portuguese shareholder – hold Congolese citizenship, or is there another shareholder who is Congolese? If not, how is this company “Congolese” for the purposes of local content laws? (We note that shareholders Fondazione Finanza Etica and Re:Common asked this question prior to the 2017 AGM, but it was not answered⁹.)

1.12 Uno di questi azionisti - Yaya Moussa o l'azionista portoghese - detiene la cittadinanza congolese o esiste un altro azionista congolese? In caso contrario, come è questa società "congolese" ai fini delle leggi sui contenuti locali? (Si ricorda che gli azionisti di Fondazione Finanza Etica e Re: Common hanno posto questa domanda prima dell'AGM 2017, ma non è stata data risposta)

Answer

The assessment of whether or not the requirements of the Congolese regulations on local content are fulfilled is the responsibility of the Congolese authorities within the scope of their powers.

1.13 Who are the beneficial owners of Petro-Congo, another former joint venture partner on the Southern Sector fields? Would Eni comment on press reports connecting this company to Denis Gokana¹⁰, founder of AOGC and special adviser to President Sassou on oil?

1.13 Chi sono i beneficiari effettivi di Petro-Congo, un altro ex partner in joint venture nei campi del Settore Sud? Eni commenterebbe tramite stampa i rapporti di collegamento tra questa società e Denis Gokana, fondatore di AOGC e consigliere speciale del presidente Sassou sul petrolio?

Answer

The checks carried out in 2015 had shown that Petro-Congo's main shareholder was AOGC. Smaller stakes were held by other Congolese companies. Denis Gokana did not appear to have any direct or indirect holding in Petro-Congo or any role on its Board of Directors.

Dieudonné Bantsimba's role in the Ministry of Planning and Public Works

⁹ Eni, 13 April 2017, Answers to the questions received prior to the Shareholders' Meeting, Q.2.3.2 https://www.eni.com/docs/en_IT/enicom/company/governance/shareholders-meeting/2017/questions-and-answers-beforethe-shareholders-meeting-2017.pdf

¹⁰ Africa Intelligence, 13 December 2016, « Grande alliance française, émiratie et norvégienne pour les champs de total »



As acknowledged in answers to the 2017 AGM, shareholder and former director of AOGC Dieudonné Bantsimba is "Director of the Office of the Minister for Territorial Planning and Public Works"¹¹ and "project coordinator for the national land registry office". Mr Bantsimba is therefore Chief of Staff for Jean-Jacques Bouya, one of the most powerful ministers in Congo-Brazzaville¹². On the basis that oil and gas falls under the jurisdiction of the Ministry for Hydrocarbons, however, Eni determined that Mr Bantsimba's responsibilities "...were not in conflict with his position as partner in AOGC".

Ruolo di Dieudonné Bantsimba nel Ministero per la Pianificazione e Lavori Pubblici

Come accertato nelle risposte all'AGM del 2017, l'azionista ed ex direttore di AOGC Dieudonné Bantsimba è "Direttore dell'Ufficio del Ministro per la Pianificazione territoriale e Lavori pubblici" e "Coordinatore del progetto per l'ufficio nazionale del registro del territorio". Il signor Bantsimba è inoltre Capo dello Staff di Jean-Jacques Bouya, uno dei più potenti ministri del Congo-Brazzaville. Sulla base del fatto che il petrolio e il gas rientrano nella giurisdizione del Ministero per gli Idrocarburi, Eni ha comunque convenuto che le responsabilità del signor Bantsimba "... non erano in conflitto con la sua posizione di partner in AOGC".

1.14 Our information indicates that Bouya's Ministry has jurisdiction over land use planning in Congo-Brazzaville¹³. It heads a project to consolidate land use planning processes nationwide¹⁴ and, under a 2017 decree, acts as permanent secretary of the inter-ministerial "Conseil National d'Aménagement et de Développement du Territoire" convened for this project¹⁵. Was Eni aware of the land use planning reform process and has it engaged with Congolese public officials in relation to land use planning issues? Please provide details of any such meetings or interactions if so.

1.14 Dalle nostre informazioni, il Ministero di Bouya ha giurisdizione sulla pianificazione e l'utilizzo del suolo in Congo-Brazzaville ed è a capo di un progetto per consolidare i processi di pianificazione dello sfruttamento del suolo a livello nazionale inoltre Bouya? a seguito di un decreto del 2017, funge da segretario permanente del Consiglio interministeriale "Conseil National d'Aménagement et de Développement du Territoire" creato per questo progetto. Eni era a conoscenza del processo di riforma della pianificazione territoriale ed è stato coinvolto dai funzionari pubblici congolesi in relazione alle questioni relative alla pianificazione territoriale? Si prega di fornire dettagli di tali incontri o collaborazioni se ci sono state.

¹¹ Eni, 13 April 2017, Answers to the questions received prior to the Shareholders' Meeting, pages 50-51.

¹² Bouya's title is currently « *Ministre de l'Aménagement de l'Équipement du Territoire des Grands Travaux* », <http://maetgt.org/biographie/> The ministry website names Bantsimba as Bouya's « *Directeur de Cabinet* », <http://maetgt.org/directeur-de-cabinet/>

¹³ See *Loi n° 43-2014 du 10 octobre 2014*, a.42; <https://www.forestcarbonpartnership.org/sites/fcp/files/2016/Aug/Law%2043-2014%20on%20land%20use%20planning.pdf> See also Presidential decrees no.2012-1255, 29 December 2012 and no.2012-1157, 9 November 2012, <http://maetgt.org/textes-juridiques-2/>

¹⁴ *Compte Rendu du Conseil des Ministres, Mercredi 24 Mai 2017*, <http://www.adiac-congo.com/content/compte-rendu-du-conseil-des-ministres-du-mercredi-24-mai-2017-64608> See also Client Earth, June 2015, "The Legal Framework for Forest Conversion in Republic of Congo", pages 7-8, <https://www.documents.clientearth.org/wp-content/uploads/library/2015-06-09-the-legal-framework-for-forest-conversion-in-the-republic-of-congo-ce-en.pdf>

¹⁵ *Decree No. 2017-226 of 7 July 2017*, <https://www.documents.clientearth.org/wp-content/uploads/library/2017-07-07-decret-2017-226-du-7-juillet-2017-ext-fr.pdf>



1.15 The proposed consolidation will create a process to dedicate areas of Congolese territory for specific commercial, agricultural or industrial activities¹⁶, with oil and gas exploration as only one of many uses to which land might be put. Given that Eni has significant oil and gas operations onshore in Congo-Brazzaville¹⁷, would Eni accept that decisions made under the new land use planning framework could directly impact Eni's commercial interests?

1.15 Il consolidamento proposto creerà un processo per destinare le aree del territorio congolese a specifiche attività commerciali, agricole o industriali, tra le quali l'attività di esplorazione di petrolio e gas rappresenta solo uno dei molti usi a cui il territorio potrebbe essere rivolto. Dato che Eni svolge significative operazioni petrolifere onshore in Congo-Brazzaville, Eni accetterebbe che le decisioni prese nel quadro della nuova pianificazione territoriale possano avere un impatto diretto sui propri interessi commerciali?

1.16 Dieudonné Bantsimba's official profile online names him as a "Un conseiller à l'aménagement du territoire et au développement", suggesting he has a role in relation to land use planning within Bouya's ministry¹⁸. Moreover, Bantsimba reportedly convened a workshop in Brazzaville dedicated to developing the National Land Use Plan¹⁹ and has represented DGGT in discussions with multi-lateral development banks on Congo's REDD+ National Investment Plan, which also addresses land use issues²⁰. Did Eni's due diligence findings identify a role performed by Mr Bantsimba's in the development of the National Land Use Plan, REDD+ or any other land use processes in Congo-Brazzaville? Please provide details if so.

1.16 Nel suo profilo ufficiale online, Dieudonné Bantsimba si definisce "Un conseiller à l'aménagement du territoire et au développement", suggerendo di avere un ruolo in relazione alla pianificazione per l'utilizzo del territorio nel ministero di Bouya. Inoltre, secondo quanto riferito, Bantsimba ha organizzato un seminario a Brazzaville dedicato allo sviluppo del Piano nazionale di utilizzo del territorio e ha rappresentato la DGGT nelle discussioni con banche di sviluppo multilaterali sul REDD+ Piano degli investimenti del Congo, che affronta anche questioni relative all'utilizzo del territorio. I risultati delle due diligence effettuate da Eni hanno evidenziato un ruolo del signor Bantsimba nello sviluppo del National Land Use Plan, REDD+ o in qualsiasi altro piano per lo sfruttamento del territorio in Congo-Brazzaville? Si prega di fornire dettagli in tal caso.

¹⁶ *Compte Rendu du Conseil des Ministres, Mercredi 24 May 2017* ; see also World Bank, "Balancing Mining Development and Forest Conservation in the Congo Basin", 28 June 2016, <http://documents.worldbank.org/curated/en/266991471346447238/pdf/ACS18913-REVISED-PUBLIC-Output-P146347-BalancingMiningForests-CongoBasin-Aug2016Final.pdf>

¹⁷ See the MBoundi, Koualouala, Zingali and Loufika fields in Hinda district, https://www.eni.com/enipedia/en_IT/international-presence/africa/enis-sustainability-project-in-congo.page

¹⁸ See description of Bantsimba's responsibilities on Ministry website, <http://maetgt.org/directeur-de-canibet/>

¹⁹ Portail 242, « Congo: des avancées sur l'élaboration du plan national d'affectation des terres », https://www.portail242.info/Congo-des-avancees-sur-l-elaboration-du-plan-national-d-affectation-des-terres_a1793.html

²⁰ *Aide memoire: First joint mission for the preparation of the Republic of Congo's REDD+ National Investment Plan June 8-14 2017*", https://www.climateinvestmentfunds.org/sites/default/files/meetingdocuments/fip_congo_republic_joint_mission_june_8-142017_aide_memoire.pdf



1.17 Considering the role of Bouya's ministry (and Mr Banstimba's responsibilities within it) in consolidating Congo's national land use planning, would Eni accept that its due diligence assessment was inadequate and that its answers prior to the 2017 AGM significantly understated the potential conflicts of interests around its partnership with AOGC?

1.17 Considerando il ruolo del ministero di Bouya (e le responsabilità di Banstimba al suo interno) nel consolidamento del piano nazionale del Congo per l'utilizzo del territorio, si può affermare che Eni nella sua valutazione di due diligence è stata inadeguata e che le sue risposte all'AGM nel 2017 sottovalutavano in modo significativo i potenziali conflitti di interessi relativamente alla propria partnership con AOGC?

Answers to questions 1.14-1.17

It is confirmed that in the due diligence carried out by Eni on AOGC in October 2013 and in June/early July 2015, also with the support of a specialist external company, the information assessed consisted of articles describing Bantsimba as coordinator of the national land register and, subsequently, director of the "Office of the Minister for Territorial Planning and the Directorate of Major Works", in the light of which Eni confirms that the controls carried out on those occasions and the assessments carried out in such circumstance were adequate. The subsequent project to consolidate land use planning processes at the national level has no impact on the authorization processes for oil and gas activities, since hydrocarbon licenses are issued by the Ministry of Hydrocarbons and not by the Ministry of Public Works. In any case, it should be noted that petroleum contracts require the approval of Parliament and enter into force with publication in the Official Gazette.

Joint Operations

1.18 Are discussions under way between Eni and third parties in relation to joint operations or unitisation on any of its Congolese assets? If so, which assets, when did such discussions start, what is their current status and when does Eni expect discussions to conclude?

1.18 Sono in corso trattative tra Eni e terze parti in relazione a Joint Operations o di sviluppo in comune dei propri assets in Congo? In tal caso, per quali assets, quando sono iniziate tali trattative, qual è il loro stato attuale e quando Eni si aspetta che si concludano?

1.19 If unitisation discussions are underway, which Eni staff members/representatives are party to these discussions for each asset?

1.19 Se vi sono discussioni in corso circa ipotesi di unitizzazione di assets in Congo, quali membri/rappresentati del personale di Eni ne fanno parte?

Answers to questions 1.18-1.19

There are no unitization agreements currently under discussion and there have been no agreements in the past.



Marine XII

Prior to previous AGMs, Eni acknowledged that it received the Marine XII licence on the understanding it would sell 25% to a company of the government's choosing and that the government selected New Age African Global Energy in 2009²¹. Eni's external due diligence revealed "the probable presence, among the beneficiaries of the latter [New Age], of a South African businessman and politician and one of his business associates, again of South African origin", but judged that nothing they found gave rise to conflict of interest or corruption issues that would inhibit the deal.

Marine XII

Nelle precedenti assemblee, Eni ha dichiarato di essersi aggiudicata la licenza Marine XII, a condizione di cedere una partecipazione del 25% ad una società gradita al governo congolese e che il governo ha poi comunicato essere New Age (African Global Energy). La due diligence esterna dell'Eni aveva evidenziato "la probabile presenza tra i beneficiari di New Age di un uomo d'affari e di politica sudafricano e di un suo associato in affari, anch'esso di origine sudafricana", ma giudicò che nessuno degli elementi che erano stati individuati dava origine a un conflitto d'interessi o a un rischio di corruzione che avrebbero potuto impedire l'affare.

1.20 Upon its founding, 66% of the shares in New Age were reportedly owned by the "African Global Capital" funds²², which were set up by a joint venture between Och Ziff, Palladino Holdings Ltd and Mvelephanda Holdings (Pty) Ltd²³. According to Och Ziff's 2008 investor announcement, Palladino Holdings was founded by Walter Hennig and Mvelephanda Holdings by Tokyo Sexwale and company CEO Mark Wilcox. Are these the South African businessman, the South African politician and his South African Business associate identified by Eni's due diligence?

Filings by the US Securities and Exchange Commission shows that Och Ziff's due diligence produced a very different assessment to Eni's, highlighting significant corruption red flags on the same 2009 deal²⁴. A "third party South African entity" – referred to as "Partner X" – was proposed to receive 25% of New Age's stake in Marine XII on a free carry basis, meaning New Age would pay its share of costs. A "limited due diligence investigation"²⁵ by Och Ziff uncovered allegations of "corruption, arms dealing, and ties to the ruling South African political party" among its owners, who included an "associate and benefactor" of a high-ranking South African government official. It is unclear whether Eni and the SEC were referring to any of the same South African individuals. The outcome, however, was that Och Ziff's due diligence findings prompted management to decline the 2009 deal.

²¹ Eni, 13 April 2017, Answers to the questions received prior to the Shareholders' Meeting, p.47

²² Bloomberg, 7 May 2015, "The dealmaker who helped a US hedge fund score Congo oil prize" <https://www.bloomberg.com/news/articles/2015-05-07/the-dealmaker-who-helped-a-u-s-hedge-fund-score-congo-oil-prize>

²³ Och Ziff Capital Management Group announcement, 29 January 2008, "Mvelaphanda Holdings, Och-Ziff and Palladino Create Joint Venture to Focus on Natural Resources in Africa" <https://www.investgate.co.uk/ArticlePrint.aspx?id=20080129070000NC281>

²⁴ SEC Order against Och Ziff Capital Management and others, p.21-22 <https://www.sec.gov/litigation/admin/2016/34-78989.pdf>

²⁵ SEC claim against Michael L Cohen and Vanja Baros, pages 62-64, <https://www.sec.gov/litigation/complaints/2017/comp23728.pdf>



1.20 Alla sua fondazione, il 66% delle azioni di New Age era detenuto dai fondi "African Global Capital", costituiti da una joint venture tra Och Ziff, Palladino Holdings Ltd e Mvelephanda Holdings (Pty) Ltd.

Secondo il comunicato agli investitori di Och Ziff del 2008, la Palladino Holdings è stata fondata da Walter Hennig e la Mvelaphanda Holdings Mark Wilcox, CEO della Tokyo Sexwale and Co.

L'uomo d'affari sudafricano, il politico sudafricano e il suo socio in affari sudafricano sono identificati dalla due diligence di Eni?

La documentazione della Securities and Exchange Commission degli Stati Uniti dimostra che la due diligence di Och Ziff ha prodotto una valutazione molto diversa da quella di Eni, evidenziando le significative bandiere rosse di corruzione sullo stesso accordo del 2009.

Una "terza entità sudafricana" - indicata come "Partner X" - è stata proposta per ricevere il 25% della partecipazione di New Age in Marine XII su una base di libero trasporto (?), il che significa che New Age pagherebbe la sua parte di costi.

Una "limitata indagine di due diligence" di Och Ziff ha rivelato accuse di "corruzione, spaccio di armi e legami con il partito politico sudafricano" tra i suoi proprietari, che includevano un "socio e benefattore" di un alto funzionario del governo sudafricano.

Non è chiaro se Eni e la SEC si riferissero a qualcuno degli stessi individui sudafricani. Il risultato, tuttavia, è stato che le conclusioni della due diligence di Och Ziff hanno spinto la direzione a rifiutare l'accordo del 2009.

1.21 Could Eni explain why its due diligence came to such dramatically different conclusions to Och Ziff's, prompting Eni to approve the 2009 version of a deal which was rejected by Och Ziff's lawyers?

1.21 Potrebbe Eni spiegare perché la sua due diligence è giunta a conclusioni così drammaticamente diverse da Och Ziff, spingendo Eni ad approvare la versione 2009 di un accordo che è stato respinto dagli avvocati di Och Ziff?

1.22 Did Eni's due diligence identify allegations of "corruption, arms dealing, and ties to the ruling South African political party" in relation to the 2009 deal, which the SEC claims Och Ziff was able to uncover through a "limited due diligence investigation"?

1.22 La due diligence di Eni ha identificato le accuse di "corruzione, negoziazione di armi e legami con il partito politico sudafricano" in relazione all'accordo del 2009, che la SEC sostiene che Och Ziff sia stato in grado di scoprire attraverso una "limitata indagine di due diligence"?

1.23 If not, would Eni accept that its due diligence on the 2009 deal was deficient and exposed the company to serious corruption risk?

A revised deal was proposed in 2010, in which a 25% interest in New Age's share of Marine XII was given to a company controlled by a new party to the deal. The SEC's documentation refers to this individual only as "CB Intermediary" or the "French agent". New Age's 2011 preliminary prospectus, however, identified the company as Fort Consultancy and Development Corporation (Offshore) SAL, controlled by Jean-Yves



Ollivier²⁶, which Mr Ollivier also acknowledged in a 2015 interview²⁷. Mr Ollivier, is reportedly a long-time confidant of Congolese President Denis Sassou Nguesso; he has previously worked as a consultant to the Congolese national oil company SNPC and other private companies active in Congo and reportedly performs diplomatic roles on behalf of the President²⁸.

1.23 In caso negativo, Eni riconosce che la sua due diligence sull'accordo del 2009 sia stata carente e ha esposto l'azienda a un grave rischio di corruzione?

Nel 2010 è stato proposto un accordo rivisto, in cui un interesse del 25% nella quota di Marine XII da parte di New Age è stato assegnato a una società controllata da uno nuovo partecipante all'operazione. La documentazione della SEC fa riferimento a questa persona solo come "CB Intermediario" o "agente francese".

Il prospetto preliminare 2011 di New Age, tuttavia, ha identificato il soggetto nella Fort Consultancy and Development Corporation (Offshore) SAL, controllata da Jean-Yves Ollivier, conosciuto anche come Mr Ollivier in un'intervista del 2015.

Ollivier, secondo quanto riferito, è da lungo tempo un confidente del presidente congolese Denis Sassou Nguesso; in precedenza ha lavorato come consulente presso la compagnia petrolifera nazionale congolese SNPC e altre società private attive in Congo e, a quanto riferito, svolge ruoli diplomatici a nome del Presidente.

1.24 How was the change of deal structure between 2009 and 2010 explained to Eni management? Did Eni update its due diligence in light of the fact that an indirect 6.5% interest of Marine XII would now go to Fort Consultancy and Development Corporation (Offshore) SAL, rather than the South African "Partner X" originally proposed?

1.24 Come è stata spiegata alla dirigenza Eni la modifica della struttura degli accordi tra il 2009 e il 2010? Eni ha aggiornato la sua due diligence alla luce del fatto che il 6,5% di Marine XII andrebbe a Fort Consulente e Sviluppo Corporation (Offshore) SAL, piuttosto che al "Partner X" sudafricano originariamente proposto?

1.25 According to the SEC, "all indications were that [Mr Ollivier] had little or nothing to do with putting the deal together"?²⁹ Did Eni's due diligence identify Mr Ollivier's political exposure as a trigger for enhanced due diligence?

1.25 Secondo la SEC, "tutte le indicazioni erano che Mr. Ollivier aveva poco o nulla a che fare con l'accordo". La due diligence di Eni ha identificato l'esposizione politica del signor Ollivier come fattore di influenza positiva nella stessa due diligence?

1.26 Has Mr Ollivier ever worked for or performed consultancy services on behalf of Eni or any of its subsidiaries?

²⁶ New Age preliminary prospectus, 15 September 2011, p.24 & p.126.

²⁷ Bloomberg, 7 May 2015, "The dealmaker who helped a US hedge fund score Congo oil prize" <https://www.bloomberg.com/news/articles/2015-05-07/the-dealmaker-who-helped-a-u-s-hedge-fund-score-congo-oil-prize>

²⁸ Bloomberg, 7 May 2015, "The dealmaker who helped a US hedge fund score Congo oil prize"

²⁹ SEC claim against Michael L Cohen and Vanja Baros, page 63



In 2017 the SEC sued senior Och Ziff officials personally in relation to their roles in various Och Ziff deals³⁰. The SEC claim notes a statement describing the Marine XII deal as "an excellent opportunity afforded to [New Age] from the close relationship between [the ruling political party in South Africa] and [senior Congo-Brazzaville government official] and our prior efforts in Congo B."

1.26 Ollivier ha mai lavorato o svolto servizi di consulenza per conto di Eni o di uno delle sue filiali?
Nel 2017 la SEC ha citato personalmente alti funzionari di Och Ziff in relazione ai loro ruoli in vari affari di Och Ziff. La SEC descrive l'affare Marine XII come "un'eccellente opportunità offerta a New Age derivante dalla stretta relazione tra il partito politico al potere in Sud Africa, l'alto funzionario governativo del Congo-Brazzaville e i nostri precedenti sforzi in Congo B".

1.27 Which senior Congo-Brazzaville government official is this referring to? Please identify the individual(s) within the Congolese government who promoted New Age as a prospective partner and selected it to participate in Eni's Marine XII joint venture.

In its answers prior to the 2017 AGM, Eni asserted that New Age paid USD 35.2m to Eni as a reimbursement of costs with interest (which we assume should be USD 52.3m, consistent with New Age's preliminary prospectus and reporting of the deal)³¹.

1.27 A quale alto funzionario governativo del Congo-Brazzaville si riferisce? Si prega di identificare l'individuo/i all'interno del governo congolese che ha promosso New Age come potenziale partner e l'ha selezionata per partecipare alla joint venture Eni Marine XII.
Nelle sue risposte precedenti durante l'Assemblea degli azionisti 2017, Eni ha affermato che New Age ha pagato a Eni 35,2 milioni di dollari come rimborso di costi comprensivi di interessi (che assumiamo dovrebbero essere 52,3 milioni di dollari, in linea con il prospetto preliminare di New Age e relative informazioni sull'affare).

1.28 Did these costs relate purely to Eni's operational expenditure or did they include a share of a signature bonus (or similar payment) made to the Congolese government upon award of the Marine XII block? If so, how much did Eni and New Age pay to the Congolese government in signature bonuses (or similar) for the award of Marine XII, and if not, why was no such payment due?

1.28 Tali costi si riferivano esclusivamente alle spese operative di Eni o includevano una quota di un bonus (o pagamento simile) fatto al governo congolese in seguito all'assegnazione del blocco Marine XII? Se è così, quanto Eni e New Age pagarono al governo congolese sotto forma di premi (o altre forme similari) per l'assegnazione di Marine XII, e se no, perché non era dovuto un simile pagamento?

³⁰ SEC claim against Michael L Cohen and Vanja Baros, pages 62-64

³¹ Eni, 13 April 2017, Answers to the questions received prior to the Shareholders' Meeting, pp.47-84, and New Age preliminary prospectus, 15 September 2011, p.24 & p.59



Answer to questions 1.20-1.28

The Company has already given a full answer to the question regarding Marine XII at the 2017 Shareholders' Meeting, to which reference should be made. It is therefore reiterated that the due diligence conducted by Eni on New Age in 2009, also with the support of a specialised external company, had identified the probable presence among its final beneficiaries of two South African persons, a South African businessman and politician and a business partner of him. Apart from the political role of one of the beneficiaries, which did not give rise to a conflict of interest with respect to the specific transaction, the checks did not identify allegations of corruption or other misconduct attributable to these parties.

The designation of New Age as a partner in Marine XII occurred through the letter of 23 July 2009 signed by the Directeur Général des Hydrocarbures. In 2010, Eni was not aware of any agreements between New Age and third parties for the indirect acquisition of a stake in the Marine XII block.

Mr Ollivier has never had a contractual relationship with Eni.

With regard to the reimbursement of Eni by New Age for its entry into Marine XII, the costs relate only to the operating activities carried under the licence and do not include signing bonuses (\$35.2 million plus interest of approximately \$0.4 million). No signature bonus was paid for the granting of the Marine XII License.

2. QUESTIONS ON OPL 245

In a written opinion published in 2017 the Council on Ethics for the Norwegian Government Pension Fund Global, a 1.42% shareholder in the company, recommended that Eni SpA be placed under observation due to the risk of gross corruption. Eni was criticised for failing to substantiate that the company's anti-corruption programme will be effectively implemented throughout its operations. In particular, it was noted that Eni staff involved in alleged corruption have been promoted to very senior position and remain in their positions despite the corruption allegations levelled against them and irrespective of the final decision in the courts, this fails to set the appropriate "tone from the top".

Since the Council of Ethic's opinion was published last year the Milan court has ruled that Mr Descalzi, current CEO, Mr Casula the Chief Operations, Development and Technology officer, Mr Pagano, Eni vice president for sub-Saharan Africa, Mr Scaroni the former CEO and Mr Armanna, former vice president of Eni Nigeria along with Eni as a company will go on trial for aggravated corruption offences relating to the company's 2011 deal for Nigerian oil block OPL 245.

In late April Mr Casula took a leave of absence from the company in order to defend himself against the allegations of corruption. Mr Descalzi and Mr Pagano remain in post.

While shareholders understand that the company may choose not to answer questions regarding the OPL 245 while it is standing trial for criminality in the deal, our questions relate to the company's need to implement effective anti-corruption policies and answer shareholder concerns regarding risk.

DOMANDE SU OPL 245

In un parere scritto pubblicata nel 2017 il Comitato Etico del Fondo Pensione Global del Governo norvegese, azionista dell'Eni con l'1,42%, raccomandava che Eni fosse posta sotto monitoraggio a



causa del rischio evidente di corruzione. Eni è stata oggetto di critiche per non essere stata in grado di comprovare che il programma anti-corruzione della società sarebbe stato efficacemente attuato nella conduzione del business. In particolare, è stato notato che il personale Eni coinvolto in presunte pratiche corruttive è stato promosso a posizioni di maggiore seniority e rimane in carica nonostante le accuse di corruzione nei loro confronti e senza riguardo nei confronti della sentenza definitiva della magistratura giudicante, con ciò dimostrando il top management di non essere in grado di creare un clima etico adeguato.

Dopo la pubblicazione del parere del Comitato Etico, il tribunale di Milano ha disposto il rinvio a giudizio del sig. Descalzi, attuale CEO, del signor Casula, Chief Operations, Development and Technology officer, del signor Pagano, Eni vice President for sub-Saharan Africa, del signor Scaroni, precedente CEO, e del signor Armanna, il precedente vice president di Eni Nigeria, insieme alla stessa Eni per il reato di corruzione aggravata relativa alla transazione del 2011 per il Blocco petrolifero nigeriano OPL 245.

A fine aprile, il signor Casula ha preso un'asspettativa dal lavoro presso Eni in modo da difendersi dalle accuse di corruzione. Il signor Descalzi e il signor Pagano rimangono al loro posto.

Mentre gli azionisti si rendono conto che la Società possa decidere di non rispondere alle domande relative allo OPL 245 considerato che è sotto processo per i reati connessi all'operazione, le nostre istanze riguardano la necessità che la società attui concrete politiche anti-corruzione e dia una risposta agli azionisti sul relativo rischio.

2.1 Does the company's failure to suspend current senior executives who are set to stand trial for corruption set an appropriate "tone from the top" for anti-corruption?

2.1 L'incapacità della società di sospendere i dirigenti chiave che sono stati rinviati a giudizio con l'accusa di corruzione è in grado di creare a partire dal vertice un clima etico adeguato anti-corruzione?

2.2 Why have Mr Descalzi and the other serving executives facing trial not been suspended?

2.2 Perché il signor Descalzi e gli altri dirigenti in servizio rinviati a giudizio non sono stati sospesi dalle loro mansioni?

Answer to questions 2.1-2.2

The position that the Board of Directors has expressed on several occasions, based also on the results of the independent investigations conducted, is that it has the utmost confidence in the correctness of the actions of the company, its CEO and its managers in relation to the transaction OPL 245. In particular, reference should be made to the press releases of 8 and 28 February and 20 December 2017. The choice made by Mr Casula, following notification of the interested party in April 2018 of a notice of investigation for the related action concerning Congo, to request a leave of absence is a personal choice that the company respects but which does not change the position reiterated several times by the Board of Directors.

2.3 Given that Mr Descalzi is a defendant in the Milan trial alongside the company, has Mr Descalzi recused himself from any discussions of the company's response to the OPL 245



trial? If not, has the company taken any other steps to address the conflict of interest this may represent?

2.3 Considerato che il signor Descalzi è l'imputato del processo di Milano insieme alla società, il signor Descalzi ha rifiutato di commentare le risposte della società nel giudizio OPL 245? In caso contrario la società ha preso adeguate misure per affrontare il conflitto di interessi che ciò può rappresentare?

Answer

With reference to OPL 245, the oversight of the Legal Department is the responsibility of the Control and Risk Committee (CCR) and of the Chairman of the Board of Directors. Indeed, Article 3.11 of the CCR Rules states that the CCR "oversees the activities of the Legal Affairs Department in the event of judicial investigations being carried out in Italy and/or abroad, for which the Chief Executive Officer and/or the Chairman of the Company and/or a Director and/or a first report to the Chief Executive Officer, including those who have ceased to hold office, has received notice of investigation regarding offences against the public administration and/or corporate offences and/or environmental offences relating to their mandate and scope of responsibility". In addition, the Board of Directors resolved that the Head of the Legal Affairs Department should also report to the Chairman of the Board of Directors about the OPL 245 case.

2.4 Is Eni paying for the legal expenses of Mr Descalzi, Mr Scaroni, Mr Casula, Mr Pagano or any other defendant in OPL 245 legal cases?

2.4 E' l'Eni che sostiene i costi della difesa legale degli imputati persone fisiche?

Answer

Eni is paying the costs of the criminal defence of Mr Descalzi, Mr Scaroni, Mr Casula and Mr Pagano, in accordance with the applicable collective labour agreement.

2.5 Has the company's contribution to the legal expenses of its staff been capped? Will the company, or any insurance policy the company contributes to, be used to pay any possible criminal penalties or legal costs incurred by current or former Eni staff?

2.5 C'è un limite all'ammontare delle spese legali che Eni sostiene per conto dei suoi dipendenti? Sarà la società o eventuali polizze assicurative stipulate dalla stessa, a coprire tutti i risarcimenti e le spese di giudizio a carico di suoi dipendenti in carica o ex-dipendenti?

Answer

Eni's contribution to the legal costs of its employees, when due under applicable collective labour agreements, is unlimited. In some circumstances, the company's D&O insurance advances the legal costs incurred for the criminal defence of employees or former employees, without prejudice to any recovery on the final outcome of the proceeding.

2.6 In an interview with the Financial Times in February 2017 Mr Descalzi, commenting on the OPL 245, deal was quoted as saying "If you buy a house, what the seller does with the money is not your responsibility." Eni's anti-corruption policy prohibits "paying..



directly or indirectly... a Public Official or private party". Does Mr Descalzi's statement reflect Eni's prohibition of indirect payment of bribes? Does Mr Descalzi's statement to a major international newspaper diminishing the company's responsibility set an appropriate "tone from the top"?

2.6 In un'intervista al Financial Times del febbraio 2017, il signor Descalzi commentando sull'affare OPL 245 è stato ripreso aver dichiarato: "se tu compri una casa, ciò che il venditore fa con il denaro ricevuto non è tua responsabilità." La politica anti-corruzione dell'Eni vieta di "pagare direttamente o indirettamente un pubblico ufficiale o un terzo privato". L'affermazione del signor Descalzi è basata sul divieto Eni di pagamenti indiretti o di tangenti? Non è che la dichiarazione di Descalzi resa a una testata internazionale di così elevato standing diminuisca la responsabilità della società di creare a partire dal vertice un clima etico appropriato?

2.7 Leaked Eni's documents published by Global Witness and others have shown that the company knew that its \$1.1bn payment for OPL 245 was going to be paid on to Malabu Oil and Gas. Due diligence reports commissioned by Eni during the negotiation process explain that Dan Etete, former Nigerian oil minister and convicted money launderer was the owner of Malabu saying "whatever the formal ownership structure of Malabu, all of the sources to whom we have spoken are united in the opinion that Dan Etete is the owner of the company". Eni's anti-corruption policy states "A person...will be deemed "aware" that the payment or other advantage will benefit a Public Official ...if he/she has acted with conscious disregard to warning signs or grounds for suspicion ("Red Flags") or with gross negligence". Does Mr Descalzi's statement to the Financial Times reflect the company's anti-corruption policy and set the appropriate "tone from the top"?

Eni has stated that investigations commissioned by the Eni Watch Structure and Board of Statutory Auditors with the law firm Pepper Hamilton have found no evidence of illegal conduct in the OPL 245 deal. However, in response to shareholder questions in 2016 the company admitted that the investigation did not interview personnel involved who are suspects in the Italian criminal investigation linked to the deal, and did not follow the Italian legal criminal procedure rules for the conduct of defence investigations. A letter from the Milan Public Prosecutor disclosed as part of a connected UK court case called the Pepper Hamilton investigation "inconclusive and of poor value", while lawyers representing the prosecutor also pointed to the "patent selfimposed limitations pursuant to which its authors conducted their exercise."

2.7 Sulla base di una fuga di notizie da documenti Eni di cui è venuta in possesso Global Witness e altri si capisce che la società sapeva che il pagamento di 1.1 miliardi \$ per l'OPL245 sarebbero stati versati alla Malabu Oil&Gas. I report di due diligence commissionati da Eni durante la fase negoziale spiegano che dimostrano che Dan Etete, ex ministro del petrolio della Nigeria e reo di riciclaggio era il proprietario della MALabu indicando che: "qualunque sia la formale struttura di proprietà di Malabu, tutte le fonti interpellate sostengono in modo univoco che Dan Etete è il proprietario dell'azienda. La politica anti-corruzione dell'Eni afferma: "una persona sarà considerata consapevole che un pagamento o altri benefici economici andranno a favore di un pubblico ufficiale .. se egli/ella avrà agito con consapevole inosservanza dei segnali di rischio e degli elementi di sospetto (red flags) o con evidente negligenza". Non è che la dichiarazione di Descalzi resa a una testata



internazionale di così elevato standing diminuisca la responsabilità della società di creare a partire dal vertice un clima etico appropriato?

Eni sostiene che le indagini commissionate dall'ODV e dal Collegio Sindacale dell'Eni allo studio legale statunitense Pepper Hamilton non hanno trovato alcuna prova di condotte illecite nell'affare OPL 245. D'altra parte, in risposta a un quesito degli azionisti nel 2016, la società ha ammesso che l'indagine non ha comportato l'intervista del personale coinvolto che è sospettato nell'ambito dell'indagine italiana di natura criminale connessa all'affare, e non ha seguito le regole di procedura penale italiane per la conduzione delle investigazioni della difesa. Una lettera da parte della Magistratura di Milano mostrata nell'ambito di un connesso procedimento giudiziario in UK definiva l'investigazione di Pepper Hamilton "inconcludente e di scarso valore", mentre legali in rappresentanza del magistrato hanno evidenziato "le palesi limitazioni auto imposte a seguito delle quali gli autori hanno condotto il loro esercizio". , al fine di indagare qualsiasi prova di wrongdoing da parte dell'azienda e dei manager Eni nell'acquisizione della licenza a olio OPL 245 in Nigeria nel 2011. Eni pubblicherà i risultati di tali indagini, le evidenze fornite e i dettagli risultanti dalle indagini di consulenti esterni commissionate dal Consiglio di amministrazione di Eni e dall'Organismo di Vigilanza per consentire agli azionisti di effettuare le proprie valutazioni?

Answer to questions 2.6-2.7

The analogy used by Mr Descalzi in the Financial Times article in February 2017 clearly served as an example to explain in a simple way a much more complex and intricate situation. This simplification for journalistic use can clearly not be considered an indicator of the tone from the top. The strong commitment of the Board of Directors, the Chief Executive Officer and Eni's top management to operate in full compliance with applicable regulations and the principles of integrity that characterise corporate values, on the other hand, must be assessed in relation to the concrete actions adopted to promote and support the company's compliance system at both organisational and operational levels. Specifically, this commitment and attention is reflected, among other things, in the continuous strengthening of the anti-corruption compliance program, which has also obtained ISO 37001 certification, and in the promotion of a culture of compliance through the involvement of all persons operating in sectors at risk in dedicated anti-corruption training and communication activities.

2.8 Given that Mr Descalzi, Mr Casula and Mr Pagano are now standing trial for the OPL 245 deal, have Pepper Hamilton investigators been allowed to interview Mr Descalzi, Mr Casula and Mr Pagano?

2.8 Considerato che i signori Descalzi, Casula e Pagano sono attualmente sotto giudizio, è stato consentito agli investigatori di Pepper Hamilton di intervistarli?

2.9 Is the board satisfied that they have a fully informed view of the issues at hand and the role of Eni staff when these key individuals have been excluded from the internal investigation?



2.9 Il CDA è soddisfatto della circostanza che hanno a disposizione una visione completa della vicenda e del ruolo del personale Eni considerato che gli individui chiave della vicenda sono stati esclusi dall'indagine interna?

2.10 Can the board confirm that it did not review the Terms of Reference for the first Pepper Hamilton report?

2.10 Può il CDA confermare che non ha preso visione dell'ambito di indagine del primo report prodotto da Pepper Hamilton?

2.11 Will the board release the ToRs for the two Pepper Hamilton reports and a summary of the evidence that they considered?

2.11 Sarà il CDA a definire l'ambito d'indagine dei due rapporti Pepper Hamilton e la sintesi dell'evidenza che hanno considerato?

Answer to questions 2.8-2.11

The appointment of the independent expert Pepper Hamilton LLP (identified at the suggestion of the external members of Eni's Watch Structure only) was jointly awarded and managed by Eni's Board of Statutory Auditors and the Eni Watch Structure and the Board of Directors was informed of the results of the checks. While it is true that the managers under investigation were not heard by the independent expert so as not to interfere with the work of the Milan Public Prosecutor's Office, during the course of the independent audit, the lawyers of Pepper Hamilton nevertheless interviewed on several occasions the other Eni employees who, at the time of the events, played a role in the transaction. Furthermore, during his activity, the independent expert had complete access to company documentation, including e-mails and correspondence from the managers under investigation, as well as to all documentation produced by the Public Prosecutor up to the opening of the trial. Pepper Hamilton was therefore also able to examine the defences of the accused parties and the recordings and minutes of the interrogations made voluntarily by the Chief Executive Officer to the Public Prosecutor's Office during the course of the investigations.

It should be noted that the appointment of Pepper Hamilton concluded at the end of the "preliminary hearing" phase and is not continued during the trial phase, which is now responsible for ascertaining the facts. The scope of the investigation and a summary of the conclusions reached by the independent consultant were disclosed in the Company's financial statements and press releases.

Mr Mantovani was Chief Legal and Regulatory Affairs in Eni from 2014 to 2016 and in his role from 2005 to 2016 was a member of Eni S.p.A. Watch Structure. In February 2018 he was reportedly accused of attempting to interfere in the investigations by law enforcement of the company's deals in Algeria and Nigeria and had his office searched by Italian police.

Il signor Mantovani direttore legale dell'Eni dal 2014 al 2016 e in tale posizione dal 2005 al 2016 era membro dell'ODV dell'Eni. Nel febbraio 2018 a quanto si dice, è stato accusato di un tentativo di interferenza nelle indagini disposte dalla magistratura degli affari Eni in Nigeria e Algeria e il suo ufficio in Milano è stato oggetto di una perquisizione da parte della polizia italiana.



2.12 Has Mr Mantovani's role in commissioning the Pepper Hamilton investigation been examined in the light of these accusations?

2.12 il ruolo di Mantovani nel commissionare l'indagine Pepper Hamilton è stato oggetto di esame alla luce di queste accuse?

2.13 Will a separate investigation be commissioned, given the possibility of the Pepper Hamilton investigation being tainted by Mr Mantovani's involvement?

2.13 Si sta pensando di commissionare un'altra indagine, considerata la possibilità che quella fatta da Pepper Hamilton sia stata inficiata dal coinvolgimento di Mantovani?

Answer to questions 2.12-2.13

The independent expert Pepper Hamilton LLP was identified at the suggestion of the external members of Eni's Watch Structure only and the related appointment was jointly awarded and managed by Eni's Board of Statutory Auditors and the company's Watch Structure. The departments of the then Chief Legal and Regulatory Affairs Department, like the other corporate units, contributed solely to providing the information and documentation requested by the independent expert to perform the task which it did so completely independently and in close collaboration with the regulatory bodies that assigned it the task.

2.14 Is Eni paying the legal fees of Mr Mantovani or any other Eni staff accused of interfering in law enforcement investigations?

2.14 E' l'Eni che paga le spese legali di Mantovani o di altro personale Eni accusato di aver interferito nelle indagini della magistratura?

Answer

Eni is paying the costs for the criminal defence of Mr. Mantovani, in accordance with the applicable collective labour agreement.

Former Eni director Luigi Zingales commented on the alleged interference with investigations into Eni saying "If these allegations were to be confirmed in court, it would be the most serious scandal in the history of the Italian Republic: one of the top executives of a state-controlled company that deploys investigations to make ineffective controls on the company to which he belongs and to allow it to act as an autonomous entity, outside the law". Mr Zingales called on the company to appoint "an independent external commissioner, trusted by the government itself, with full powers of investigation".

L'ex consigliere di amministrazione Luigi Zingales commentò sulle presunte interferenze nelle investigazioni su Eni affermando: "qualora tali sospetti venissero confermati dalla corte, si tratterebbe del più grave scandalo nella storia della Repubblica Italiana: uno dei dirigenti top di una compagnia di Stato che mette in piedi delle indagini per rendere inefficaci i controlli della stessa compagnia a cui appartiene e per consentirla di agire come entità autonoma, fuori legge". Il signor Zingales ha richiesto alla società di nominare un commissario esterno indipendente, di fiducia dello stesso governo, con pieni poteri d'indagine.



2.15 Will the company appoint such a commissioner with full powers of investigation?

2.15 La società ha intenzione di nominare tale commissario investito dei massimi poteri d'indagine?

Answer

As far as we can understand from the interview quoted, the former director is referring to a sort of compulsory administration to be put in place by the judicial or administrative authorities, an initiative which, obviously, does not fall within the company's competence.

Questions submitted by Fondazione Finanza Etica (as founding member of the SfC - Shareholders for Change network) on behalf of WWF Italia

3. QUESTIONS ABOUT UNESCO'S SITES' POLICY

3.1 In 2013, the committee responsible for UNESCO's World Heritage Sites for Cultural and Natural Heritage (<https://whc.unesco.org/en/committee/>) asked the main stakeholders in the sector to respect a "no go" policy for World Heritage sites. What steps has Eni taken since then to meet this expectation, as already done by other companies such as Shell and Total, to formally commit and implement a "no go" policy towards World Heritage Sites?

Answer

Eni has an integrated management system for Health, Safety and the Environment that also includes the topic of biodiversity and ecosystem services (BES), a key component of the operating practices.

At the end of 2017, Eni updated the BES policy, approved by the CEO and published in February 2018 (on the Eni website https://www.eni.com/docs/it_US/eni-com/sostenibilita/Biodiversita-Eni-e-servizi-ecosistemici.pdf), developed in collaboration with the scientific NGO Fauna & Flora International and the World Conservation Monitoring Centre of UN Environment. In this policy, Eni commits to:

- consider, in project assessments and operational practices, the presence of protected areas of relevance for biodiversity, from the very first stages of the decision-making processes of the operational cycle.
- identify the potential impacts on biodiversity of Eni's operating activities and implement mitigation actions
- provide links between environmental aspects (climate change, BES(a) and water management) and social issues including the sustainable development of local communities
- foster dialogue with stakeholders and promote collaboration with governmental and non-governmental organizations
- promoting resource efficiency and reducing emissions to air, water and soil.

From the international and national Eni concessions in use (operated or in joint ventures), ones have also been identified that overlap, even only partially, with protected areas (source: World



Database of Protected Areas, February 2016, which includes UNESCO sites) and/or priority sites for the conservation of biodiversity (known as the Key Biodiversity Areas: M'Boundi (Congo); Villano BLK10 (Ecuador); Ashrafi Development area, Belayim Land (Sinai) DL, Ekma (Sinai) DL, Feiran (Sinai) DL, Ras Gharra (Sinai) DL (Egypt); Sanga-Sanga (Indonesia); Zubair (Iraq); OML 60, 61 and 63 (Nigeria); Concessions in DICS, DIME and EniMed (Italy); Bhit, Badhra and Kadanwari (Pakistan); Block 110/14c Lennox Field, Block 110/15a all, Block 48/30a all, Block 52/4a all, Block 52/5a all (England); Nikaitchuq (United States) - 2017 processing of 2016 data).

At these sites, Eni is effectively managing exposure to biodiversity risk through the implementation of mitigation plans specific to the environmental circumstances.

We are also committed to improving disclosure by explaining BES methodology and plans and presenting specific case studies.

Questions submitted by Fondazione Finanza Etica (as founding member of the SfC - Shareholders for Change network) on behalf of A Sud Onlus

4. QUESTIONS ABOUT GELA REFINERY

4.1 When Eni announced the closure of the Gela refinery in 2014, one of the reasons stated was that the refining sector was making an ongoing loss and that the Gela plants alone had lost € 2 billion since 2009. Why then, of the Eni refineries in Italy, has only Gela closed to date - considering that the other plants are also loss-making or at most, like the Milazzo refinery, breaking even?

Answer

Contrary to what other companies have done, in the face of the crisis in the refining sector, Eni has implemented a distinctive strategy that leverages skills, technology and innovation.

This strategy is based specifically on projects for industrial reconversion to Green activities for less competitive refineries. Therefore, at Venice, where its new asset has been in operation since May 2014, and Gela, which will be completed at the end of this year, are making use of proprietary Ecofining technology, developed in collaboration with the American company UOP.

The conversion process itself is an invention of Eni and it was its first implementation in the world, a rare example of social, environmental and economic sustainability.

We have completely restructured our refining operations at all our production sites, leveraging the flexibility of our plants to refine ever heavier raw materials with higher sulphur content, and therefore of lower value, with savings on purchase costs. We have increased the reliability and load factor of the plants, improved efficiency, with a structural reduction in consumption of over 120 thousand tons of oil equivalent, increased the conversion of the plants, with the transformation of the barrel bottom into valuable products, thanks to the EST plants in Sannazzaro and a new process schedule for the RHU plant in Taranto. Finally, we sold our interest in the CRC refinery in the Czech Republic. Overall, we reduced the refining breakeven margin from \$7.8/b in 2013 to \$3.8/b in 2017.

In summary, this is how refining has been restructured, making it more robust and resilient thanks to the conversion of the weaker refineries, Venice and Gela, and the strengthening of those better positioned on the market.



4.2 With regard to the Gela LNG hub project: The master plan, commissioned from Rina Consulting-D'Appolonia, was delivered in December 2017 to the mayor of Gela but has never since been made public. Why? Is it possible to view it? Is it true that the LNG hub at Gela may never come into being - as stated in the strategic study for the port system of Gela - due to the "presence of other ports and marinas which are potential competitors in Sicily, Italy and abroad"? Is Eni interested or not in the development of liquefied natural gas in Gela?

Answer

The Memorandum of Understanding for the relaunch of the Gela area between Eni, the Trade Unions, the Institutions and Confindustria took was signed on 6 November 2014.

Since the agreement was signed, more than €700 million has been invested in the region.

It is a development plan that involves a series of interventions which all feature a high level of technological and research content and high environmental sustainability.

Among the commitments undertaken by Eni was a feasibility study for a logistics base at Gela for the distribution of LNG and CNG for use as fuel and/or combustible.

Eni prepared this feasibility study and presented it at a meeting on 20 July 2017, setting out the conclusions to be able to continue with the initiative.

MISE (Italian ministry of economic development) considered that the role of the Forum established following the signature of the Memorandum of Understanding to have been completed.

The master plan to which the application refers is a study drawn up by Eniprogetti and refers to the port of Gela in the broad sense of the term, of which the LNG project could be a part.

The master plan is still ongoing and a preliminary version has been sent in advance to the Municipality of Gela.

4.3 With regard to the Green Refinery project in Gela: in 2014, the intention was that the Memorandum of Understanding signed at MISE would be completed by mid-2017. If all goes well, according to the Eni engineers at Gela, it will be concluded at the end of 2018, a year and a half late. According to Eni's statements, the delay is due to ministerial authorizations. Is it possible to have more precise indications about the times? How many workers are expected to be employed once the scheme is up and running?

Answer

With the issue on 8 August 2017 of the EIA/IEA authorization from the Ministry of the Environment and Protection of the Land and Sea and the Ministry of Cultural Heritage, the construction of the Green Refinery at Gela entered the final phase with further significant economic and employment effects on the Gela region. The construction of the new hydrogen production plant, "SteamReforming" and the "Ecofining" plant are at an advanced stage. The green refinery at Gela will be ready for start-up by the end of this year.

Moreover, thanks to the start-up of the new biomass pre-treatment plant by 2019, the Bio Refinery will be able to use second-generation raw materials made up of food production waste for 100% of its processing capacity. In fact, Gela will be one of the few refineries in the world with high operational operating flexibility, capable of handling up to 100% of advanced and unconventional



feedstocks. When fully operational, the Gela refinery will have 351 employees, net of those workers linked to water treatment plants transferred to Syndial (about 50 employees).

4.4 What stage has been reached in the project concerning guayule testing at Gela? The Eni website indicates that the trial was begun on two plots of land owned by the ESA - a body of the Sicilian Region which has recently been abolished. The results of this cultivation should have been known in 2017. Why was this not done? How can this project, if it were to take off, support the agro-industrial sector?

Answer

The Guayule project in Sicily was started in 2016 by Versalis, in collaboration with ESA for the agro-agricultural part, which manages the 3 experimental fields at Barcellona Pozzo di Gotto (Messina), Cammarata (Agrigento) (both about one hectare in size) and a sectoral field at Capo D'Orlando (Messina), in order to establish the existence of suitable environmental conditions for the growth of Guayule.

This project is continuing with the work carried out in Basilicata since 2013 in terms of the adaptability of the crop to our pedoclimatic conditions compared to those in the arid desert areas in New Mexico and Arizona where the plant originates.

The results and the progress of the trials in Sicily were presented, in collaboration with ESA and with the support of UNIPA and CREA (Agricultural Economy Research Council), at a scientific conference held in Palermo last October. The non-optimal climatic conditions of the past year (high rainfall) mean an additional year of transplanting and cultivation is required to achieve the expected yield results in terms of rubber per hectare. Finally, the suitability study to date has been completed and this will start to identify other areas in Sicily which are even more suitable than those used for the initial trial, are a pre-cursor to the feasibility study for industrial development.

In Sicily, in addition to ESA, there are also collaborations with local scientific institutions such as the Department of Agricultural Sciences of the University of Palermo and with CREA.

In order to increase its efforts to develop guayule, Versalis signed a strategic agreement at the end of 2017 with Bridgestone USA to accelerate the development of the agronomic part with new genotypes and the industrial part of rubber and resin extraction from the plant, as well as the market enhancement of all the products obtained.

4.5 With regard to the Gela project: since it expressed its willingness to reduce its presence, Eni has tried to persuade other industries to set themselves up in the former petrochemical plant. However, the land within it still needs to be cleaned. Is it true that last month alone the Region and MISE found the first €25 million to facilitate new production facilities within the Gela refinery? Is Eni carrying out the necessary clean-up to further convince other companies to take over? Can I obtain details of any plan to carry out this clean-up?

Answer

Immediately after the signature of the Gela protocol, Confindustria published a call for expressions of interest to invest in the areas made available by Eni within the petrochemical plant. Around 15 companies responded to the call with projects of various kinds, some of which are in the process



of being finalised or even started up. These projects will focus on areas that are immediately available because they have been cleaned up or had not been polluted. In addition, the site clean-up procedures continue in parallel, according to the various authorization processes and in accordance with the provisions of the Ministry of the Environment.

The €25m loans from the Region and MISE relate to the Plan Agreement to be finalised for the "complex crisis area of Gela", which also includes not only the plant, extending to all the municipalities concerned.

5. Questions about Eni's activity in Val d'Agri

5.1 Specifically, what are Eni's plans for reinjection activities connected with production in Val D'Agri? Which wells are intended for this type of activity? With what type of rejection?

Answer

Currently, Eni has a single injection well (Costa Molina 2) authorized according to the regulations in force. There are currently no plans for the commissioning of additional injector wells.

With a view to always meeting the needs of the region and to respond in a far-sighted way, Eni is planning and discussing with institutions in order to promote the installation of production water treatment plants so it can be subsequently used for industrial, civil and agricultural purposes within a sustainable business vision and in line with a circular economy.

The field is exploited with the production of around 82,000 barrels of oil and about 3,500 cubic meters of associated production water per day. This water is reinjected at a rate of for 2000 cm/day into the Costa Molina 2 well, in the same reservoir from which it is produced at a depth of about 3000 m, according to the best practices of the oil industry; the remaining production water is disposed of as waste through the use of tankers.

Integrated Environmental Authorization, ref. D.G.R. (Regional Government Decree) 627/2011 from Basilicata (and subsequent ratification of a non-substantial amendment to the IEA to renew the reinjection authorization on 9 September 2013), authorizes the reinjection of production water into deep geological units through the Costa Molina 2 well with a maximum volume of 3,200 cm/day (and 1,000,000 cm/year).

As mentioned, the reinjection amounts to 2,000 cm/day, which is significantly less than what is authorized, demonstrating the company's care for the region.

5.2 Has the clean-up of the land which Eni was to carry out after the oil spill from COVA in 2017 been completed? Of the 400 tonnes of oil that Eni declared to have spilled on the ground, how many have been drained? Has any other clean-up work been carried out in addition to the removal of the contaminated soil? What were the costs?

Answer

In full compliance with current legislation on environmental reclamation, the Emergency Clean-Up (MISE) is currently underway and has immediately proved to be complete and effective. At the same time, the second phase provided for by the regulations is being completed, namely the



Characterization Plan (PdC). Following the results of the PdC, a Risk Analysis (AdR) will be carried out based on the results of water and soil sampling, including those carried out jointly with the Authority, before then proceeding to the final phase of the environmental remediation process with the reclamation operational plan (PoB).

The characterisation activities, which began on 27 November, mainly involve installing 188 probes/piezometers and the relative sampling and analysis of the environmental parameters involved (soil and water). Currently, 186 probes/piezometers have been installed and the analytical results available to date show a general compliance of the sampling with the regulatory reference limits for index contaminants (light and heavy HC and BTEX). The results confirm that the contamination did not extend beyond the MISE area and that within the MISE area there has been a significant reduction in the area affected by the presence of free (supernatant) product.

The actions taken by the MISE have made it possible to recover 338 tonnes of crude oil out of an estimated 400 tonnes, in the early stages of the MISE, from storage tank D, identified as responsible for the leak. Continuous sampling shows a marked and progressive reduction of the area inside and outside COVA which was initially affected by the presence of supernatant (about 2.5 hectares, 2 of which was inside COVA and the remainder was all within the industrial area) and virtually eliminating concentrations of the pollutants, confirming the effectiveness of the emergency containment operations.

As part of the Emergency Containment Operations:

- 146 probes were installed, of which 44 were within COVA and 102 in external areas. Of the 146 probes, 120 were fitted with piezometers of which, in April 2018, only 13 are still affected by the presence of supernatant.
- 4 hydraulic barriers were performed (one inside COVA)
- The first two, out of the three planned, plants for the treatment of groundwater drained from piezometers started ordinary operation respectively on 26 March for the treatment plant located immediately upstream of the SS598 and on 4 May for the plant that treats water drained from the piezometers in the area inside the COVA.

The costs of environmental clean-up activities as of 31 March 2018 totalled approximately € 125 million, of which €120 million relates to the MISE and €5 million for the PdC.

5.3 What is the condition of the COVA tanks in Viggiano? Are they worn out? How often is extraordinary maintenance required to be carried out, as per the protocol? Do all the tanks now have a double bottom, as required by the regulations contained in the Basilicata Regional Ordinance following the 2017 oil spill?

Answer

There are four crude storage tanks in the Val d'Agri Oil Unit: each tank has a working capacity of 20,000 cm, a height of 14.72 metres and a diameter of 45 metres. Two tanks are necessary and sufficient for the operation of the system.

All 4 tanks have been fitted with a double bottom; three of the four tanks are currently in operation and tank "B" will be put back into service in August 2018.

Tank inspections, checks and maintenance are carried out in accordance with the international standard "API653 Tank Inspection, Repair, Alteration, and Reconstruction".

In addition to the international standard, additional controls are also carried out, in particular:



- Tracer tight test: every four months
- Control of visual warning lights on double bottoms: daily
- Corrosion tests, bio probes.

The double bottom, in addition to representing an additional barrier, allows for daily monitoring and therefore immediate intervention, if required.

5.4 How much has Eni spent on paying for the advice of scientists who, once "HIA - Health Impact Assessment of Oil Extractions in the Municipalities of Grumento and Viggiano" was published, promptly and publicly refuted the evidence, with justifications defined by the scientific community as "specious"?

Answer

The Region of Basilicata commissioned the Istituto Superiore della Sanità (ISS) to carry out an evaluation of the study on "Health impact assessment in the municipalities of Viggiano and Grumento Nova in Val d'Agri, Basilicata" (HIA), prot. 29277/DAS 01 - 28072 - 28228, General protocol I.S.S. AOO-ISS 13/03/2018 0008324.

In this respect, some leaks have recently appeared in the press of the results of the study carried out by the ISS to assess the methodology and conclusions of the HIA. From what has been reported, the ISS assessment has revealed a number of inaccuracies and limitations in the environmental exposure assessment carried out in the HIA.

According to press reports, this document contains positions which are consistent with those already expressed by the specialists consulted by Eni, which exclude any causal association between the activity of the Oil Unit and local pathologies.

In this regard, all the measurements carried out by Eni, ARPAB and the HIA working group fully comply with the criteria and legal limits, confirming that the Company's activity is carried out in full compliance and taking all measures to safeguard the health of its employees, suppliers, contractors and the population who may come into contact with the operations of the site.

In order to acquire the complete work of the ISS, Eni requested access to the documents from the competent Authorities.

Eni also confirms its availability for further in-depth studies in order to clarify any doubts about the relationship between mining activities in the Val d'Agri and the health of the local population, also making available skills and health, epidemiological and industrial hygiene studies conducted by specialists of undisputed scientific standing.

Regarding the main points raised by the pool of scientists approached by Eni in support of the analysis of the HIA study:

The proposed study is not a HIA as defined by the WHO and the Istituto Superiore di Sanità, which, together with the epidemiological approach, also require a toxicological risk assessment, which is absent from this research.

Diseases are reported but there is no clinical analysis.

The whole study considers as representative for the entire period (from 2000 to 2014) estimates of NOx (Nitrogen Oxide) soil spills for 2013 only. NOx is assessed as an "indicator/tracer" pollutant



on which all health assessments have been made (cause-effect). It is believed that the COVA emission profile is much more complex and it would have been appropriate to consider other pollutants as well. The two samples compared - exposed and not exposed - do not show real differences in terms of NO_x exposure (0.03 µg/cm). It is therefore not clear why the different mortality and hospitalisation risks identified by the HIA should be due to exposure to this pollutant. It would be like investigating the health effects of smoking by comparing a group of subjects who smoke 0.5 cigarettes a day with a group who smokes one (1) and expecting that the two groups present different risks of death from lung cancer;

For diseases of the circulatory system there is an opposite trend in males compared to females in relation to the concentration of NO_x (Nitrogen Oxide). Environmental harm factors are usually found in both sexes.

The effect seems to be greater for cardiovascular diseases than for respiratory diseases. This is contrary to the theory of a genuine effect of air pollution while suggesting other factors and behaviours play a more important role in increasing the risk of this pathology, such as lifestyle.

The epidemiological study refers to very small populations that, although observed for about fifteen years, can reveal significant increases in cases of death and diseases for to a very low number of events that do not establish a cause-effect relationship.

In this sense, we cannot fail to take into account the historical cardiovascular mortality that has been observed since the last century in the Val d'Agri. Connections are highlighted, such as the link with stomach cancer, that are not known to be associated with air pollution.

From dispersion models the highest exposure levels are outside the area considered as being exposed.

Results contrary to the hypothesis of an effect from COVA are ignored. The tables do not show the results when the expected deaths are less than an arbitrarily established value (5): this choice means the results cannot be fully assessed, as it is plausible that a small number of observed deaths corresponds to a failure to reach the additional deaths versus the expectation.

There is inconsistency in the results of the cohort study with the data available in the literature. Compared to a European multi-centre ESCAPE study [Beelen et al., 2014a, 2014b], on chronic health effects of environmental pollutants in 22 European populations, average NO_x levels in the different study centres are between 11 and 134 times the maximum values measured in the Viggiano HIA. Yet in the HIA study it is argued that infinitesimal increases in exposure increase mortality and the effect on the communities in question by two to three orders of magnitude compared to the whole of Europe.

"Confounding effects (lifestyle)' have not been properly and correctly considered, which can lead to significant distortions in the interpretation of the results obtained.

5.5 Why did Eni acquire hundreds of hectares of land around COVA? What do you intend to do with it?

Answer

It is not hundreds of hectares, only 70 hectares, of which around 68% has been acquired to date, which will be used for activities related to renewable energy, water treatment and testing of innovative technologies, all within the framework of environmental sustainability and the circular



economy as well as being a buffer between the activities of the industrial area and the nearest settlements (Municipality of Viggiano).

6. Questions about NAOC and spills in the Niger delta

6.1 In 2017, the Nigerian community of Ikebiri, represented by Francis Ododo, filed a lawsuit with the Milan court against Eni for an oil spill in 2010 caused by the NAOC, Eni's Nigerian subsidiary. The evidence presented by Eni to the court recognised the pollution of the area and the responsibilities of the company. Is it possible to know, even more so in the light of this admission, when Eni will clean up the area? Why has compensation never been paid?

Answer

The area has been cleaned up in accordance with the legislation in force. Following the spill, NAOC personnel carried out the clean-up of the area affected by the event. The effectiveness of the clean-up was verified by means of specific inspections and analyses by the competent Nigerian authorities. The findings provided evidence of the fulfilment of the clean-up objectives defined by the current regulations.

On 18 April 2010, following a specific agreement, NAOC paid a sum of ₦2,000,000.00 (Naira) to reimburse the costs incurred by the Ikebiri community for first aid ("relief materials"). Following the above agreement, the community began to seek compensation for 'general damages' for which there were no grounds for such an award, since there was no evidence that the economic activities mentioned by Mr. Ododo (fishing and livestock farming in the surrounding area) were actually taking place in the areas affected by the oil spill. Moreover, in view of the numerous illegal activities carried out in the area, it would be impossible to establish a correlation between the alleged harm suffered by the Ikebiri population and the oil spill in question.

6.2 In 2011, the UNEP Environmental Assessment of Ogoniland in Nigeria estimated that the clean-up of this area would take between 25 and 30 years. The Nigerian government has announced that \$1 billion will be spent on the initial phase of the clean-up. What will be Eni's economic contribution to the clean-up? What will be the economic contribution of Eni after the first phase of the clean-up operation?

Answer

NAOC confirmed its support to the SPDC JV (NNPC 55%, Shell 30%, Total 10%, NAOC 5%) to the authorities and communities involved for defining and implementing an effective intervention programme that favours the reclamation of the sites and the improvement of the environmental and health conditions in Ogoniland.

Under government regulations, the cost to Nigerian National Petroleum Corporation (NNPC) and International Oil Companies (IOCs) is 90% of the initial estimate (\$1,000m). Eni's contribution to the clean-up, through NAOC, as a partner of SPDC JV, will therefore be \$45m (5% of the stake in the JV).

The plan includes a Project Coordination Office (PCO), responsible for the day-to-day management of the activities, and the Board of Trustees, responsible for financial management. The Governing Council, chaired by the Minister of the Environment, defines the guidelines.

To date, organizational and coordination activities have been initiated in preparation for the launch of activities on the ground, including:



- awareness-raising and stakeholder engagement activities aimed in particular at the Ogoni media and community
- Organisation of meetings and dedicated workshops, including the Ogoni Stakeholders' Meeting on 1 July 2017 to discuss the implementation of clean-up activities with representatives of local communities, local politicians and the public and private sectors
- Training activities to give communities technical skills and involve them in project activities.
- Demonstration of technologies that can be used to clean up the area (201 samples collected from 11 sites in the 4 Government Areas concerned)
- Implementation of the "Health Outreach" Programme, for the purposes of collecting preliminary data for a Health Impact Study and providing medical assistance to local communities. From 26 December 2017 to 3 January 2018, the Programme involved 4 Local Government Areas of Ogoni (Tai, Eleme, Khana, Gokana) with a total of 6,000 patients.

6.3 How much did Eni and NAOC spend to pay the legal teams appointed for the trial involving Ododo Francis Timi, representative of the Ikebiri community against Eni and NAOC at the Milan court? What are the cost items for the activities involved in the process (experts, translators and others)? How much is the process estimated to cost?

Answer

Eni and NAOC have been sued at the Court of Milan and, as in all litigation involving them, they have entrusted their defences to external counsels with proven experience. In any case, the total fees are in line with the rates provided for by the current tariffs and with value of the suit stipulated by the claim brought by Ikebiri.

6.4 Why did Eni insist that the community reach an agreement only after notification of the summons to the Milan court? What has Eni proposed to the Community in order to settle the dispute?

Answer

The facts show that from March to August 2015 - well before the summons to the Court of Milan on 5 May 2017 - Eni, through its subsidiary NAOC, and the Ikebiri community met and exchanged communications with each other to agree on the value of the reimbursement relating to the potential environmental impact caused and thus reaching an amicable resolution to the event.

On 24 August 2015, NAOC staff with the National Oil Spill Detection and Response Agency (NOSDRA), the Department of Petroleum Resources (DPR) and technicians from the BGI laboratory conducted a Joint Investigation Visit (JIV) of the spill area in 2010. The technicians from the BGI laboratory, appointed by NAOC JV (NNPC 60%, Eni, 20%, Oando 20%) sampled the soil, sediments and surface water and carried out chemical analyses under the supervision of the Control Bodies. The sampling methodology used by BGI was then approved by the Competent Authorities as required by the EGASPIN guidelines (part VIII F - Management and clean-up of contaminated land). Ramboll (third party in the Milan proceedings) declares that the verification sampling carried out in



2015 by the BGI laboratory, on behalf of NAOC, was carried out as requested by EGASPIN and in compliance with international standards and best practices (ASTM).

Even with these results - which showed no sign of residual contamination of hydrocarbons exceeding the values shown in the tables in Nigerian regulations - NAOC continued to seek an amicable solution that would meet the community's requests. Unfortunately, the claims brought by the community were not proven and extended to areas outside the part affected by 5 April 2010 oil spill.

In line with the approach based on respect and cooperation with all stakeholders in the region in which Eni operates "dual flag", during the period in which the discussions were under way on the award of reimbursement, Eni defined and implemented social initiatives with the Ikebiri community regarding infrastructure projects and access to energy.

6.5 With regard to the background of the case involving the Ikebiri community in Nigeria, what activities does Eni believe it should implement in order to avoid being sued by other communities in other areas?

Answer

Eni considers safety one of the most important issues for a company's sustainability and it promotes actions in the behavioural and process areas, as well as actions to improve emergency preparedness and response.

Eni in Nigeria guarantees the integrity of its assets through a structured and consolidated programme of interventions that includes periodic prevention, maintenance, control and risk assessment - in collaboration with the authorities and in compliance with national legislation and international standards. Activities include:

- Monitoring the internal and external corrosion of the network
- Pipeline protection using anti-corrosion chemical treatment
- Monitoring and maintenance of cathodic protection systems
- Replacement of damaged pipelines and flowlines
- Marking of points where there is a risk of leakage
- Removing old clamps
- Adoption of best repair techniques (e.g. for pipeline linings, welding, etc.)
- Planned maintenance of plants and flow stations
- Risk assessments and studies (e.g. on damage caused by corrosion)

In recent years about 10% of oil spills have been caused by operating issues, demonstrating the commitment that Eni, through its subsidiary NAOC, dedicates to the issues of asset integrity and process safety. In 2017, the number of operational oil spills decreased by 74% compared to 2014 (74 cases in 2014 vs. 19 in 2017) and the volumes spilled decreased by 50% compared to 2014 (533 bbl in 2014 vs. 268 bbl in 2017).

In Nigeria, Eni has also adopted a Process Safety Management System with the aim of preventing and mitigating the risks of significant accidents through the application of high management and technical standards during the gap analysis, planning, implementation, monitoring and follow up phases. Thanks to the application of and compliance with process safety procedures, in the last two years the indicators for the number of Losses of Primary Containment (LOPC) due to operational



causes for TIER 1 and TIER 2 have significantly improved (TIER 1 2017 vs. 2016: -91%; TIER 2 2017 vs. 2016: -64%). Finally, Eni, through its subsidiary NAOC, carries out activities to make staff aware of the importance of preventing and containing operational spills (HSE Leadership Visits + Safety Talks), promoting a culture of safety for its own sake and that of the territories in which we operate.

With regard to response actions in the event of an oil spill event, NAOC's Oil Spill Contingency Plan defines guidelines for the best management of oil spills and subsequent clean-up operations based on the requirements of EGASPIN - Nigerian Environmental Legislation (Section B - Oil Spill Contingency Plan). Compliance with the procedures developed by NAOC was successfully audited by RINA - the third-party certification body - as adhering to the standards defined by the Company. The NAOC operating procedures to be applied following a spill differ according to the quantities of crude oil spilled and the type of area impacted. There are 3 levels of severity (Tiers) - most events are managed with owned (or third party) first response resources which are available immediately; for the most critical situations the support is requested of international associations such as OSRL able to intervene both effectively and rapidly.

6.6 Under Nigerian law, responsible companies are obliged to clean up their polluted sites, even if the spillage is due to sabotage or oil bunkering. Thousands of sites are still polluted. What measures does Eni intend to take to clean up the sites whose contamination is linked to NAOC/Eni activities in Nigeria?

Answer

As is policy, in the case of a spill event (of any nature: sabotage or bunkering) following inspection and repair of the leak, NAOC immediately takes action to clean up the impacted area. The typical approach is to recover free oil manually (or by appropriate means), scrape contaminated soil, dispose of waste, cleaning the site until it no longer has a shiny appearance. Oil residues and vegetation collected during the clean-up are disposed of through contractors specialising in the handling and treatment of hazardous materials. The successful outcome of this operation is certified by the local authorities through the PCI (Post Clean up Inspection) - visual verification and laboratory samples of the conformity of the operations conducted. In the event that the laboratory results are not in line with expectations (local EGASPIN legislation of reference), a full clean-up of the contaminated soil will be carried out.

The clean-up is carried out using RENA consolidated technology (Remediation by Enhanced Natural Attenuation - best available technology). NAOC is currently working on the remediation of 7 sites, having completed 6 last year. Further details on the process for managing the oil spills can be found on the NAOC website. NAOC in fact has for years acted in complete transparency, disclosing on its website all the details of the spills and in general the actions taken for the protection of the environment.



Shareholder Marco Bava

1. The trial is currently under way in Milan with the following defendants:

Descalzi, in his capacity as Chief Operating Officer of the Exploration & Production Division of Eni since July 2008:

- maintaining personal contact with Emeka Obi and with Eni's operations in Nigeria Casula and Armanna and being informed of the request for commissions;
- receiving information from Bisignani on how to behave in the negotiations;
- agreeing with his counterpart Malcom Brinded from Shell on the price of the deal, 1.3 billion dollars, and, subsequently, until the conclusion of the deal, coordinating with Brinded on the position of the two companies Eni and Shell; keeping Scaroni constantly informed of the developments in the negotiations and the role of Etete;
- meeting, together with Scaroni, President Jonathan to define the deal;

Casula in his position as Eni's chief operating and business officer in sub-Saharan Africa, based in Nigeria:

- signing, on behalf of NAE, commitments with Obi and constantly liaising with the latter during the negotiations up to the time when the resolution agreements were signed
- reporting to Descalzi;
- liaising operationally with his Shell counterpart Peter Robinson and organising meetings with Shell executives at their Nigerian residence to discuss the terms of the deal and the payment of commissions to brokers and public officials;
- participating in meetings held at the offices of the Attorney General in Abuja (Nigeria) from 18 to 25 November 2010, attended by the Attorney General Adoke Bello and Alhaji Abubaker Alyiu, in which the economic conditions of the deal were agreed (1.3 billion);
- participating in the next meeting with Dan Etete in Milan on the night of 30 November to 1 December 2010, with Obi and Agaev present, to define issues regarding the commissions to be paid to Obi;
- preparing with Obi and Descalzi for the meeting of 13 August 2010 in Abuja with President Jonathan regarding the OPL245 affair and participating in a subsequent meeting with President Jonathan on 22 February 2011;
- in coordination with Armanna;
- overseeing the activities of the Eni negotiating team up to the drafting of the texts of the "resolution agreements";
- being informed of movements of money following the signature of the "resolution agreements";

Armanna as Senior Advisor to NAOC (Nigerian Agip Oil Company) and Vice President for Eni's upstream sub-Saharan activities.

- keeping in touch, from the outset, with Obi and Etete, having full knowledge of the allocation of a large part of the sums paid by Eni to the political sponsors of the operation and the agreements for the return of significant sums to the managers of Eni and Shell;



- **informing Bisignani of the progress of negotiations and receiving information on how to behave;**
- **meeting the Attorney General Muhammed Adoke Bello on several occasions and discussing with him the issue of commissions to intermediaries;**
- **participating in meetings at the offices of the Attorney General from 18 to 25 November 2010, attended by the Attorney General Adoke and Alhaji Abubaker, in which the economic conditions of the deal were agreed (1.3 billion);**
- **by receiving from Adoke, in December 2010, information about the most recently adopted negotiating plan focusing on an active role for the Nigerian Government (FGN) which, under the agreements, would reallocate the OPL245 licence to Eni and Shell and receive a payment of the €1,092,040,000 "consideration" for Etete;**
- **coordinating with Falcioni and Bajo Oyo for the further transfer of the money paid by Eni to the Nigerian government account at JP Morgan Chase London and subsequently receiving the sum of €917,952 from Bajo Oyo with the false payment reference "Armana inheritance";**

Pagano, in his capacity as managing director of NAE:

- **signing on behalf of NAE the offer submitted on 30 October 2010 to the bank Raffeisen, advisor to Obi, for the purchase of 100% of the participating interest of Malabu in OPL245 for the following payments: \$207,960,000 to the Nigerian government for signature bonuses and \$1,053,000,000 directly to Malabu;**
- **participating in meetings with Shell executives at the Casula residence in Nigeria to discuss the terms of deal and the payment of fees to intermediaries and government officials;**
- **attending the meeting with President Jonathan on 22 February 2011;**
- **signing, on behalf of NAE, the FGN Resolution Agreement of 28 April 2011.**

What measures have been taken against the defendants?

Will Eni join the proceedings as a civil claimant seeking damages?

Answer

No measures have been taken against the managers of Eni charged in the case. The position that the Board of Directors has expressed on several occasions, based also on the results of the independent investigations conducted, is that it has the utmost confidence in the correctness of the actions of the company, its CEO and its managers in relation to the transaction OPL 245. In particular, reference should be made to the press releases of 8 and 28 February and 20 December 2017. The choice made by Mr Casula, following notification of the interested party in April 2018 of a notice of guarantee for the different proceedings concerning Congo, to request a leave of absence to be able to concentrate on his defence, is a personal choice that the company respects but which does not change the position reiterated several times by the Board of Directors.

In the case, Eni was committed to trial according to Italian Legislative Decree 231/2001 as reported on page 211 of the 2017 Annual Financial Report.

- 2. Eni closed the first quarter with the net profit of €946 million (-2%) and the adjusted net profit of €978 million (+31%). In the first quarter of 2018, adjusted operating profit which stood at €2.38 billion (an increase of 30%) was driven, as Eni's note explains, by**



"the solid performance of the exploration and production segment, which recorded an increase of 47%, benefiting from the strengthening of the oil situation, further mitigated by the exchange rate (+8% the increase in the price of the Brent marker in euro, +24% on the price in dollars) and by the growth in production". The gas&power segment reported adjusted operating income of €0.3 billion, in line with the first quarter of 2017 "as a result of the positive performance of the LNG business (sales up 35% to 2.7 billion cubic metres), which benefited from higher margins and volumes thanks to the integration with the upstream segment, as well as from further action on long-term contracts able to absorb the effect of the one-off income recorded in 2017". The refining, marketing and chemicals segment recorded a 59% decrease in operating profit "due to the particularly unfavourable scenario, the effects of which were partially absorbed by optimisation and efficiency initiatives and improved plant performance": in the chemicals, in particular, the group also paid for the drop in polyethylene margins, affected by the excess supply from the Middle Eastern markets. In the first quarter of 2018, Eni achieved a production of 1.867 million barrels of hydrocarbons a day, up 4% compared with the same period of the last year. This performance, as Eni's note explains, reflects the contribution of the ramp-ups (progression of production) of the 2017 projects in particular in Angola, Egypt, Ghana and Indonesia and the 2018 start-ups (with a total contribution of 238 thousand barrels per day), as well as entry into two "Offshore Concession Agreements" in production of Lower Zakum (5%) and Umm Shaif/Nasr (10%) in the United Arab Emirates. These factors, however, were due to other items, such as the scheduled shutdowns in Algeria, the slowdown in activity in Venezuela and the decline in mature deposits. Excluding the price effect in the PSA contracts (Production Sharing Agreement), production also increased by 4.4%. In particular, oil production was 885 thousand barrels per day, up by 53 thousand barrels or 6.4% compared with the first quarter of 2017 due to the ramp-up during that period, partially offset by the price effect and the scheduled shutdowns. Production of natural gas totalled 152 million cubic meters a day, a growth of 3 million cubic meters, or 2% more than in the first quarter of 2017, due to production ramp-ups offset in part by the decline of mature fields. As regards 2018 as a whole, Eni confirms the upward revision of 4% for production, corresponding to about 1.9 million barrels per day. The increase will be sustained by the ramp-up of 2017 start-ups, particularly in Egypt, Indonesia and Kashagan, the start-up of new projects, particularly in Angola and Ghana, the stabilisation of Goliat (Norway) and the contribution of the initiative in the United Arab Emirates, partly offset by the decline in mature production. Here's how Claudio Descalzi commented on the group's accounts: "In the first quarter, Eni's economic and financial results were excellent, improving more than proportionally with respect to the oil scenario. Compared to the first quarter of 2017, with an 8% increase in the Brent price in euro, the adjusted Group operating profit increased by 30%, while the generation of cash from results grew by 22%". These results, he added, "were achieved mainly thanks to an increase in hydrocarbon production, which drove E&P operating profit up 47%. The first quarter also saw the continuation of the optimization of our asset portfolio with entry into the United Arab Emirates, one of the most productive areas in the world, and the sale of a further 10% of the Zohr field in Egypt. The Mid-Downstream businesses also achieved significant in the quarter, despite a less favourable scenario compared to 2017, benefiting from the strengthening and development measures taken in the last three years. In particular, LNG achieved significant results, the result of increased integration with other group activities. On the basis of these results and the strategy announced in



the 2018-2021 Plan, I confirm the objective of cash neutrality for 2018 at a Brent price of \$55 per barrel.” Adjusted operating profit and net profit are obtained by excluding special items and inventory gains/losses from operating profit and reported net profit, as well as financial income/expenses related to net financial debt in determining the net profit of the business segments. For the purpose of determining the adjusted results of the business, the effects on earnings of derivative financial instruments used to manage the risk relating to the exposure of gross margins and trade payables and receivables in foreign currencies to foreign exchange fluctuations and the related translation differences are categorised under operating profit. The tax effect related to components excluded from the calculation of adjusted net income is determined on the basis of the nature of each income component subject to exclusion, with the exception of financial income/expenses to which the statutory rate for Italian companies is conventionally applied. GIVING THE LESS-THAN-OUTSTANDING RESULTS, including projected ones, in my opinion would it not be worth focusing more on renewable energy rather than continue to invest in the carbon-fossil sector?

Answer

Compared to the first quarter of 2017, with an 8% increase in the Euro Brent price, the adjusted operating profit of the Group increased by 30%, the generation of cash from result increased by 22%. These results were achieved mainly thanks to an increase in hydrocarbon production, which drove the E&P operating result up by 47%; the Mid-Downstream business also reported a positive performance, despite a less favourable environment than in 2017, benefiting from the strengthening and development programs implemented in the past three years.

Reactions from analysts who follow Eni’s share price after publication were positive, considering the solid results. Brokers particularly appreciated the beat in the cash result in support of a strategy that builds on the exploratory successes and fast-track development of the projects. Particularly were valued: cash neutrality at \$55/bbl, growth in production and operating cash flow, confirmation of the plan guidance and the performance of E&P, G&P and Chemicals. There were numerous estimates of an increase in the target price in the days following publication of the results

We have set an integrated energy transition strategy towards a low carbon future that includes well-defined CO2 emission reduction targets, an oil & gas portfolio based on conventional assets and projects with a low break even (new projects in progress have a break even of less than 30\$/bl Brent), low carbon impact and the development of green business with total investments of more than 1.8 billion for the period 2018-21, including R&D expenditure to support the decarbonisation process.

- 3. Agents from the provincial unit of the Rome Guardia di Finanza of Rome are currently seizing measuring equipment used in a number of Eni stores and refineries in 13 Italian regions, enforcing an order issued by the examining judge of Rome. The investigations, coordinated by the Rome Public Prosecutor’s Office and conducted by the Tax Police Unit, concerned illegal conduct committed during the extraction phase from fiscal stores, i.e. the plants authorized to hold and handle petroleum products before excise duties are paid. The measuring instruments were allegedly tampered with, even though they had been sealed by the financial authority, including by electronic alteration. The trick made it possible to market at least 40 million litres more fuel than what was shown in the accounts: a surplus which therefore escaped taxation. There are 18 persons under**



investigation, including directors and officials of the stores and refineries, who have been accused of various offences including using altered measuring instruments, falsifying reports and certificates, abuse of office and breaches of the unified excise duties act. What measures have you taken or do you intend to take with regard to these gentlemen?

Answer

With regard to the investigation by the Rome Public Prosecutor's Office, the current status of the proceedings is set out on page 211 of the 2017 Annual Financial Report.

In March 2018 the formal judgement was issued in which the Rome tax court of first instance upheld the appeal filed by Eni against the alleged non-payment of €1.55 million in excise duties in 2007-2012.

In April 2018, as part of the administrative proceedings launched to collect taxes allegedly not paid, the Italian Finance Police served a Formal Notice of Assessment quantifying the additional € 34 million in excise taxes due for 2008-2017 and the additional € 22 million in other related taxes, income taxes and VAT, based on the higher taxable sum. Part of the additional excise duties and other related taxes is due to the same case for which the company recently won the first degree appeal before the Provincial Tax Court of Rome. The company will appeal in the appropriate forums against the allegation of non-payment of excise duties.

In March 2018, the Rome Public Prosecutor's Office served notice of the conclusion of the preliminary investigations regarding criminal case no. 7320/2014.

As yet there is no request to commit the persons under investigation for trial. It will be necessary to await the final outcome of the proceeding before considering any subsequent action.

4. The big discount of years ago on petrol and diesel will be resumed: 20 cents less per litre but only for the weekend?

Answer

Eni does not at the moment envisage any initiatives like the big discount of years ago. The current commercial policy leverages other promotional initiatives, including for example the You&Eni programme, which allows customers to earn points to spend on prizes or convert into fuel vouchers, the Iperself offer with Eni quality fuels at even better prices, the Eni Station+ App to pay for filling up and to earn double points.

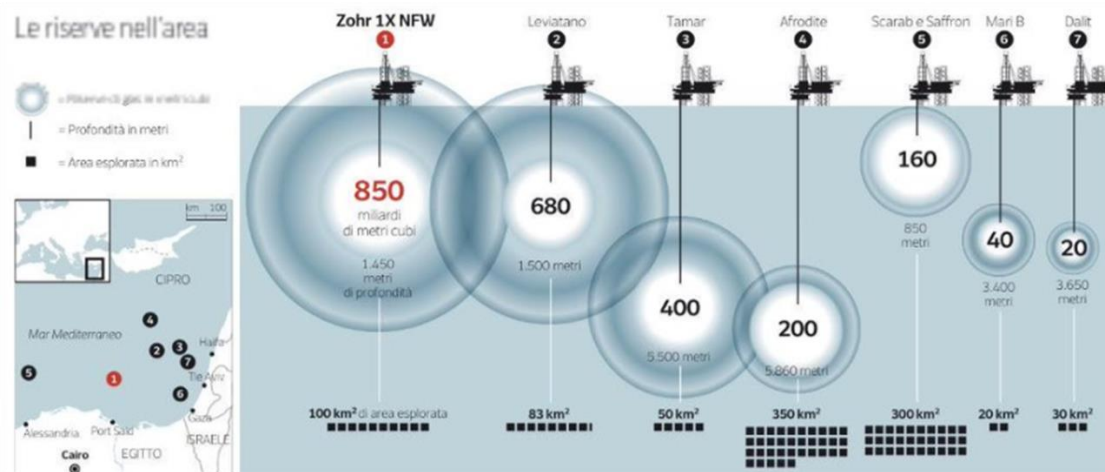
5. BILLING MISCALCULATIONS: 7 April 2017 - VENICE - Eni requests € 50,000 from an 85 year-old Venice resident, the sum demanded by Eni Gas for March from an 85 year-old pensioner in Venice. What checks do you make before billing to see if it is plausible or not?

Answer

The billing process of Eni Gas e Luce includes a series of controls, both automatic and based on sampling, which are carried out before the bills are issued and which are aimed at ensuring that they are complete and accurate. Particular attention is given to bills that have abnormal

consumption compared to the customer's history and which are checked thoroughly. In this specific case of the customer in Venice, the bill had been intercepted by our checks but as the usage invoiced had come directly from data supplied by the supplier, with which Eni must adhere for billing, the bill was issued. Following the customer's complaint, however, Eni Gas e Luce requested a further check from the supplier which subsequently corrected the consumption data due to a change of meter that took place in the past. However, this adjustment still meant that a sum was charged to the customer which was still considered to be expired and therefore not requested for payment by the customer.

6. Eni has invested € 6 billion in the Zhor field. Discovered by Eni in 2015, shortly before the kidnapping of Giulio Regeni, off the Egyptian coast, the Zhor field has potential resources of up to 850 billion cubic metres of gas in place (5.5 billion barrels of oil equivalent) and an area of about 100 square kilometres (the largest gas discovery ever made in Egypt and the Mediterranean Sea). The total investment by the Italian company is close to € 6 billion and it can make an essential contribution to meeting Egypt's demand for natural gas for decades. The Italian Hydrocarbons Board also extracts gas from the Nooros field in the Nile delta and oil in the western desert. An unmissable deal for the "six-legged dog" (often considered to be the real Italian Ministry of Foreign Affairs), which has been in Egypt since 1954 with the intention of focusing heavily on the area to increase its standing. On the investigations into the Regeni murder, what role did Eni play?



Answer

Eni has not had and does not have any position in the investigation into the death of Giulio Regeni; however, Eni continues to be fully committed and takes the utmost interest in this tragic case through its relations with the Egyptian government; Eni has also had the opportunity to discuss these issues with Amnesty International, which is promoting a laudable campaign to demand that the "Truth for Giulio Regeni" be established. Eni is constantly committed to confirming its wish for maximum transparency and collaboration between the parties involved in the search for the truth about the Giulio Regeni case as part of its own key values of respect for the person and for every



human being, values which are at the core of its activities in every part of the world in which it operates.

7. Do risk provisions exist for Priolo and Basse Di Stura for environmental damage and personal injury?

Answer

See answer to question 15.

8. What is Gela's future if left to its own devices after a highly polluting drilling operation?

Answer

The Memorandum of Understanding for the relaunch of the Gela area between Eni, the Trade Unions, the Institutions and Confindustria was signed on 6 November 2014.

From the signature of the agreement up to July 2017, more than €700 million has been invested in the region.

The development plan involves a series of interventions characterized by a high level of technological and research content and high environmental sustainability.

Notable initiatives include the following:

Environmental restoration - plan for the environmental restoration of plants and areas that provides for monitoring, making safe and cleaning up the aquifer and soil. Total expected investment of €200 million.

Safety Competence Centre (SCC) - A competence centre for managing an internal pool of professionals to be trained as safety experts to be used for coordinating and supervising safety in Eni activities and on industrial sites in Italy and worldwide.

Biorefinery - The Gela refinery is currently being converted into a biorefinery, alongside a modern hub for distribution of locally produced crudes and green fuels produced on site. The project has a budget of €260 million. The work will be completed by the end of 2018.

Upstream - In this area, total planned investments are approximately €1,800 million: new hydrocarbon exploration and production activities, exploitation of fields already in operation offshore and onshore, ordinary and extraordinary maintenance of facilities and wells.

Green Chemistry - Feasibility study for the production of latex from natural products (Guayule) with the associated development of the agricultural supply chain.

Green transport - Feasibility study for a logistics base in Gela for the distribution of LNG and CNG to be used as fuel and/or combustible.

9. Does the same apply for Basse di Stura?

Answer

See answer to question 15.

10. When and how will we organise the collection of fried oil for biofuels?



Answer

On 17 May 2017, Eni and CONOE, the national consortium for the collection and treatment of used vegetable and animal oils and fats, in the presence of the Ministry of the Environment and the Ministry of Economic Development, signed an agreement to promote and increase the collection of vegetable oils that will feed the Eni biorefinery in Venice and, from 2018, in Gela. The agreement allows a virtuous "Circular Economy" cycle to be set in motion, which ends with the transformation, in domestic industrial plants, of waste oils into high quality biofuels, fully exploiting a domestic energy resource.

With the signing of this protocol, CONOE undertakes to invite all the Regeneration Companies that are members of the Consortium to supply Eni with used oil collected to feed the plants of the Venice biorefinery, the first example in the world of conversion of a conventional refinery into a biorefinery, i.e. one capable of transforming raw materials of organic origin into high quality biofuels.

Eni's vegetable oil processing capacity, with the entry into operation of the Gela biorefinery at the end of 2018, will be approximately one million tonnes per year, so Eni will be able to guarantee the companies belonging to the CONOE the purchase of the waste oils produced and available on the domestic market, which was approximately 65 thousand tonnes in 2016.

The agreement also provides for joint CONOE-Eni initiatives to encourage the collection of incremental volumes of waste oils produced by households, now almost entirely lost, along with agreements with local public authorities and public waste collection companies.

11. ARCTIC DRILLING: are we aware of the environmental damage? Is it worth it?

Answer

The Arctic offshore is one of the less explored areas in the world and, in terms of mining potential, it is still considered by the entire industry as one of the areas with the greatest residual potential.

Moreover, the definition of "Arctic" means multiple different situations, with different environmental characteristics, different sensitivities and operability, onshore and offshore.

In particular, in the offshore Arctic, Eni is engaged in operational and production activities in areas that are ice-free year-round.

To date, our drilling and production operations are concentrated in three main areas.

We produce from two onshore fields in shallow water in the North Slope region of Alaska and have exploration and production activities in the Norwegian Barents Sea, where we operate the northernmost offshore project ever.

In our policy we define these Arctic areas as "workable" or operable. Operations in these areas involve minimal risk. We can safely manage routine and emergency operations through existing know-how and technologies, preserving the environment in all its aspects and in continuous collaboration with local communities. Moreover, Eni operates only during the periods of the year in which the effect on the marine habitat is minimized and the specific in situ biodiversity conservation procedures are guaranteed.

Notwithstanding this, the overall attractiveness of activities in Arctic areas depends on economic dynamics (price and cost ratios) and on the effective environmental and social sustainability aspects of the projects.



In these cases, Eni is fully aware that it operates in sensitive and remote areas that require a greater safety commitment and therefore applies a careful risk analysis, the use of cutting-edge technology and the selection of highly specialized personnel, drawing on over 30 years of operational experience in extreme environments.

12. Have you done or will you do experiments and/or investments in electrodialysis which is a process whereby, by applying a difference in potential, you remove salts from saline solutions thanks to the alternating use of cationic and anionic membranes placed inside a tank and allowing the passage of only positive and negative ions respectively? By applying a direct current with a certain differential to the ends of a cell, positive ions will cross the cationic membrane, while negative ions will cross the anionic membrane. At the end of the process some compartments will be desalted, while others will be enriched with only cations or anions. Therefore the solvent, purewater which is an aqueous solutions, will be present in alternating compartments. Electrodialysis is conducted in electrolytic reactors (or cells) called electrodialysis cells. The electrodialysis cell voltage is generally high and can reach hundreds of volts.

Answer

The electrodialysis technology has been studied in our Renewable Energy Centre in Novara to purify water from the Fisher-Tropsch process. In the purification process developed in collaboration with the University of Milan (Department of Electrochemistry) we have also developed a patent. The technique is expensive and can therefore be applied as a finishing operation after water has been purified using less expensive techniques.

13. QUESTION TEXT MISSING

14. How much has been invested in hydrogen fusion and Donegani?

Answer

As for investments in the merger, Eni has recently signed an agreement with a spin-off of the Massachusetts Institute of Technology (Commonwealth Fusion Systems, CFS) for the acquisition of a stake in CFS to develop the first power plant that will produce energy using fusion. At the same time, Eni signed an agreement with MIT which will allow the company to jointly carry out research programmes on plasma physics, fusion reactor technologies and new generation electromagnet technologies. The initial investment is expected to be \$50 million.

As far as the investments made at the Donegani Institute for Renewable Energy and Environment are concerned, €257m has been invested since 2009.

15. When and how will Stura di Basse in Turin be clean up?

Answers to questions 7, 9 and 15

With reference to the Priolo site, provisions have been made for risks essentially relating to the environmental reclamation work in progress, defined in accordance with the requirements set out by the competent authorities. The Stura di Basse site is not related to Eni.



16. Do you intend to broadcast the shareholders' meetings online and with electronic voting?

Answer

Eni has incorporated into its By-laws the mechanisms introduced by the European Directive on shareholders' rights, including that relating to participation in shareholders' meetings by telecommunications and electronic voting in compliance with the laws and regulations on the subject, if provided for in the notice of the meeting. This provision has not been applied at present.

17. Are you going to obtain Benefit Corporation certification and ISO 37001?

Answer

To date, Eni has not planned to obtain B Corporation certification but the creation of a common benefit in the communities of the countries where it operates is a widely shared objective concretely pursued by the company. Support for the socio-economic development of the countries of operation and environmental protection have always been the priorities of Eni, forming part of the integrated business strategy that has been defined over the years. In order to strengthen its contribution to the development of the countries, Eni is concentrating its efforts on monitoring the socio-economic impacts of its activities. In this respect on the one hand, refers to the requirements of the most representative sustainability indices of its corporate strategy, such as the CDP and FTSE4good, and on the other, makes use of tools such as the compliance audit on the UNI ISO 26000 Guidelines, which define the principles and priority issues to be followed to act in a socially responsible manner. In particular, to strengthen its approach to social responsibility, Eni has developed and implemented a regulatory system to manage sustainability issues in line with international guidelines and standards, including ISO 26000. On the basis of the regulatory system issued at central level, 23 Eni affiliates/districts have defined their own local system/sustainability management procedures. In these affiliates, even though ISO 26000 cannot be certified at the moment, in 2015 Eni started a process of auditing compliance of the Sustainability Management System implemented with ISO 26000. The objective of this audit, carried out by a third party (RINA), is to assess the extent to which an Eni Affiliate/District integrates social responsibility into all its business related activities and operates in compliance with the recommendations and indications of ISO 26000. On the basis of the audit results and taking into account the areas for improvement identified, action plans were launched in 2017 for the purposes of continuous improvement.

On the other hand, with reference to ISO 37001 "Anti-Bribery Management Systems", it should be noted that Eni SpA was the first Italian company to receive this certification on 10 January 2017. Finally, in December 2017, the oversight audit required by the ISO standard was also successfully completed.

18. Do you intend to implement initiatives for shareholders such as the medical centres set up by Banca d'Alba?

Answer

At present, there are no initiatives for shareholders similar to the medical centres set up by Banca D'Alba, which is a limited cooperative.



19. What is the total amount of European training funds been used and for what purpose?

Answer

Eni does not use European funds for training.

20. Are you planning new acquisitions and/or disposals?

Answer

Our growth targets in the four-year plan are organic and therefore not dependent on acquisitions. As for divestitures, in the 2018-21 period we expect disposals of €1.5 billion, essentially relating to the dilution of holdings in recent exploratory discoveries in application of our "dual exploration model", which since 2013 has contributed with an organic cash generation of \$10.3 billion. Disposals are aimed at optimising our portfolio.

With reference to acquisitions we continue to monitor the market and any opportunities that may arise will be assessed in accordance with our strategy and our financial criteria.

21. Does the group have bank accounts in black-list countries?

Answer

Below is the list of accounts opened in countries currently subject to international financial sanctions (as published on the website of the Ministry of Economy and Finance).

Black list countries

CONGO
CROATIA
EGYPT
IRAN
IRAQ
MONTENEGRO
MYANMAR
RUSSIA
SLOVENIA
UKRAINE
LIBYA

Below is the list of accounts opened in non-cooperative and/or tax-privileged countries and territories:

Black list countries

UAE (United Arab Emirates).

22. Do you intend to transfer your registered office to the Netherlands and your tax office to the UK? If so, what do you think you should do when the UK leaves the EU?

Answer

Eni is not considering any possibility of relocation.



23. Are you going to propose statutory amendments that will double the vote?

Answer

The Board of Directors has examined the possible introduction of multiple voting in the By-laws and has decided not to make any proposal to the Shareholders' Meeting on this issue.

24. Do you have a call centre abroad? If so, where is it, how many workers are there and who owns it?

Answer

In the retail market (households, VAT-registered individuals and small businesses), Eni Gas e Luce makes use of external call centres for customer management (freephone number/customer service) and sales (outbound telesales) activities.

In particular, for customer management we work with 3 leading operators in the sector, selected over time through tendering processes, which use a total of 8 call centres located across Italy.

Finally, in the Italy retail oil and smart mobility sectors, Eni uses the same Italian call centre operators linked to the same Eni Gas e Luce contracts.

25. Are you a member of Confindustria (confederation of industry)? How much does it cost? Do you intend to leave it?

Answer

Eni SpA and its Italian subsidiaries are members of the Confindustria network. In 2017, contributions totalling € 5.4 million were paid (of which € 1.6 million for the Confindustria Regional Associations, following a specific National Agreement and € 3.8 million for Trade Associations such as Federchimica, Assomineraria, Unione Petrolifera, etc.). Eni does not intend to leave the Confindustria network of representation.

26. How has debt changed and why?

Answer

Net financial debt at 31 December 2017 amounted to €10.9 billion, a reduction of €3.9 billion (-26%) compared with 2016. The change in net financial debt was positively influenced by the management and completion of divestments relating to the Dual Exploration Model and minor assets, including the retail businesses in Belgium in the G&P segment.

In particular, net cash flow from operating activities was €10,117 million, while the cash-in from disposals amounted to €5,455 million and mainly related to the sale of the 25% interest in Area 4 under development in the Mozambique offshore, the sale of 40% of the Zohr asset in Egypt and the sale of 100% of the share capital of Eni Gas & Power NV and its subsidiary Eni Wind Belgium NV.

The main outflows concerned technical investments (€8,681 million) and the payment of the balance of the 2016 dividend and the 2017 interim dividend to Eni shareholders of €2,880 million.

Leverage - the ratio between net financial debt and shareholders' equity including minority interests - was 0.23 at 31 December 2017, lower than 31 December 2016 (0.28) mainly due to the decrease in net financial debt, which was able to absorb the €5 billion reduction in total equity due to the negative exchange rate differences arising from the conversion of the financial statements of subsidiaries which mainly use the dollar as their functional currency (€5,573 million) and the payment of dividends to Eni shareholders, partially offset by the result for the period.

Gearing - the ratio of net financial debt to net invested capital - was 0.18, down from 0.22 at 31 December 2016.

Below is a detail of the change in the composition of the net financial debt, as reported on page 73 of the 2017 Annual Financial Report.

(€ milioni)	31 dicembre 2017	31 dicembre 2016	Var. ass.
Debiti finanziari e obbligazionari	24.707	27.239	(2.532)
<i>Debiti finanziari a breve termine</i>	4.528	6.675	(2.147)
<i>Debiti finanziari a lungo termine</i>	20.179	20.564	(385)
Disponibilità liquide ed equivalenti	(7.363)	(5.674)	(1.689)
Titoli held for trading e altri titoli non strumentali all'attività operativa	(6.219)	(6.404)	185
Crediti finanziari non strumentali all'attività operativa	(209)	(385)	176
Indebitamento finanziario netto	10.916	14.776	(3.860)
Patrimonio netto comprese le interessenze di terzi	48.079	53.086	(5.007)
Leverage	0,23	0,28	(0,05)
Gearing	0,18	0,22	(0,04)

(€ million)	December 31, 2017	December 31, 2016	Change
Total debt:	24,707	27,239	(2,532)
<i>Short-term debt</i>	4,528	6,675	(2,147)
<i>Long-term debt</i>	20,179	20,564	(385)
Cash and cash equivalents	(7,363)	(5,674)	(1,689)
Securities held for trading and other securities held for non-operating purposes	(6,219)	(6,404)	185
Financing receivables for non-operating purposes	(209)	(385)	176
Net borrowings	10,916	14,776	(3,860)
Shareholders' equity including non-controlling interest	48,079	53,086	(5,007)
Leverage	0.23	0.28	(0.05)
Gearing	0.18	0.22	(0.04)

27. How many incentives have been received as a group, broken down by type and size?

Answer

In 2017 Eni SpA received grants for approximately € 1.7 million, mainly for training activities, with a contribution of approximately € 1 million from Fondoimpresa.

28. What are the names of the Watch Structure members and how much does it cost us?

Answer

By the express provision of Model 231, the Watch Structure of Eni SpA is composed of seven members, three of whom are external and four internal (in the decision-making mechanism of the Watch Structure, the provisions of Model 231 ensure the prevalence of votes cast by external members). The external members are: Dr Attilio Befera (Chairman of the Supervisory Board), Prof. Claudio Varrone and Prof. Ugo Draetta. The internal members are: the Senior Executive Vice President of Legal Affairs Department (Marco Bollini), the Executive Vice President of Integrated



Compliance Department (Luca Franceschini), the Executive Vice President of Labour Law and Litigation (Domenico Noviello) and the Senior Executive Vice President of Internal Audit Department (Marco Petracchini). The annual costs connected with the remuneration of the Watch Structure total € 390,000.

29. How much does the sponsorship cost for the Rimini CI Meeting, EXPO 2015 and others? For what and for how long?

Answer

In 2017 Eni sponsored the Rimini Meeting for a total of €185,000, decreased from the previous year due to a change in the scope of set-up activities managed directly by Eni.

The Meeting, which has been held every year in the last week of August in Rimini since 1980, is now an important event for the Catholic world and culture. It involves people from a wide range of backgrounds on social, political, cultural and business issues.

In 2017, the Rimini Meeting attracted 800,000 visitors, 21,923 likes on Facebook, 11,400 followers on Twitter and 6,008 followers on Instagram. 130,000 square meters set out up with about 2,700 volunteers, 118 conferences, 17 educational exhibitions, 14 shows, with about 300 national and international newspapers attending, about 400 television broadcasts in August on major broadcasters, about 1,160 minutes of radio and television broadcasts in August on major television stations and on major national news sites, over 130 partners and sponsors.

30. Can you provide me with a list of payments and credits to parties, political foundations, Italian and foreign politicians?

Answer

Eni does not make payments to any political entity.

31. Have you improperly disposed of toxic waste?

Answer

No.

32. What investment has there been in government securities, retail chains and structured securities?

Answer

Answer

At the end of 2017, the investment in government securities amounted to €1,212 million.

Eni does not invest in retail chains or structured securities.

The following table shows the breakdown between government securities classified as "held for trading" (€1,022 million) and those classified as "available for sale" (€190 million).



(€ milioni)	31.12.2017	31.12.2016
Titoli quotati emessi da Stati Sovrani	1.022	996
Altri titoli	4.990	5.170
	6.012	6.166

Reference: 2017 Annual Financial Report Note 9 "Financial assets held for trading", page 158

(€ million)	December 31, 2017	December 31, 2016
Quoted bonds issued by sovereign states	1,022	996
Other	4,990	5,170
	6,012	6,166

(€ milioni)	31.12.2017	31.12.2016
Titoli non strumentali all'attività operativa		
Titoli quotati emessi da Stati Sovrani	190	210
Titoli quotati emessi da Istituti finanziari	17	28
	207	238

Reference: Annual Financial Report Note 10 "Available-for-sale financial assets", page 159

(€ million)	December 31, 2017	December 31, 2016
Securities held for non-operating purposes		
Quoted bonds issued by sovereign states	190	210
Quoted securities issued by financial institutions	17	28
	207	238

Further details can be found on pages 158, 159 and 160 of the 2017 Annual Financial Report.

33. What was the securities service cost in the last year? And who provides it?

Answer

With the exception of the service from Monte Titoli, whose fees are regulated, the Company does not incur costs for external services as the management of the securities service is carried out by the Company's departments.

34. Are there any plans to reduce staff or restructure? Relocations?

Answer

At the end of 2017 Eni in Italy has approximately 21,000 people, which is in line with the strategies of presence and development of the activities of our country. The 2018-2021 plan provides for a substantial consolidation of the employment structure. In order to ensure constant alignment of the skills portfolio of our employees, also in relation to changes in the main technological scenarios, turnover plans will be implemented in line with the applicable regulatory framework.



35. Is there a commitment to buy back products from customers after a certain time? How is it accounted for?

Answer

As far as is known, there are no repurchase commitments.

36. Are current and past directors being investigated for environmental crimes, money laundering, self-laundering or others that affect the company? With what possible damage to society?

Answer

There are no investigations for environmental crimes, money laundering or self-laundering committed by directors or former directors in relation to company activities.

37. Reasons for and method of calculating the directors' end-of-service allowance.

Answer

No end-of-service allowances are provided for the Chairman or non-executive Directors, as stated on page 18 of the 2018 Remuneration Report.

The Chief Executive Officer and Chief Operating Officer are entitled to specific end-of-service allowances in the event of non-renewal or early termination of their administrative mandate. The allowances in question are not due in the event of a resignation which is not justified by a fundamental reduction in the powers delegated or in the event of dismissal for just cause. Details of the allowances permitted in the event of termination of office and of any termination of the executive employment of the Chief Executive Officer and Chief Operating Officer, for the new term of office, are provided on page 22 of the 2018 Remuneration Report.

38. Who does the valuation of the real estate? How many years does the appointment last?

Answer

Real estate valuations are carried out by means of a survey carried out by specialist advisers, contracted by tender, who adhere to RICS standards (international standards that establish the guidelines to be followed for the surveys).

In 2017 there were 5 advisers, 3 in Italy with a three-year contract and 2 abroad with an annual contract.

39. Is there D&O insurance (guarantees offered, amounts and claims covered, individuals currently covered, when it was authorized and by which body, associated fringe-benefit component, the broker used and the companies which underwrite it, expiry and demerger effect on the policy) and how much does it cost?

Answer



As approved by the Annual Shareholders' Meeting of 25 May 2006, the company has taken out D&O insurance coverage. The purpose of the policy is to indemnify the company, if called to account directly, or its Directors and Officers, from claims for compensation for errors made by them in the performance of their duties, excluding malicious cases. The recipients are all the Directors and Officers of Eni SpA and of the companies in which Eni holds a stake of at least 50% of the share capital. Directors and Officers are considered to be directors and officers for the purposes of coverage if they hold a managerial position (the definition of an insured party in the policy is very broad). The terms and conditions are those provided by the International Market Scheme (CODA Form). The broker that placed the policy is AON SpA. The leading company of the insurance program is AIG, followed by a panel of highly rated international companies. The annual policy commences on 1 August each year. The cost of the cover after tax is approximately US\$1.6 million.

40. Have policies been taken out covering the prospectuses (in relation to bond issues)?

Answer

No, no policy has been taken out to cover the prospectuses.

41. What are the values of non-financial and social security insurance (broken down by macro-area, broken down by industrial plant, which internal department decides and manages the policies, brokers used and companies)?

Answer

The response is set out on pages 96-100 (HSE risk operations and related risks) of the 2017 Annual Financial Report. In addition to the above, it should be noted that Eni uses all of the main Lloyd's insurance brokers worldwide (AON, Marsh and Willis), in particular the reinsurance programme is rented to AON UK; the same applies to the main international insurance/reinsurance companies (about 100) with an adequate rating (generally minimum S&P A- or AM Best equivalent). Insurance is overseen by a dedicated internal department, which reports to the CFO, with the task of implementing the Insurance Programme for the year, issued by a special committee made up of Eni's top managers.

42. I would like to know how liquidity is used (composition and monthly evolution, lending rates, type of instrument, counterparty risk, financial income obtained, management policy, reasons for the lack of compressibility, portion allocated to severance indemnity and what legal and operational constraints there are on liquidity).

Answer

At the end of 2017, Financial Assets amounted to € 13.8 billion (€ 12.5 billion in 2016). The decision to increase financial resources was taken in 2012, when Snam was sold: the greater weight that the E&P segment thus acquired, exposed to the volatility of oil and gas prices, led to a change in strategy, in line with the financial policies adopted by peers. Eni has therefore decided to minimise liquidity risk by maintaining an adequate liquidity reserve on a permanent basis, with a substantial portion defined as "strategic liquidity".

The purpose of the liquidity reserve (financial assets and committed, unused credit lines) is to: (i) ensure full coverage of short-term debt and coverage of medium/long-term debt falling due within



a time horizon of 24 months, even in the event of restrictions on access to credit, (ii) deal with identified risk factors that could significantly alter the planned cash flows in the Financial Plan (e.g. changes in the scenario and/or production volumes, delays in carrying out divestitures), (iii) ensure that an adequate level of operational flexibility is available for Eni's development programmes, (iv) encourage that creditworthiness ("ratings") is maintained/improved. The stock of financial assets is employed in short-term financial instruments with high liquidity, favouring a very low credit risk profile.

[2017 Annual Financial Report, p.93 and 202]

The total stock of Financial assets at the end of 2017 totalled €13.8 billion which can be broken down as follows:

- € 7.4 billion: Cash and cash equivalents. These mainly include: (i) €5.8 billion managed directly by Eni SpA. (€5.6 billion relates to financial assets due at the outset within 90 days (essentially deposits with financial institutions with a notice period of more than 48 hours); (ii) € 0.9 billion relates to financial assets due at the outset within 90 days managed by companies other than Eni SpA.

The average maturity of the assets falling due within 90 days is 7 days and the average interest rate is minus 0.03% (minus 0.01% at 31 December 2016);

[2017 Annual Financial Report, p.73, 158 and 267]

- € 6.0 billion: Securities held for trading and other securities not instrumental to operating activities. At the end of 2017, financial assets held for trading amounted to €6 billion, of which €5.8 billion is managed by a dedicated Finance unit and invested in financial instruments (bonds, CPs, ETFs/funds, etc.) with an average duration not exceeding 9 months and €0.2 billion held by Eni Insurance DAC. The value of these assets included €1 billion in quoted securities issued by sovereign states (of which €0.78 billion in Italy), € 2.7 billion in quoted securities issued by industrial companies and €2.3 billion in quoted securities issued by financial and insurance institutions; available-for-sale financial assets (€0.2 billion) related mainly to quoted securities issued by sovereign states.

[2017 Annual Financial Report, p.73, 158, 159 and 160]

- € 0.2 billion: Securities not instrumental to operating activities issued by sovereign States and held by Eni Insurance DAC.

[2017 Annual Financial Report, p.159 and 160]

- € 0.2 billion: Financial receivables not instrumental to operating activities, which mainly relate to: (i) fixed deposits of Eni Trading & Shipping SpA for € 0.1 billion and (ii) deposits of Eni Insurance DAC for € 0.1 billion. [2016 Annual Financial Report, p. 73, 161 and 162]

43. I would like to know what investments are planned for renewable energies, how they will be financed and how long it will take these investments to be recouped.

Answer

In the next four years Eni will develop 1 GW of new capacity in renewable energies by 2021, investing € 1.2 billion, and up to 5 GW by 2025.

Growth in the renewable energy business will be based on Eni's distinctive model based on an integrated approach between green projects and other Eni businesses, as well as on the implementation of innovative technological solutions resulting from close collaboration with our R&D Department. This approach will enable us to reduce the energy costs of our plants and make



more gas available for local consumption or export, making our solar and wind projects more competitive.

The projects carried out over the next four years will provide the production of energy from renewable sources that is capable of reducing overall CO₂ emissions by about 1.3 mmtm.

Renewable development initiatives and the associated financial returns will depend on many factors such as technology, location, regulatory system and the availability or non-availability of dedicated incentives. This multiplicity of parameters therefore makes it impossible to identify unambiguous associated indicators.

Furthermore, Eni is currently analysing projects and possible specific financial instruments to support the development of renewable sources.

44. Was there a downgrading in Italy/abroad of advertising investments/sponsorships?

Answer

No.

45. How is the legislation on child labour respected?

Answer

It is forbidden in the Eni group to use child labour not only in compliance with the regulations of the countries in which it operates but also by applying the highest standards of the Fundamental Conventions of the International Labour Organization (Convention no. 138 on minimum age/Convention no. 182 on the worst forms of child labour).

In implementation of these principles, Eni undertakes to safeguard the right of minors to be protected from economic exploitation, providing for this in the Guidelines for the "Protection and Promotion of Human Rights", in the code of ethics, in the "our people" policy and in international trade union agreements, as well as in procurement activities, binding suppliers to this respect.

46. Has the SA8000 ENAS ethical certification been carried out or is it envisaged?

Answer

Social Accountability International's SA8000 standard (ENAS is probably a misprint) is an international standard aimed at certifying certain aspects of corporate management relating to corporate social responsibility and, in particular, respect for human rights, workers' rights, protection against exploitation of minors and guarantees of health and safety in the workplace, as identified by the ILO Core Conventions.

SA8000 certification of Eni

Like most companies in the O&G/Energy sector in Italy and abroad, Eni is not SA8000 certified, except for its subsidiary Versalis in the chemical segment, which obtained certification in 2017.

It was decided to undertake this process at Versalis to compliment and enhance the process followed over a period of time with certifications in the areas of health, safety, environment, quality and energy.

This type of certification has also been positively evaluated for this industry, with a view to global competitiveness as it responds to the increasingly emerging demands of customers in specific sectors of application.



As regards Eni as a whole, as confirmed in its Code of Ethics, the company operates in compliance with the ILO Core Conventions to which the SA8000 standard refers and all of its internal procedures and rules are in compliance with these Conventions.

In addition, in order to strengthen its approach to social responsibility and ensure ever greater integration of social responsibility/sustainability issues in the business, Eni has developed and implemented a regulatory system to manage these issues in line with ISO 26000. ISO 26000 identifies some fundamental issues including Human Rights, Working Conditions, Labour Relations and the Environment. Please note that ISO 26000 is a guideline and is not currently certifiable.

With regard to the nature and pool of companies that require SA8000 certification, please refer to the statistics published on the official SA8000 website.

Eni Suppliers

Eni does not require suppliers to possess SA8000 certification but encourages the development of its suppliers' expertise on sustainability issues, promoting and enforcing the main ILO standards. Suppliers are subject to a structured audit to verify and monitor their compliance with such principles:

- i) promotion of and compliance with high standards of safety at work
- ii) prohibition of forced labour and exploitation of children
- iii) freedom of association and collective bargaining

In addition to these activities, which are an integral part of the procurement process, with particular reference to the issue of human rights, for years Eni has been carrying out an Audit programme (with a view to SA8000) on suppliers; since 2008, 172 audits have been carried out on suppliers identified as "critical" on the basis of factors such as sector risk and country risk, and 41 SA8000 Auditors have been trained (Eni personnel at the head office and of affiliates) to support this activity.

47. Are we funding the weapons industry?

Answer

No.

48. I would like to know the net financial position of the Group at the date of the Shareholders' Meeting with average historical loan and deposit rates.

Answer

At 31 December 2017, the net financial position was € 10,916 million. Cash and cash equivalents had an average negative interest rate of 0.03% (minus 0.01% at 31 December 2016), while for available-for-sale financial assets, the nominal rate of return ranges are shown on pages 159 and 160 of the Annual Financial Report.

[2017 Annual Financial Report, p. 158.]

The weighted average interest rate on short-term financial payables was 0.9% and 1.3% respectively for the years ended 31 December 2016 and 31 December 2017. Long-term financial liabilities, including short-term portions, are analysed on page 182 et seq. of the 2017 Annual Financial Report, showing the interest rate for each bond issue; the average benchmark rates for total long-term financial liabilities, including short-term portions, are as follows: 2.4% for the Euro, 4.8% for the US Dollar, 5.3% for the British Pound and 2.6% for the Japanese Yen.



[2017 Annual Financial Report, p. 180 and 184.]

49. How much were the fines imposed by Consob [Italian Securities and Exchange Commission], Italian Stock Exchange, etc. and for what?

Answer

No fines were imposed by the indicated Authorities.

50. Were there any unpaid taxes? If so, how much? Interests? The sanctions?

Answer

(for Italy) All taxes were paid lawfully, including those relating to the higher income of Eni SpA for 2012, equal to € 2.6 million of taxes plus € 0.4 million of interest, excluding penalties.

51. I would like to know: change in the Consolidation Area compared to the report under discussion.

Answer

The table below shows the changes that occurred in the Group's scope of consolidation at 31 March 2018, compared with 31 December 2017.

Companies consolidated using the full consolidation method

INCLUDED COMPANIES

- **Due to particular importance**
Eni Lebanon BV
- **Due to acquisition**
Mestni Plinovodi distribucija plina doo

EXCLUDED COMPANIES

- **Due to particular irrelevance**
Eni Bulungan BV
Eni Liverpool Bay Operating Co Ltd
Liverpool Bay Ltd
- **Due to cancellation**
Eni Engineering E&P Ltd

52. As of today, I would like to know the capital losses and capital gains of securities listed on the stock exchange at the last stock exchange settlement available.

Answer

Considering the stock market price available on 4 May 2018 of the main circumstances of the listed share, represented by the shares held in Saipem SpA, the potential capital loss compared to the net book value at 31 December 2017 totals approximately € 435 million and is analysed as follows:



	NBV bilancio consolidato al 31.12.2017 (€ milioni)	n° azioni detenute al 31.03.2018	Quotazione al 04.05.2018 (€)	Valore di mercato al 04.05.2018 - Quota Eni (€ milioni)	Plusvalenza (Minusvalenza) latente (€ milioni)
Società con azioni quotate in Borsa					
Saipem SpA	1.413	308.767.968	3,169	978	(435)

	NBV at December 31, 2017 (€ milion)	Number of shares held at March 31, 2018	Stock price at May 4, 2018 (€)	Market value at May 4, 2018 - Eni's share (€ milion)	Gain (Loss) underlying
Companies listed on Stock Exchange					
Saipem SpA	1,413	308,767,968	3.169	978	(435)

The performance of the stock market is shown below:

	Listing		Performance
	31/12/2017	04/05/2018	(%)
Saipem SpA (€)	3.806	3.169	(16.7)

53. I would like to know from the beginning of the year to the present the trend of turnover by segment.

Answer

[Eni Group - Change in Revenues](#)

Eni's results for the first quarter of 2018 were released to the market on 27 April 2018. The following table shows the sales figures by business unit:

Ricavi della gestione caratteristica

IV Trim. 2017		I Trim.		
(€ milioni)		2018	2017	var %
5.571	Exploration & Production	5.473	4.950	10,6
13.541	Gas & Power	13.742	13.942	(1,4)
5.799	Refining & Marketing e Chimica	5.566	5.515	0,9
4.787	- Refining & Marketing	4.433	4.294	3,2
1.130	- Chimica	1.272	1.346	(5,5)
(118)	- Elisioni	(139)	(125)	
431	Corporate e altre attività	361	348	3,7
(7.797)	Elisioni di consolidamento	(7.210)	(6.708)	
17.545		17.932	18.047	(0,6)

Net sales from operations

IVQ		IQ		
2017	(€ million)	2018	2017	% Ch.
5,571	Exploration & Production	5,473	4,950	10.6
13,541	Gas & Power	13,742	13,942	(1.4)
5,799	Refining & Marketing and Chemicals	5,566	5,515	0.9
4,787	- Refining & Marketing	4,433	4,294	3.2
1,130	- Chemicals	1,272	1,346	(5.5)
(118)	- Consolidation adjustments	(139)	(125)	
431	Corporate and other activities	361	348	3.7
(7,797)	Consolidation adjustments	(7,210)	(6,708)	
17,545		17,932	18,047	(0.6)

Net sales from operations in the first quarter of 2018 (€ 17,932 million) down by € 115 million compared with the first quarter of 2017 (-0.6%).

Revenues from the E&P segment (€ 5,473 million) increased by € 523 million (+10.6%) due to the strengthening of oil prices (+24% the average increase in the Brent benchmark compared with the first quarter of 2017), driven by the global economic recovery, and to the growth in hydrocarbon production (+4%), mitigated by the appreciation of the Euro against the Dollar (+15% on average), which had a negative impact on conversion into Euro of the operating results and cash flows of the foreign affiliates of E&P that use the US dollar as their functional currency.

Revenues generated by the G&P segment (€ 13,742 million) decreased by € 200 million (-1.4%) due to the 3.6% decrease in natural gas sales and 1.6% decrease in electricity sales.

R&M and Chemical segment revenues (€ 5,566 million) increased by € 51 million (+0.9%) due to the increase in revenues of the R&M business (+3.2%) partially offset by the decrease in revenues of the Chemical business (-5.5%).

Net sales from operations in the first quarter of 2018 (€ 17,932 million) increased by € 387 million compared to the fourth quarter of 2017 (+2.2%) due to the strengthening of oil prices (+8.7%, the average increase in the Brent benchmark price, compared to the fourth quarter of 2017) and the increase in sales of natural gas (+4.5%) and electricity (+6.5%) due to seasonal factors, mitigated by the appreciation of the Euro against the Dollar (+4.4% on average).

54. As of today, I would like to know about trading in own shares and Group shares, including also a third party company or person, according to Art. 18 of DPR 30/86, in particular if it has also been done on shares of other companies, in the name of a foreign bank not required to disclose the name of the owner to Consob, with a symbolic value on the securities in the portfolio, with shares in holders.

Answer

With reference to the share buyback programme, the operations were completed on 9 December 2014 and no purchases have been made since then.

55. I would like to know the purchase price of treasury shares, date of each lot and % deviation from stock price.



Answer

With reference to the share buyback programme and the related ruling of the General Annual Meeting of 8 May 2014, the operations were completed on 9 December 2014 and no purchases have been made since then.

The daily details of the purchase operations are available on the Eni website https://www.eni.com/docs/it_US/eni-com/company/governance/detailed-restart-programma-38-it.xls

56. I would like to know the name of the top 20 shareholders present in the meeting room with their % ownership, of representatives with the type of proxy or delegation.

Answer

It will be announced at the Shareholders' Meeting.

57. In particular, I would like to know which pension funds are shareholders and for what proportion?

Answer

It will be announced at the Shareholders' Meeting.

58. I would like to know the name of the journalists present in the room or who will following the meeting via closed circuit cameras, the titles they represent and if there are consultancy relationships, direct or indirect, with the companies of the group, including subsidiaries and in any event if they have received money or direct or indirect benefits from subsidiaries, affiliates or parent companies. If the answer given is "not relevant", I shall report this to the Board of Statutory Auditors according to Article 2408 of the Italian Civil Code.

Answer

It will be announced at the Shareholders' Meeting.

59. I would like to know how the advertising expenses are divided by editorial group, in order to evaluate the independence index? Have any payments been made to newspapers or internet news outlets for studies and consultancy?

Answer

Advertising investments for the main groups are broken down as follows:



	Main advertising agency	2017 net investments	Sh%
	PUBLITALIA	9.891.522	22,0%
	RAI	6.288.299	14,0%
	RCS	3.054.443	6,8%
	MANZONI	4.796.983	10,7%
	SOLE 24 ORE	2.351.940	5,2%
	GOOGLE	1.797.903	4,0%
	PIEMME	1.772.179	3,9%
	MEDIAMOND	1.629.418	3,6%
	SKY	1.528.418	3,4%
	CAIRO	1.113.147	2,5%
	Total main advertising agency	34.224.252	63,8%
	Total net investments	53.606.674	

The remaining amount also includes outlets for which the investment is not significant in relation to the total amounts.

There were no fees paid to newspapers or internet sites for studies or consultancy.

60. I would like to know the number of registered shareholders and their subdivision according to significant groups of share ownership and among residents in Italy and abroad.

Answer

Eni's share capital amounts to €4,005,358,876 and is represented by 3,634,185,330 ordinary shares without indication of par value. The Shareholders' Register is fully updated when dividends are paid; based on the latest update, the Company's shareholding structure is made up of approximately 300,000 shareholders. As far as significant shareholdings are concerned, on the basis of the communications received as at 30 April 2018 (record date), the Ministry of Economy and Finance owns 4.335% of the share capital and Cassa Depositi e Prestiti SpA owns 25.760% of the share capital. Below is a breakdown by ownership groups and geographical area, drawn up on the basis of reports on the interim dividend for the 2017 financial year (September 2017). This information is also available on Eni's website.



Breakdown of Eni shareholders by geographical area			
Shareholders	Number of shareholders	Number of shares held	% of capital
Italy	290,168	1,732,545,990	47.67
UK and Ireland	621	279,935,435	7.70
Other EU Member States	3,543	706,736,564	19.45
USA and Canada	1,352	530,759,673	14.61
Rest of the World	1,170	337,705,590	9.29
Treasury shares	1	33,045,197	0.91
Shares for which no registered reports have been received	N/A	13,456,881	0.37
Total	296,855	3,634,185,330	100.00

Breakdown of Eni's shareholding structure by ownership band			
Shareholders	Number of shareholders	Number of shares held	% of capital
> 10%	1	936,179,478	25.76
3% – 10%	1	157,552,137	4.34
2% – 3%	1	75,092,022	2.06
1% – 2%	6	325,583,186	8.96
0.5% – 1%	10	251,667,435	6.92
0.3% – 0.5%	19	257,543,981	7.09
0.1% – 0.3%	59	348,459,449	9.59
≤ 0.1%	296,757	1,235,605,564	34.00
Treasury shares	1	33,045,197	0.91
Shares for which no registered reports have been received		13,456,881	0.37
Total	296,855	3,634,185,330	100.00

61. I would like to know: have there been direct or indirect consultancy relationships with the company's board of statutory auditors and auditors or parent companies. How much was paid in expenses for both?

Answer

In order to protect the independence of its auditors, the Eni Group has decided not to entrust the appointed auditing company or the companies in its network with consultancy services, with consultancy work; within the limits of the provisions of Italian and US legislation, it has set up applicable appointments for activities closely connected with auditing activities.

The costs of transport, board and lodging incurred by the auditor as a result of the services provided are contractually reimbursable, on presentation of the relevant supporting documents, up to a maximum of 7% of the fee paid.



The Board of Statutory Auditors of Eni SpA, as well as each of the members of the Board, does not have consultancy relations with Eni or with any company controlled by Eni. The travels of the Board of Statutory Auditors are organised by the appropriate Eni structures and the related costs are borne directly by the company.

62. I would like to know if there have been direct or indirect financing links between unions, political parties or political foundations (such as Italians in the World), consumer foundations or associations and/or Italian or foreign shareholders in relation to the group or through the financing of specifically requested initiatives?

Answer

There were no direct or indirect financing relationships with the bodies/associations mentioned above.

Eni does not contribute to any trade union, party or political foundation, whether Italian or foreign. Any contribution, direct or indirect, in any form whatsoever, to political parties, movements, committees and political and trade union organisations, their representatives and candidates is expressly forbidden by the Code of Ethics and by the anti-corruption regulations adopted by Eni.

63. I would like to know if bribes are paid by suppliers? and how does the year-end refund to the purchasing office work and how much is it?

Answer

With reference to the first part of the question, we specify that Eni does not allow the payment of bribes; Eni has in fact adopted a "zero tolerance" approach to corruption, public and private, prohibited without exception and has as a key principle of conduct, enshrined in its Code of Ethics, compliance with the law and regulations, ethical integrity and fairness, which represent constant commitment and duty of all people of Eni. To this end, it has adopted a structured set of rules and controls aimed at preventing corruption offences (the so-called compliance programme against corruption) in line with international best practices, international anti-corruption conventions, as well as Legislative Decree 231, the US Foreign Corrupt Practices Act and the UK Bribery Act. The internal foundations of Eni's anti-corruption compliance program lie in its Code of Ethics, Eni Model 231 and the Anti-Corruption Management System Guideline, published on Eni's website at www.eni.com in the Corporate Governance section.

With reference to the second part of the request, the term "refund" means, in the context of the management of supply contracts, the payment to Eni by suppliers of part of the agreed fee, for example against volume discounts on orders or the settlement of penalties. The refund mechanisms, where provided for, are managed by a number of company units and not only by the competent procurement department. In particular, these mechanisms are negotiated by the competent department, which regulates them in individual contracts. If the contractual conditions occur, they are activated by the operating units that manage the contracts, which are procedurally required to verify the applicability or not of the penalties and any volume discounts provided for contractually, if necessary with the procurement function, and informing the competent administrative function in the event of total/partial applicability. The collection of amounts deriving



from refunds by Eni therefore sees the active involvement of the competent administrative function, which verifies the correctness of the invoices and/or credit notes received with respect to what is contractually envisaged and certified by the unit that manages the contract. The amount of volume discounts and penalties (typically expressed as a percentage of the total value of the order) varies from contract to contract.

64. Have bribes been paid to enter emerging countries, particularly China, Russia and India?

Answer

No.

65. I'd like to know if there has been black market cash-in?

Answer

No.

66. I would you like to know if there has been insider trading?

Answer

No.

67. I would like to know if there are any managers and/or directors who have an interest in supplier companies? Directors or managers or have direct or indirect holdings in supplier companies?

Answer

There are no investments by managers or directors in supplier companies, other than those of a mere investment nature, that are not recorded as such. It should be noted that, in accordance with internal regulations, directors are required to make periodic declarations of their "interests".

In any case, the Code of Ethics of Eni expressly provides for the obligation for all employees to avoid and report conflicts of interest between personal and family economic activities and the duties they hold within the company structure or body they belong to.

68. How much did the directors personally earn in extraordinary transactions?

Answer

No remuneration is envisaged for extraordinary operations for Directors.

The structure and levels of Directors' remuneration, as well as the amounts paid in 2017, are described in detail in the 2018 Remuneration Report.

69. I would like to know the total charitable donations by the group, for what and to whom?



Answer

In 2017, donations related to initiatives in favour of the territory for social purposes favoured those supporting weaker organisations which receive less public or private support, giving priority to projects rather than general support to associations. The total amount of these grants was approximately €0.6 million, divided mainly into social interventions in the health and education areas.

70. I would like to know if there are any judges among the direct and indirect consultants of the group, who are the judges a on the board of statutory auditors and what is their remuneration and what are their names?

Answer

There are no professional mandates given to serving magistrates.

71. Are there any ongoing antitrust cases?

Answer

For significant disputes, see the notes to the 2017 Annual Financial Report, Litigation section, p. 205.

72. I would like to know if there are ongoing criminal cases with investigations on current and past members of the Board of Directors or Board of Statutory Auditors for offences concerning the company.

Answer

See the Notes to the Financial Statements in the 2017 Annual Financial Report, Litigation section, p. 205.

73. I would like to know how the bonds issued add up to and with which bank (Credit Suisse, First Boston, Goldman Sachs, Morgan Stanley and Citigroup, JP Morgan, Merrill Lynch, Bank of America, Lehman Brothers, Deutsche Bank, Barclays Bank, Canadian Imperial Bank of Commerce (CIBC))

Answer

ISSUINGS BY Eni SpA

To date, Eni SpA has approximately €15.5 billion of bonds in circulation, entirely with institutional investors (of which €14.4 billion under the EMTN Programme, \$US 800 million in US and €400 million in non-dilutive convertible bonds).

These bonds were issued via the main banks operating in the reference markets and in particular: Banca IMI, Bank of America Merrill Lynch, Barclays, BBVA, BNP Paribas, Citi, Crédit Agricole, Deutsche Bank, Goldman Sachs, HSBC, ING, JP Morgan, Mediobanca, Mitsubishi Financial Group, Morgan Stanley, MPS Capital Services, Natwest, Nomura, Santander, SMBC Nikko, Societe Générale and Unicredit.

74. I would like to know the details of the cost of sales for each segment.



Answer

The cost of sales in 2017 at a consolidated level was €52.5 billion.

Before the cancellation of intra-group items, the breakdown of the cost of sales by segment is as follows: 62% G&P, 21% R&M, 9% E&P and 8% other businesses.

The cost of sales for 2017 increased by about 19% compared with 2016, due to the higher cost of hydrocarbon supplies (gas from long-term contracts and oil charges).

75. I would like to know the total costs incurred for:

- **acquisitions and disposals of stakes**
- **environmental clean-up**
- **What investments have been made in environmental protection and for what?**

Answer

Acquisitions and disposals of stakes:

In 2017 Eni made investments for the acquisition of stakes for a total amount of €510 million.

The capital increases in companies already owned with minority stakes engaged in the implementation of investment projects in the interest of the Group were:

€m	Investment
Coral FLNG SA	443
Lotte Versalis Elastomers Co Ltd	45
Other investments	22
	510

Disposals of shareholdings and business units totalled €3,144 million, including capital repayments, and related to the following holdings:

€m	Total sales price	Adjustments cost of disposal	Total
<u>Consolidated holdings</u>			
Eni Gas & Power NV	302	(8)	294
<u>Business units</u>			
25% of Area 4 in Mozambique	2,362		2,362
Other minor holdings	7	(1)	6
	2,671	(9)	2,662



€m	Divestitures	Repayment of principal	Total
Non-consolidated holdings			
Coral FLNG SA	222	165	387
Angola LNG Ltd		48	48
Others	1	46	47
	223	259	482
Total divestitures of holdings and business units			3,144

- **Environmental clean-up:**

The total costs (current and investment) for land and aquifer reclamation incurred in 2017 totalled €261m, an increase of 11% compared to 2016, in addition to approximately €100m for the MISE activity in Val D'Agri.

- **Environmental investments:**

Total environmental expenses (current and investment) incurred in 2017 amounted to €756 million, an increase of 28% compared to 2016.

Environmental investments in 2017 totalled €152 million, an increase of 25% compared to 2016. The main investment items are:

- energy efficiency and flaring down projects (€36 million);
- monitoring and analysis of air quality and reduction of pollutants in the atmosphere (€32 million);
- monitoring, treatment and discharge of water (€26 million);
- waste management (€ 26 million);
- spill prevention projects (€ 26 million);
- soil and aquifer reclamation (€ 6 million).

Current environmental expenditures in 2017 totalled € 604 million, an increase of 29% compared to 2016. The main expenditure items concerned:

- soil and aquifer reclamation (€ 255 million);
- waste management (storage, treatment, recovery, transport and disposal), totalling € 200 million;
- monitoring, treatment and discharge of water (€ 74 million);
- spill prevention projects (€ 28 million);
- monitoring and analysis of air quality and reduction of pollutants in the atmosphere (€23 million);
- professional services for environmental studies, environmental and social impact assessments, procedures (€ 17 million);
- Protection of ecosystems and biodiversity (€ 5 million);



- energy efficiency and flaring down projects (€ 2 million);

76. I would like to know

- a. how non-monetary benefits and bonuses and incentives are calculated.**
- b. What has been the average change over the last year of the salaries of managers and the learned CEOs compared with that for administrative and manual employees?**
- c. I would like to know the ratio between the average cost for directors and non-directors.**
- d. I would like to know the number of employees by category, if there have been lawsuits for harassment, for provocation of suicide, workplace accidents and what were the outcomes? Personally, I cannot accept the dogma of absolute reduction of staff numbers**
- e. How many employees were sent on pre-retirement redeployment and what was the average age?**

Answer

a. As already answered in 2017, non-monetary benefits mainly concern social security benefits and the allocation of a company car for private and business use. The value of the benefits, shown in Table 1 on page 31 of the 2018 Remuneration Report, is calculated according to the taxable criteria required by Consob.

Variable remuneration, aimed at promoting the achievement of annual targets and the long-term growth of business profitability, is divided into a short-term and a long-term component, the characteristics of which are described briefly in the "Summary" and more specifically in the "Compensation Policy Guidelines" of the 2018 Remuneration Report.

With regard to the implementation of the incentive plans for 2017, the performance results linked to the incentives paid are reported in Section II of the Report.

b) Remuneration of managers varied on average by about 0.9%; remuneration of middle managers, office staff and manual workers increased on average by 1.8%.

c) The ratio between the average cost of directors and non-directors is 4.7.

d) The number of employees from the financial statements by category of employment, in view of the Annual Financial Report, is as follows:

	DATI VISTA RFA		
	Italia	Estero	Mondo
DIRIGENTI	792	215	1.007
QUADRI	6.369	2.762	9.131
IMPIEGATI	10.653	6.299	16.952
OPERAI	3.059	2.785	5.844
TOTALE	20.873	12.061	32.934

[Lawsuits for harassment, provocation of suicide and workplace accidents](#)



In 2017, the 4 harassment disputes were brought before the employment tribunal: 1 won by Eni, 2 are settled in court, 1 is in progress.

No labour lawsuits have been brought for provocation of suicide.

There are no labour lawsuits involving accidents to employees.

e) During 2017 18 employees were redeployed, in accordance with law 223/91, with an average age of 58.4 years. During the same period, 31 individuals mutually terminated their employment, according to art. 4 of Law 92/2012, with an average age of 61.2 years.

77. I would like to know if you are buying works of art? By whom and for how much?

Answer

No works of art were purchased in 2017.

78. I would like to know in which areas the costs have been reduced most, excluding wages, which are constantly rising rapidly.

Answer

Since mid-2014, and before the start of the hydrocarbon price collapse, we have put in place a rigorous process of cost and investment review without compromising our future growth, which has been inherently based on optimizing spending, through development in phases, modularization and standardization of projects, synergies with existing structures, careful and ongoing review of the entire supply chain, as well as flexibility of our hydrocarbon portfolio, thanks to the significant recent discoveries resulting from our exploratory successes.

As confirmation of the above, in 2017 we halved our cash neutrality compared to 2014, i.e. we guaranteed coverage of all costs, investments and dividends with the operating cash flow based on a Brent price of 57 \$/bl.

Finally, with reference to 2017, and compared to 2016, the cost base (upstream operating costs and external business support costs) and investments decreased overall by €1.25 billion.

79. I would like to know, are there subsidiary companies (as per the civil code) which are not shown in the consolidated financial statements?

Answer

No.

80. I would like to know who are the group's gas suppliers? What is the average price?

Answer

Eni purchases natural gas through long-term contracts and, with a view to diversifying its portfolio, has commercial relations with the main national companies. In 2017, as shown on page 52 of the financial report, around 80% of purchases of natural gas from abroad were made from the six 'historic' suppliers.

Specifically, 35% was supplied from Russia (Gazprom), 9% from Norway (Statoil), 5% from the Netherlands (Gasterra), 16% from Algeria (Sonatrach), 6% from Libya (NOC) and 3% from Qatar (Rasgas). The average purchase price, particularly at this time when we are involved in commercial discussions with some of our suppliers, is a sensitive factor whose publication would prejudice the commercial interests of the company.



81. I would like to know how much has been paid in consultancy fees to companies controlled by Dr Bragiotti, lawyer Guido Rossi, Erede and Berger?

Answer

In 2017, no fees were paid to the persons indicated for services linked to financial activity.

82. I would like to know, what is the % of Italian investment in research and development?

Answer

In 2017, the Italian share of investments in research and development was 82% of total R&D investments.

83. I would like to know the costs for the Annual Shareholders' meetings and for what?

Answer

The cost of the Shareholders' meeting is approximately €200,000. Costs include, among other things, those relating to the preparation of the meeting room, the electronic voting system, the taking of minutes of the meeting by the Notary, other notary obligations, the appointment of the Shareholders' Representative, catering and gifts for shareholders.

84. I would like to know the costs incurred for revenue stamps

Answer

The cost of revenue stamps at 31/12/2017 totalled € 6.2 million (€ 7.6 million in 2016); the decrease is essentially due to the transfer of the Retail Gas & Power business unit to Eni Gas e Luce SpA.

85. I would like to know about the traceability of toxic waste.

Answer

Italian legislation on waste ensures the traceability of the entire disposal chain from producer to final disposal. In Italy, the SISTRI system has been implemented for the traceability of toxic waste as an additional traceability system for transport and disposal. Eni also has an internal regulatory system of procedures and operating instructions to ensure full traceability of waste disposal, in accordance with the best practices in this area.

86. What cars do the Chairman and the Chairman have and how much do they cost us as a detail of the benefits reported in the remuneration report?

Answer

As already answered in 2017, the Chairman is not awarded a car for private and business use, whilst the Chief Executive Officer and Chief Operating Officer, like all managers, are assigned a company car for private and business use, in line with Eni policy.



87. Detail by user of costs for use or hire of helicopters and aircraft. How many helicopters are used? Which make? What are the hourly costs and who uses them? If the answers are "The other questions are not relevant to the items on the agenda", I shall report this reticence to the Board of Statutory Auditors according to art. 2408 of the Italian Civil Code.

Answer

As of 31/12/17, Servizi Aerei SpA owns 3 Dassault Aviation aircraft and one Gulfstream aircraft, more specifically:

- Falcon 2000 I-SEAE (year of construction 2004)
- Falcon 900EX Easy I-SEAS (year of construction 2008)
- Falcon 900EX Easy I-SEAR (year of construction 2007)
- Gulfstream G550 (year of construction 2013).

These aircraft are used exclusively for the operational needs of the companies belonging to the Eni group.

In addition, especially for certain foreign destinations, the use of a corporate fleet ensures high levels of service and safety, including the ability to transport personnel operating in foreign locations where the connections are more complex and thus significantly reduce travel time compared to commercial services.

As far as the hourly cost is concerned, depending on the route, it is in line with that of similar operators (where available) but the opportunity to drastically reduce service activation times and the greater safety guaranteed by direct management of ground and flight operations means that the hourly cost is in line with what is offered on the market.

Eni has no helicopters.

Where demanded by operational needs at fields or oil platforms, Eni rents helicopter transport services from suppliers under contract through specific tender procedures.

88. What is the total amount of non-performing loans?

Answer

The comment to item 11 - Trade receivables and other receivables on pages 161-163 of the notes to the consolidated financial statements shows the following:

1. receivables written down net of the provision for bad debts totalled €598 million (€567 million trade receivables; €31 million other receivables); they totalled €1,191 million at 31 December 2016 (€759 million trade receivables; €432 million other receivables);

2. the provision for bad debts totalled €2,729 million, €1,848 million for trade receivables, €90 million for financial receivables and €791 million for other receivables. At 31 December 2016 it totalled €2,371 million, €1,817 million in trade receivables, €68 million in financial receivables and €486 million in other receivables.

The allocation of €539 million (€503 million in 2016) to the provision for bad debts is for the Gas & Power sector (€446 million) and, in particular, for retail customers. Eni has implemented the



necessary actions to mitigate counterparty risk through widespread actions to recover disputed receivables, including through the use of specialist external services.

The use of the provision for bad debts of €448 million (€607 million in 2016) refers to the Gas & Power sector €400 million and mainly relates to the recording of losses on receivables for the retail business.

In addition, the assets section includes overdue and not written down receivables of €1,419 million, of which €516 million are overdue by more than 12 months; these receivables mainly concern transactions with Italian and foreign public administrations and government bodies, counterparties with high creditworthiness for the supply of petroleum products, natural gas and retail customers in the Gas & Power segment, the latter overdue by no more than 90 days.

Trade receivables of €1,323 million at 31 December 2017 for the exploration and production business (€1,764 million at 31 December 2016) include €438 million in receivables for the supply of hydrocarbon equity to Egypt's government counterparties (€611 million at 31 December 2016). Receivables overdue at 31 December 2016 of €420 million (\$443 million), which had reached significant amounts in previous years, were completely written off in 2017 due to the progressive implementation since 2015 of a repayment plan and other industrial and commercial agreements with the above counterparties. In addition, overdue receivables for the recovery of past investments from the State of Iran amounting to €264 million at 31 December 2016 were substantially written off in 2017 due to the implementation of the Settlement Agreement signed in 2015, which defined the import through an Eni subsidiary of crude oil cargoes owned by the Iranian State companies, with the attribution to Eni of a repayment rate based on the proceeds of each cargo.

89. Were there any contributions to trade unions or trade unionists? If so, what for and how much?

Answer

In 2017 Eni sponsored the "Concerto del 1° maggio", a music festival promoted by the three main Italian trade unions. The contribution paid by Eni amounted to €50k and was paid to the company organizing the event, Ruvido Produzioni Srl.

90. How much did the advance on sales of debts cost, %?

Answer

From 2011 onwards, agreements were signed with some major counterparties for the without recourse factoring of trade receivables.

The value of sales of trade receivables due in 2018 outstanding at 31 December 2017 was approximately €2.05 billion (€1.77 billion in 2016 due in 2017).

The factoring agreements provide for the payment of a "flat" commission equal to a few basis points on the face value of the factored receivable; the discount rate applied between the date of the factoring of the receivables and the weighted average maturity date of the receivables themselves is variable and is linked to the Euribor plus a spread in line with Eni's credit standing.

91. Is there the person in charge of the proxy vote and how much does it cost? If the answer is: "The related cost cannot be specifically identified as it is part of a broader set of activities related to the shareholders' meeting". In addition to indicating serious



deficiencies in the compliance system, I shall report it to the Board of Statutory Auditors according to Article 2408 of the Italian Civil Code.

Answer

The Shareholders' Representative appointed by the Company according to Article 135-undecies of the Consolidated Law on Finance, is the lawyer Dario Trevisan. The cost is a maximum of € 5,000 depending on the number of proxies, plus expenses, VAT and CPA (contribution to lawyer's providential fund).

92. What is the level of investment in government bonds?

Answer

At the end of 2017, investment in government securities totalled € 1,212 million (including both securities held for trading and securities available for sale). Details are given below:

(€ milioni)	31.12.2017	31.12.2016
Titoli quotati emessi da Stati Sovrani	1.022	996
Altri titoli	4.990	5.170
	6.012	6.166

Reference: 2017 Annual Financial Report Note 9 "Financial assets held for trading." Page 158

(€ million)	December 31, 2017	December 31, 2016
Quoted bonds issued by sovereign states	1,022	996
Other	4,990	5,170
	6,012	6,166

(€ milioni)	31.12.2017	31.12.2016
Titoli non strumentali all'attività operativa		
Titoli quotati emessi da Stati Sovrani	190	210
Titoli quotati emessi da Istituti finanziari	17	28
	207	238

Reference: Annual Financial Report Note 10 "Available-for-sale financial assets", page 159

(€ million)	December 31, 2017	December 31, 2016
Securities held for non-operating purposes		
Quoted bonds issued by sovereign states	190	210
Quoted securities issued by financial institutions	17	28
	207	238

As at 31 December 2017, Eni also held listed securities issued by sovereign bodies with a total value of approximately €63 million.

Further information can be found on pages 158, 159 and 160 of the 2017 Annual Financial Report.

93. How much is the debt with INPS (Italian social security fund) and the Agenzia delle Entrate (Italian revenue agency)?



Answer

The amount payable to INPS totals approximately €56 million (approximately €60 million in 2016). At 31 December 2017 net payables due to the Agenzia delle Entrate from Eni SpA essentially relate to the provisions of the additional IRES (corporate income tax) as per law 7 of 6 February 2009 (the so-called Libyan Tax) (€ 61 million).

94. Do you do the tax consolidation and how much is it and at what rates?

Answer

Eni SpA and the main Italian companies exercised the option to file for tax on a consolidated basis: 28 companies were included in 2017. The overall consolidated result for 2017 was negative. The tax rate is the ordinary IRES rate of 24%.

95. How much is last year's contribution margin?

Answer

In 2017, the contribution margin was €21.5 billion, an increase of €3.5 billion or +19% compared to 2016 due to the higher contribution of the E&P segment of €3.1 billion due to the increase in the realizable value of the equity hydrocarbons as a result of the performance of the oil market (+24.2% increase in the Brent oil price), production growth and the performance of the mid-downstream businesses.



SHAREHOLDER OTTAVIA DELL'ABATE

- 1. Regarding the LNG hub project in Gela: The master plan, commissioned from Rina Consulting-D'Appolonia, was delivered in December 2017 to the mayor of Gela but has never since been made public. Why? Is it possible to view it? Is it true that the LNG hub at Gela may never come into being - as stated in the strategic study for the port system of Gela - due to the "presence of other ports and marinas which are potential competitors in Sicily, Italy and abroad"? Is Eni interested or not in the development of liquefied natural gas in Gela?**

Answer

[See answer to question 4.2 of shareholder "Fondazione Finanza Etica".](#)

- 2. Regarding the Green Refinery project in Gela: it was intended that it would be completed in mid-2017 with the memorandum of understanding signed with MISE in 2014. If all goes well, according to the Eni engineers at Gela, it will be concluded at the end of 2018, a year and a half late. According to Eni's statements, the delay is due to ministerial authorizations. Is it possible to have more precise indications about the times? How many workers are expected to be employed once the scheme is up and running?**

Answer

[See answer to question 4.3 of shareholder "Fondazione Finanza Etica".](#)

- 3. How much has Eni spent on paying for the advice of scientists who, once "HIA - Health Impact Assessment of Oil Extractions in the Municipalities of Grumento and Viggiano" was published, promptly and publicly refuted the evidence, with clear justifications from the specious scientific community?**

Answer

[See answer to question 5.4 of shareholder "Fondazione Finanza Etica".](#)

- 4. When Eni announced the closure of the Gela refinery in 2014, one of the reasons stated was that the refining segment was making an ongoing loss and that the Gela plants alone had lost € 2 billion since 2009. Why then of the Eni refineries in Italy, has only Gela closed to date - considering that the other plants are also loss-making or at most, like the Milazzo refinery, breaking even?**

Answer

[See answer to question 4.1 of shareholder "Fondazione Finanza Etica".](#)

- 5. What stage has been reached in the project concerning guayule testing at Gela? The Eni website indicates that the trial was begun on two plots of land owned by the ESA - a body of the Sicilian Region which has recently been abolished. The results of this cultivation should have been known in 2017. Why was this not done? How can this project, if it were to take off, support the agro-industrial sector?**



Answer

See answer to question 4.4 of shareholder "Fondazione Finanza Etica".

- 6. With reference to the extraction activities carried out by Eni in Val D'Agri: How many barrels are being extracted per day and when? Are further production lines planned? With reference to the extraction activities carried out by Eni in Val D'Agri: specifically, what are Eni's plans for reinjection activities connected with production in Val D'Agri? Which wells are intended for this type of activity? With what type of rejection?**

Answer

Production is currently about 82,000 barrels/day.

The main strategic objective of the current investment plan is to create value over the long term, in accordance with the instructions of the Authorities and in full respect of the territory. The plan features a high degree of environmental sustainability as it provides for the construction of new wells from existing pitches and the maximisation of interventions on existing wells without therefore the impacts relating to the occupation of new spaces and without expansion of the Val d'Agri Oil Unit.

Currently, Eni has a single injection well (Costa Molina 2) authorized according to the regulations in force. There are currently no plans for the commissioning of additional injector wells. With a view to always meeting the needs of the region and to respond in a far-sighted way, Eni is planning and discussing with institutions in order to promote the installation of production water treatment plants so it can be subsequently used for industrial, civil and agricultural purposes within a sustainable business vision and in line with a circular economy.

The field is exploited with the production of around 82,000 barrels of oil and about 3,500 cubic meters of associated production water per day. This water is reinjected at a rate of for 2000 cm/day into the Costa Molina 2 well, in the same reservoir from which it is produced at a depth of about 3000 m, according to the best practices of the oil industry; the remaining production water is disposed of as waste through the use of tankers.

Integrated Environmental Authorization, ref. D.G.R. (Regional Government Decree) 627/2011 from Basilicata (and subsequent ratification of a non-substantial amendment to the IEA to renew the reinjection authorization on 9 September 2013), authorizes the reinjection of production water into deep geological units through the Costa Molina 2 well with a maximum volume of 3,200 cm/day (and 1,000,000 cm/year).

As mentioned, the reinjection amounts to 2,000 cm/day, which is significantly less than what is authorized, demonstrating the company's care for the region.

- 7. With regard to COVA in Viggiano (Potenza): has the clean-up of the land which Eni was to carry out after the oil spill from COVA in 2017 been completed? Of the 400 tonnes of oil that Eni declared to have spilled on the ground, how many have been drained? Has any other clean-up work been carried out in addition to the removal of the contaminated soil? What were the costs?**



Answer

See answer to question 5.2 of shareholder "Fondazione Finanza Etica".

- 8. Why did Eni acquire hundreds of hectares of land around COVA? What do you intend to do with it?**

Answer

See answer to question 5.5 of shareholder "Fondazione Finanza Etica".

- 9. With the closure of the petrochemical plant in Gela: since it expressed its willingness to reduce its presence, Eni has tried to persuade other industries to set themselves up in the former petrochemical plant. However, the land within it still needs to be cleaned. Is it true that last month alone the Region and MISE found the first €25 million to facilitate new production facilities within the Gela refinery? Is Eni carrying out the necessary clean-up to further convince other companies to take over? Can I obtain details of any plan to carry out this clean-up?**

Answer

See answer to question 4.5 of shareholder "Fondazione Finanza Etica".

- 10. What is the condition of the COVA tanks in Viggiano? Are they worn out? How often is extraordinary maintenance required to be carried out, as per the protocol? Do all the tanks now have a double bottom, as required by the regulations contained in the Basilicata Regional Ordinance following the 2017 oil spill?**

Answer

See answer to question 5.3 of shareholder "Fondazione Finanza Etica".

- 11. In 2017, the Nigerian community of Ikebiri, represented by Francis Ododo, filed a lawsuit with the Milan court against Eni for an oil spill in 2010 caused by the NAOC, Eni's Nigerian subsidiary. The evidence presented by Eni to the court recognised the pollution of the area and the responsibilities of the company. Is it possible to know, even more so in the light of this admission, when Eni will clean up the area? Why has compensation never been paid?**

Answer

See answer to question 6.1 of shareholder "Fondazione Finanza Etica".

- 12. In 2011, the UNEP Environmental Assessment of Ogoniland in Nigeria estimated that the clean-up of this area would take between 25 and 30 years. The Nigerian government has announced that \$1 billion will be spent on the initial phase of the clean-up. What will be Eni's economic contribution to the clean-up? What will be the economic contribution of Eni after the first phase of the clean-up operation?**

Answer

See answer to question 6.2 of shareholder "Fondazione Finanza Etica".



13. With regard to the background regarding the process involving the Ikebiri community in Nigeria, what activities does Eni believe it should implement in order to avoid being sued by other communities in other areas?

Answer

See answer to question 6.5 of shareholder "Fondazione Finanza Etica".

14. How much did Eni and NAOC spend to pay the legal teams appointed for the trial involving Ododo Francis Timi, representative of the Ikebiri community against Eni and NAOC at the Milan court? What are the cost items for activities for the process (experts, translators and others)? How much is the process estimated to cost?

Answer

See answer to question 6.3 of shareholder "Fondazione Finanza Etica".

15. Why did Eni insist that the Ikebiri community reach an agreement only after notification of the summons to the Milan court? What has Eni proposed to the Community in order to settle the dispute?

Answer

See answer to question 6.4 of shareholder "Fondazione Finanza Etica".

16. Under Nigerian law, responsible companies are obliged to clean up their polluted sites, even if the spillage is due to sabotage or oil bunkering. Thousands of sites are still polluted. What measures does Eni intend to take to clean up the sites whose contamination is linked to NAOC/Eni activities in Nigeria?

Answer

See answer to question 6.6 of shareholder "Fondazione Finanza Etica".



SHAREHOLDER MARINELLA GARINO

- 1. Were any fees paid to Paolo Scaroni in 2017? If so, what is the exact amount?**

Answer

In 2017, the deferred monetary incentive awarded in 2014 to the CEO/Director-General and the other Directors matured (see table 3 of the 2015 Remuneration Report on page 28), to which a final multiplier of 123% is applied, as for all directors, determined on the basis of the results achieved by Eni in the 2014-2016 vesting period, verified by the Compensation Committee and approved by the Board of Directors on 28 February 2017 and reported in the 2018 Remuneration Report (page 25).

- 2. I must point out that you answered a similar question before the 2015 and 2016 Shareholders' Meetings, in the affirmative, but without specifying the amounts that had been requested, referring to passages in the remuneration report that are not easy to understand. I ask you to specify the exact amounts of compensation paid to Paolo Scaroni in 2015 and 2016, otherwise I will have to file a complaint with the Board of Statutory Auditors according to art. 2408 of the Italian Civil Code.**

Answer

In 2015 and 2016, as already reported in the previous shareholders' meeting replies, the long-term incentives granted to the CEO and the other Managers in 2012 and 2013 respectively matured (see tables 3 in the Remuneration Reports for 2013 on page 23 and 2014 on page 25), to which the final multipliers were applied, determined on the basis of the results achieved by Eni in the respective vesting periods, as verified by the Compensation Committee and approved by the Board of Directors and reported respectively in the Remuneration Reports for 2016 (page 20) and 2017 (page 24).

- 3. How much did the Eni Group pay to Confindustria and local associations (in detail) in 2017?**

Answer

Eni SpA and its Italian subsidiaries are members of the Confindustria network. In 2017, contributions totalling € 5.4 million were paid (of which € 1.6 million for the Confindustria Regional Associations, following a specific National Agreement and € 3.8 million for Trade Associations such as Federchimica, Assomineraria, Unione Petrolifera, etc.).

- 4. What were the advertising and sponsorship expenses for the group as a whole in 2017 and broken down by agency/outlet? In particular, I would like to ask you to detail the advertising costs of the following media outlets: La Repubblica, Corriere della Sera, La Stampa, Il Sole 24 Ore, Il Messaggero, Il Mattino, Il Giornale, Libero, Il Fatto quotidiano, Dagospia, Mediaset, La7 and Rai? A similar question that was asked before the 2017 Shareholders' Meeting was not answered, for example, with regard to advertising expenditure on Il Fatto quotidiano and Dagospia.**

Answer

Expenditure on publicity communication activities in 2017 saw a slight increase compared to the previous two years (2015 and 2016) in which it had recorded a significant decrease compared to the past (in the order of more than 50%). This upturn is due to the increased commercial publicity activities (in particular for Eni Gas & Luce), partly offset by efficiencies in institutional publicity. As far as advertising expenditure is concerned, Eni plans its advertising campaigns through the media agency, which selects the means of communication on the basis of their compatibility with the target and the number of potential audiences reached by them.

Advertising investments for the main groups are broken down as follows:

Main advertising agency	2017 net investment	Sh%
PUBLITALIA	9.891.522	22,0%
RAI	6.288.299	14,0%
RCS	3.054.443	6,8%
MANZONI	4.796.983	10,7%
SOLE 24 ORE	2.351.940	5,2%
GOOGLE	1.797.903	4,0%
PIEMME	1.772.179	3,9%
MEDIAMOND	1.629.418	3,6%
SKY	1.528.418	3,4%
CAIRO	1.113.147	2,5%
Total main advertising agency	34.224.252	63,8%
Total net investments	53.606.674	

The remaining amount also includes outlets for which the investment is not significant in relation to the total amounts.

5. Have you taken out multiple digital subscriptions to Il Sole 24 Ore? For what amount?

Answer

As "Il Sole 24 Ore" is a "working" tool supporting these activities, various subscription solutions were used, depending on internal demand and type of use, in place via a contract negotiated by the company's procurement department in line with the reduction and optimisation activities and consistent with the programme launched by Eni. In this context, among the solutions identified, in addition to paper and online subscriptions, there was also the option of multiple digital subscriptions



limited to 500 users. The amount contracted for this service was € 89,000 per year. The solutions identified resulted in overall savings of around 16% compared to the previous year.

6. What is the cost of sponsorship? To whom were they paid? Are there any sponsorship initiatives in the media, in addition to advertising expenses?

Answer

The costs for sponsorships from Eni SpA in 2017 amounted approximately to € 12 million. Sponsorship initiatives are linked to communication objectives with particular attention to the territories in which we operate. Among these, two initiatives had agencies/outlets as contractual counterparties, specifically: Panorama d'Italia on Tour 2017 (counterparty Mediamond) and EU-Africa Summit (counterparty Politico).

7. How much was spent on the Rimini Friendship Meeting in 2017?

Answer

In 2017 Eni sponsored the Rimini Meeting for a total of €185,000, down on the previous year due to a change in the scope of set-up activities managed directly by Eni.

8. Has money been paid to trade unions or their affiliated institutions? What is the amount per beneficiary?

Answer

In 2017 Eni sponsored the "Concerto del 1° maggio", a music festival promoted by the three main Italian trade unions. The contribution paid by Eni amounted to €50k and was paid to the company organizing the event, Ruvido Produzioni Srl.

9. Has money been paid to consumer associations or non-profit organisations? What is the amount per beneficiary?

Answer

No payments of money have been made to the above-mentioned associations.

10. What are Eni's relationships with Luigi Bisignani?

Answer

No service and/or consultancy contracts have been assigned by Eni and its subsidiaries (in Italy and abroad) to Luigi Bisignani and/or companies associated with him.

11. What is the cost of take-or-pay contracts?



Answer

Eni purchases natural gas through long-term contracts that include a take-or-pay clause, according to which the purchaser is obliged to pay, at the contract price or at a fraction thereof, the minimum quantity of gas provided for in the contract, even if not taken. The buyer has the right, in subsequent years, to take the gas previously paid for but not taken at a price that takes account of what has already been paid. In essence, this is an advance payment that exposes the company to both a price risk (and consequently also to an opportunity) and a volume risk (assuming that by the end of the contract the volumes to be drawn are not sufficient to match those paid in advance).

In the years between 2009 and 2012, when demand for natural gas in Italy was down compared with the time when the main supply contracts were signed, the company gained significant exposure for take or pay, which in 2012 reached a maximum prepayment of € 2.4 billion. Over the years, management has implemented a series of renegotiations and other portfolio optimization measures that have made it possible to almost completely recover this amount: at the end of 2017, only about € 0.2 billion remain, which it is believed will be recovered within the four-year period.

- 12. What are the results of the Agenzia Italia in 2017? Specifically, what are the revenues, labour costs, operating results, net income, financial debt and total debt and shareholders equity? When were the last recapitalisations made and how much did they total? How many Agi employees are there and how many are journalists? Who are the directors and what is their remuneration?**

Answer

The Shareholders' Meeting held on 26 April 2017 approved an increase in the provision for losses through a payment on the same date of € 7.8 million from the parent company Eni SpA. In addition, in 2018, the parent company Eni SpA made a payment of € 7 million to cover future losses.

More detailed information on the company's economic results and the composition of the Board of Directors is available in the financial statements published by AGI to 31/12/17.

- 13. What is Eni-Agi doing with the Radiocor press agency of the Sole 24 Ore group? Is the purchase of 49% of Radiocor planned, as has been reported in the press? Would this be the first step towards a future acquisition of the majority shareholding in Radiocor?**

Answer

Agi is not involved in any M&A operations with Radiocor.

- 14. Are there any editorial or commercial agreements related to information, sponsorship or communication initiatives between Eni and the Sole 24 Ore group?**

Answer

Eni's Press Office receives the feed from the Radiocor financial press agency, belonging to "Il Sole 24 Ore" group, thanks to an annual subscription and payment of the €64.8k fee under the commercial agreement for use of the Radiocor agency's primary journalistic information.

There are no editorial agreements and/or agreements related to sponsorships or communication initiatives between Eni and "Il Sole 24 Ore" group.



15. What is the cost incurred by Eni in the whole 2017 for the magazine "Oil", now "WE"?

Answer

The total cost incurred by Eni in 2017 for the "WE" magazine is €2,342,315.

16. What is the annual remuneration of WE's director, Mario Sechi?

Answer

The director Mario Sechi receives a remuneration in line with the market norm for this type of professional service, taking into account the limited commitment dedicated to this activity.

17. Are there any journalists who advise the Eni group or its publications? Who are they and what fees are paid?

Answer

Journalists Mario Sechi, Carlo Rossella and Roberto Di Giovan Paolo have professional service contracts for WE editorial activities and are not involved in consultancy relationships. The fees are in line with the market norm for this type of professional service.

18. Are there journalists, collaborators or consultants for Oil/WE from to the publications Corriere della Sera, La Repubblica, Il Sole 24 Ore, La Stampa, Il Messaggero, Il Giornale, L'Espresso, Panorama, Huffington Post, Rai, Mediaset or La7?

Answer

Cinzia Sgarallino, Art Director of La Stampa, has a professional contract for the graphic design of WE.

19. Does Lucia Annunziata receive payments from Eni?

Answer

Lucia Annunziata does not receive any payments.

20. Who are the directors and what are their respective positions who report directly to the CEO Claudio Descalzi?

Answer

The managers who report directly to the Chief Executive Officer and their respective positions are listed on the company's website (eni.com) in the Company - Our Managers section, where the organisational chart is published, showing the members of the team, broken down by areas of responsibility.



21. What are the 2017 results of Servizi Aerei (revenues, operating result, net income, financial debt, total debts and shareholders equity)? How many flight hours were involved and what is the cost? Who are the Directors and what is their remuneration? Which aircraft make up the fleet?

Answer

In the financial statements to 31/12/17 the company Servizi Aerei SpA owns 3 Dassault Aviation aircraft and one Gulfstream aircraft, specifically:

- Falcon 2000 I-SEAE (year of construction 2004)
- Falcon 900EX Easy I-SEAS (year of construction 2008)
- Falcon 900EX Easy I-SEAR (year of construction 2007)
- Gulfstream G550 I_SEAM (year of construction 2013).

These aircraft are used exclusively for the operational needs of the companies belonging to the Eni group.

In addition, especially for certain foreign destinations, the use of a corporate fleet ensures high levels of service and safety, including the ability to transport personnel operating in foreign locations where the connections are more complex and thus significantly reduce travel time compared to commercial services.

As far as the hourly cost is concerned, depending on the route, it is in line with that of similar operators (where available) but the opportunity to drastically reduce service activation times and the greater safety guaranteed by direct management of ground and flight operations means that the hourly cost is in line with what is offered on the market.

More detailed information on the company's economic results and the composition of the Board of Directors is available in the financial statements published by Servizi Aerei to 31/12/17.

22. Have any politicians and/or trade unionists and/or members of the government been transported with planes or any other Eni aircraft?

Answer

In 2017, no politicians and/or trade unionists were transported.

In limited cases, in correspondence with institutional government missions abroad, Eni delegations were joined by members of the government and/or Italian diplomats for purposes relating exclusively to the development of Eni's business in the world.

23. What are the group's receivables from Alitalia-Cai and Alitalia-Sai which are in extraordinary administration? What is the possibility of recovering them? Were there any write-downs of receivables?

Answer

With the first Alitalia Extraordinary Administration, 11 million in royalties (airport fees - the legitimacy of which is still the subject of disputes with airlines and airport management companies before administrative and civil courts) were stuck; given the nature of these receivables, which are



not recognised by the procedure because they are contested by Alitalia, 100% of the amount has been set aside.

With the second Alitalia Extraordinary Administration, 7 million relating to jet fuel supplies remained stranded; the possibility of recovery has been assessed as remote and therefore 100% of the amount has been set aside as a precautionary measure.

24. What is Eni's activity in the monitoring committee for Alitalia-Sai which is under extraordinary administration? Who is Eni's representative on the monitoring committee?

Answer

Eni has a presence on the monitoring committee as an unsecured creditor in accordance with the law, which provides for the presence of at least two unsecured creditors. Eni's representative is Dr. Andrea Simoni, Director of Administration and Finance.



SHAREHOLDER TOMMASO MARINO

- 1. Who is the key person within the Group for dealing with blockchains? I am part of a group of investors, on behalf of whom I am writing, who would like to see greater security for the companies in which they invest.**

Answer

The team that is exploring this new technology is a multi-disciplinary team that involves all the skills: Business, ICT, legal and contractual functions, with a particular focus on cyber security issues.

Blockchain is in fact a potentially disruptive technology, which could redesign the relationships between the main players in some markets, so we think it is important to observe it carefully and start experimenting in a targeted way through prototype projects of short duration (3-4 months) that give the Business the possibility of confirming its value.

- 2. How much is the Group investing in the blockchain business unit?**

Answer

In this experimentation phase, investments are obviously limited. These are areas whose potential is enormous but they must be evaluated with due care and attention, experimenting on use cases related to business processes.

Depending on the outcome of two significant projects which are currently in progress, we will assess whether to confirm/review the planned investments in the following years.

The two projects currently in progress both relate to the Energy Commodity Trading market:

- Interbit relating to back office processes. Last year we completed a 12-week prototype with BP and Wien Energy, which had a specific process in scope, namely "contract confirmation". Blockchain technology has been successfully tested and today we are in the industrialization phase together with a network of eight other companies (including Total, Gazprom, etc.) with the aim of putting the prototype into production and extending the roll-out to the settlement process during 2018.
- Enerchain related to front office processes: the largest project, in terms of number of participants, in the gas trading and power market that sees us engaged together with 42 other European utilities and trading companies (such as Statoil, EDF, Centrica, EON). The initiative involves the creation of an alternative channel for gas and power trading on an unregulated market (OTC) in order to create a new market window. The objective is to go live in 2018, while being aware that there are important regulatory issues to be addressed, for example whether or not an entity of this type should be considered to be a broker (Multilateral Trading Facilities). In any case, we believe it is important to participate in this initiative in order to play an active role in the definition of a potential new industry standard.

- 3. Which universities do we have relations with and what kind of relations do we have?**

Answer

Eni has relationships with Universities for:



- partnerships linked to higher education initiatives (second level Master's degree, master's degree);
- acquisition of training services;
- research projects;
- acquisition of high level technical services.

Below are some of the most important collaborations.

- In Italia: Polytechnic of Milan, Polytechnic of Turin, University of Rome La Sapienza, University of Bologna - Alma Mater, University of Perugia, University of Pisa, Commercial University Luigi Bocconi, LUISS University, University of Basilicata, University of Naples Federico II, University of Palermo, University of Cagliari.
- Abroad: Institut Francais Du Petrole, Paris; Universidade Eduardo Mondlane, Maputo; Massachusetts Institute of Technology; Stanford University; Oxford University.

4. To whom has representation/power of attorney been assigned? If yes, to whom? Is it considered to be active or passive? In the latter instance, has it been considered to award it to someone who could make use of it to help investors understand the benefit of their investments and perhaps contribute to bringing in new ones? And moreover, should helping to bring in new investors not be management's primary task?

Answer

According to art. 135-undecies of the Consolidated Law on Financial intermediation, Eni appointed as Shareholders' Representative for the 2018 Shareholders' Meeting the lawyer Dario Trevisan, to whom they may grant a proxy, with voting instructions, on all or part of the items on the agenda, in the manner and terms indicated in the notice of the meeting and on Eni's website. The duties of the Representative are, by law, limited to representation at the Shareholders' Meeting.

Investor relations are actively managed by specific company functions, in particular the "Investor Relations" function.

5. What were the main bad debts and for how much?

Answer

See reply to question 88 from shareholder Marco Bava.

6. With reference to the above question, from whom are they due?

Answer

See reply to question 88 from shareholder Marco Bava.

7. In the Group, which funds from the State and/or other public body and/or the European Community did we obtain in 2017?

Answer

None.



8. Which and how many directors and members of the Board of Statutory Auditors lost their independence after their appointment and for what reason?

Answer

None.

9. How many and which Group's directors have a conflict of interest?

Answer

Eni has established internal rules and procedures which, by also improving legal and regulatory provisions, govern cases in which directors may have an interest in the Company's operations, including those relating to operations with related parties, even in potential conflict with the Company. These procedures also require information to be provided to the competent bodies and related party transactions to be disclosed in the financial statements (see notes 42 and 47 to the financial statements of Eni SpA and the consolidated financial statements, respectively).

10. What is the total cost of the CEO and Chief Operating Officer, as well as the Board of Statutory Auditors for the performance of their mandate (not to be confused with salaries, allowances and anything else)?

Answer

In general terms, the expenses relating to the functioning of the corporate bodies are borne directly by the Company. In particular, the travel of the CEO and the Board of Statutory Auditors is organised by the appropriate Eni structures and the related costs are borne directly by the company. During 2017, therefore, there were no expenses directly reimbursed to the CEO and the members of the Board of Statutory Auditors.

11. When was the last inspection by the Labour Inspectorate? What penalties have been imposed as a result?

Answer

The last 2017 inspection by the Labour Inspectorate was on 01/06/2017 at Gela (Caltanissetta) at the request of Eni SpA for partial exemption under Article 5 of Law 68/99.

No sanctions were arising.

12. How much has the Group paid into the regional fund for the employment of disabled people (Law 68/99)?

Answer

A total of €1,334,742.08 was paid out for the year 2017.

13. Has the Group received mandatory warnings from inspection bodies regarding the law on disabled people?



Answer

Eni SpA and its subsidiaries comply with the provisions of Law 68/99 throughout Italy. No companies were warned.

14. What is the total amount of the Group's overdrafts, according to Law 68/99 and subsequent amendments and additions?

Answer

Eni SpA and its subsidiaries comply with the provisions of Law 68/99 throughout Italy. The number required by Eni SpA and its subsidiaries at December 31, 2017 was 1,268.

There are 479 omissions of disabled people covered by:

- drawing up of agreements with local public bodies (commitment to the gradual introduction of disabled staff);
- suspensions for redeployment procedures under Law 223/91;
- Partial exemptions on industrial sites with tiring, dangerous or special operations.

15. What were the main points on which the parent company imposed management and coordination prerogative? What position has the parent company taken with regard to the excessive remuneration of management?

Answer

If the request refers to the entity that controls Eni SpA, it should be noted that Eni SpA, controlled by the Ministry of Economy and Finance, is not subject to management and coordination by the latter, by express provision of law (article 19, Decree-Law 78/2009, converted into Law 102/2009). In respect of the prerogatives of management, the shareholder Ministry of Economy does not interfere in the management of the company. It should also be noted that the last five years the results from the shareholders' meeting vote on Eni's remuneration policies show an average shareholder satisfaction of more than 90%, as also highlighted on page 11 of the 2018 Remuneration Report.

16. Which companies do we own the majority of without implementing Management and Coordination and why?

Answer

Verification of the subjecting the company to the management and coordination of another company or body is the responsibility of the directors of the company itself for the purposes of the disclosure requirements required by the regulations in this regard. At present, there is only one case of an Italian company indirectly controlled by Eni SpA according to the provisions of the Italian Civil Code which is not subject to the management and coordination of Eni SpA, namely Newco Tech SpA due to the rights of the other shareholders.



17. What is the parent's revenue from the company? How much has it increased?

Answer

Eni SpA's revenue from the company referred to in the previous question (Newco Tech SpA) is not significant.

18. Have we demoted senior managers? For what purposes? Have we adopted novation contracts?

Answer

In 2017, no novations of employment contracts were carried out moving from manager to middle manager.

19. Are there any investigations by the Court of Auditors and antitrust authorities against the Group?

Answer

As far as the company is aware, there are no investigations by the Court of Auditors and no antitrust proceedings are pending against Eni SpA. For the sake of completeness, we point out that the subsidiary Eni Gas e Luce SpA is the subject of consumer protection proceedings pending before the Antitrust Authority regarding some specific aspects of the invoicing of gas and electricity consumption.

20. In transactions with related parties, which managers were involved and for what amounts?

Answer

Transactions with related parties involving managers are those which relate to the award of remuneration to managers with strategic responsibilities, which are carried out in compliance with the procedures concerning to related parties provided for by the law. The relevant sums amounts are published in Section II of the Remuneration Report, in aggregate form in accordance with current regulations.

21. Is the CEO also a Manager within the Group? Are the remunerations cumulated?

Answer

As reported in the Remuneration Report for 2018 on page 18, the fixed remuneration approved by the Board of Directors on 19 June 2017 for the position of Chief Executive Officer and Chief Operating Officer totals € 1,600,000 gross per year, broken down as follows:

(i) gross annual pay of € 600,000 for the position of Chief Executive Officer, including gross annual pay of € 80,000 for the office of Director as approved by the Shareholders' Meeting of April 13, 2017;



(ii) gross annual pay of € 1,000,000 for the executive position of Chief Operating Officer.

This remuneration includes any remuneration which may be due for involvement in the Boards of Directors of companies in which Eni holds a stake and/or subsidiaries.

22. What does the Group owe to the CEO for?

Answer

There are no particular payables to the CEO, except for the amounts due in relation to legal and/or contractual provisions.

23. What and how many Group tax disputes have there been?

Answer

The main tax disputes are indicated on pages 212-213 of the 2017 Annual Financial Report.

24. How many Group buildings still contain asbestos? Has an audit been performed of this issue? Have we been sued for this by former employees?

Answer

Most group buildings are asbestos-free. Only a small number of properties have certain parts (machine components, gaskets, walking surfaces, etc.) which have been identified as having asbestos-containing materials.

Checks on its condition is the responsibility of the owner who is obliged to conduct an audit and regularly inform the company about the programme to remove the affected parts.

In 2017, 10 claims were notified to the employment tribunal for compensation for harm from pathologies deriving from presumed exposure to asbestos relating to former employees.

25. Who has been entrusted with the representation of proxies? How many proxies have been obtained?

Answer

The Shareholders' Representative appointed by the Company according to Article 135-undecies of the Consolidated Law on Finance, is the lawyer Dario Trevisan.

As of 8 May, the deadline indicated in the notice of the meeting, 35 proxies had been conferred.

26. Computershare and/or Spafid costs? Even if they were in line with the market!

Answer

The costs incurred by Eni in 2017 in relation to Computershare SpA and Spafid Connect SpA totalled respectively € 126,000 for "pre-printing of the annual report and SEC compliance" and €30,000 for



"services supporting voting at the shareholders' meeting", in both cases based on contracts awarded by tender in 2016.

27. Are there members of the family of the Board of Directors who are creditors of subsidiaries and how much is the amount?

Answer

No family member of the Board of Directors (among those considered relevant for transactions with related parties) has any receivables from subsidiaries.

28. Does the company have or does it not have a limit on management pay?

Answer

The fixed remuneration of all Eni Managers is determined on the basis of the role and responsibilities assigned within the limits of the market benchmarks found for similar roles or roles of a similar level and responsibilities.

If assigned responsibilities with subsidiary companies, the senior managers return in full to Eni any emoluments provided.

Lastly, variable incentives have maximum incentivisation limits, defined as a percentage of the fixed remuneration, which are consistent with market practices.

29. Has the 'individual or consolidated disclosure of non-financial information been filed with the "Registro delle Imprese" in due time?

Answer

According to the provisions of the Italian Legislative Decree 254/2016 the Consolidated disclosure of Non-Financial Information was included in the directors' report in line with the objective of providing integrated reporting between financial and non-financial information. The obligation to file the declaration with the commercial register will therefore be fulfilled with the filing of the balance sheet.

The Board of Statutory Auditors monitored compliance with the applicable provisions and the independent auditor verified that the non-financial statement had been prepared, issuing a limited assurance as to its compliance with the requirements of the decree and the reporting standards/guidelines used to prepare the information.

30. What activities has the Watch Structure carried out?

Answer

During 2017, the Watch Structure regularly carried out the activities for which it was responsible, reporting the results to the bodies and individuals to whom it was addressed, in accordance with the provisions of Eni SpA's Model 231 (which can be freely consulted on the website www.eni.com).

In order to fulfil its mandate, in 2017 the Watch Structure met twelve times, during which it regularly received and analysed information flows received in accordance with the provisions of the Model 231 of Eni SpA.



Among other things, the following activities and information flows initiated and received during the period were noted:

- The acquisition, through documents and dedicated meetings, of half-yearly flows from: (i) the CFO functions, (ii) the ACC (Anti-Corruption Compliance) Manager, (iii) the Security Department Manager and (iv) the Health Safety Environment and Quality Manager;
- periodic updating by the Internal Audit Department of the main results of all the activities carried out in 2017, with particular reference to: (i) the progress of the Supervisory Program (approved by the Board) and the monitoring of the action plans requested by the Board and (ii) the examination of audit reports received during the period;
- the analysis of the reports concerning the Internal Control System and the so-called Other Business, including through the acquisition and examination of the quarterly reports produced by the Internal Audit Department.

The Watch Structure also dedicated a significant part of its work to monitoring the main legal events concerning the company, taking care to monitor, within the limits of its powers, the development of events that have affected Eni SpA more closely, with particular reference to the "OPL 245/Malabu" and "Algeria" cases. With particular reference to the "OPL245/Malabu" case, forensic audits of the independent experts of the law firm Pepper Hamilton LLP, appointed jointly with the Board of Statutory Auditors of Eni, continued and were concluded, the results of which did not reveal any unlawful conduct on the part of Eni.

31. What types of pollution does the Group produce? What do you do about it?

Answer

Eni's industrial activities in Italy and abroad in the sectors of hydrocarbon exploration, development and production, refining and transport of fuels, gas, LNG and other flammable products and petrochemical production, involve emissions into the air, water discharges and waste production, which by their nature are exposed to operational risks with potential harmful consequences for the environment.

The activities of the O&G sector are subject to strict regulations to protect the environment, health and safety, both at national level and through international protocols and conventions, which provide for the control of and compliance with emission limits for polluting substances in air, water and soil, limiting gas flaring and venting and requiring the proper management of waste. Therefore, the business model adopted by Eni is aimed at reducing operating risks and thus preventing or minimising the environmental impacts associated with its activities, adopting the best available technologies and international practices. To this end, Eni adopts an integrated environmental management system at all operating sites.

In response to the assessment of soil and groundwater contamination, Eni launched reclamation and restoration projects in areas of its property contaminated by industrial activities that have now ceased, in agreement with the competent administrative authorities, entrusting Syndial with the task of environmental restoration for the entire group; in this regard, Syndial ensures the adoption of best practices and technologies for sustainable reclamation.



32. How much does registration with Confindustria cost us?

Answer

Eni SpA and its Italian subsidiaries are members of the Confindustria network. In 2017, contributions totalling € 5.4 million were paid (of which € 1.6 million for the Confindustria Regional Associations, following a specific National Agreement and € 3.8 million for Trade Associations such as Federchimica, Assomineraria, Unione Petrolifera, etc.).

33. Is it possible to be included on the mailing list of investors in order to be updated on relevant initiatives?

Answer

The investor relations mailing list is for institutional investors. For all retail investors, information of interest is published on the company's website (e.g. financial calendar, press releases, real-time information on Strategy Presentation or Conference Call for presentation of results).

34. How much do loans to management total for the Group?

Answer

As part of the Welfare Policies, Eni employees have the possibility of accessing company loans and, in particular, credit granted to executives, as at 30 April 2018, amounted to approximately €21 million.

35. How many Group dismissals have there been?

Answer

In 2017 there were 126 individual dismissals, 11 in Italy and 115 abroad.

36. What political foundations have we financed?

Answer

No funding is provided to political foundations.

37. What kind of tasks has the Group assigned to civil servants?

Answer

Not applicable.

38. Why was it necessary to make this assignment?

Answer

Not applicable.



39. Which Directors have received consultancy and how much?

Answer

None of the Directors received consultancy.

40. How many relatives of members of the Board of Statutory Auditors carry out consultancy and/or employee activities on behalf of the Group?

Answer

Not applicable.

41. How much has Standard&Poor's reduced our rating and why?

Answer

About two years ago, specifically on 23 March 2016, the rating agency Standard & Poor's downgraded Eni's long-term rating to 'BBB+', with a stable outlook, from the previous 'A-' with CreditWatch with negative implications. The decision was taken mainly as a result of the lower oil price scenario assumed by the Agency for its valuations.

However, on December 21, 2017 Standard & Poor's revised upwards Eni's outlook to "positive" from "stable", recognising the company's progress in achieving the objectives of the strategic plan through major divestitures and a rapid monetization of its assets, which should lead to an improvement in financial ratios compared to what was previously expected by the agency.

42. What were Consob's findings? What follow up has there been?

Answer

Not applicable.

43. Are there any former directors of Consob who have had relations with the Group? Which former employees of the Consob Group work, directly or indirectly, for the Group?

Answer

At present, with reference to the entire Eni corporate population, it is not possible to identify individually those employees who have in the past had an employment relationship with Consob. In any case, selection processes are carried out in full compliance with the regulatory requirements applicable to the case in question.

44. How many cases of sexual harassment have occurred within the Group?

Answer

In 2017, 2 disciplinary measures were applied for inappropriate conduct towards external female personnel and employees at the offices of foreign subsidiaries, one of which was a warning and the other a dismissal.



45. What are the main sponsored events? For what amounts?

Answer

In 2016 Eni started a partnership relationship with the Italian Football Federation (FIGC) and has taken on the role of Top Sponsor of the national football team and the other FIGC teams. This partnership continued in 2017. Also in 2017 Eni took on the role of sponsor of the F1 Italy GP becoming, among other things, naming sponsor of the circuit, now called the Monza Eni Circuit. Moreover, on the occasion of the special edition of EXPO 2017, held in Astana, Eni was sponsor of the performances of the Milan "Orchestra del Teatro alla Scala". For each of the above initiatives, Eni has incurred an investment in a range of €1-4 million.

46. What is the amount of donations?

Answer

In 2017, donations related to initiatives in favour of the territory for social purposes favoured those supporting weaker organisations which receive less public or private support, giving priority to projects rather than general support to associations. The total amount of these grants was approximately €0.6 million, divided mainly into social interventions in the health and education sectors.

47. Have we financed or are we financing the arms industry? For what amounts?

Answer

No.

48. Have we been fined by Consob? On what grounds?

Answer

No.

49. Does the Group have non-performing loans to executives, directors and members of the Board of Statutory Auditors?

Answer

With reference to Eni SpA, there are no such cases.

50. What disputes has INPS brought against the Group?

Answer

In 2017, INPS (Italian social security institute) notified 4 disputes solely for tax irregularities committed by third party contractors against their employees.



51. Has the Group appointed arbitrators from members of the judiciary?

Answer

No arbitrators have been appointed from among serving magistrates.

52. What types of arbitration are in progress?

Answer

Ongoing arbitrations concern commercial matters.

53. What kind of notices of assessment have we received?

Answer

The total amount resulting from the 2017 audit of Eni SpA for 2012, for direct and indirect tax purposes, was accepted with the payment of € 3 million.

54. What type of checks did Consob perform on us, including in relation to possession of checks on the independence obligations for directors and members of the Board of Statutory Auditors? Who did the checks apply to?

Answer

The Company has not received any requests from Consob to verify the independence obligations for directors or members of the Board of Statutory Auditors. The Company has received a number of requests for information regarding its ownership structure. The Board of Statutory Auditors received a request for information according to art. 115 of Legislative Decree 58/98 from Consob in relation to investigations initiated by the Milan Public Prosecutor's Office into an alleged obstruction of the judicial activities conducted by the said Public Prosecutor's Office.

55. Which members of the Board of Statutory Auditors have been fined?

Answer

No fines were imposed on directors or auditors in relation to Eni's activities.

56. What is the total value of consultancy?

Answer

In 2017 Eni and its subsidiaries (Italy and abroad) awarded consultancy contracts for approximately €17 million, a reduction of approximately 8% compared to the average value of consultancy contracts for the three-year period 2014-2016 and a reduction of 41% compared to the same value for the three-year period 2011-2013.



In this context, the contracts awarded in 2017 by Eni SpA amount to approximately €11 million (-31 % compared to the average value for the three-year period 2014-2016 and -56% compared to the same value for the three-year period 2011-2013), largely attributable to the launch of the "Eni Digital Transformation" project, the establishment of the "Advisory Board" and the "New Integrated Compliance Model" of Eni.

57. Which transactions were of lesser importance and therefore not included in the related parties disclosures?

Answer

The procedures relating to transactions with the interests of directors and statutory auditors and transactions with related parties, defined in compliance with Consob provisions, provide for exclusion from the procedure of, among other things: (i) transactions with or between subsidiaries, including jointly controlled companies, and with associated companies, where there are no significant interests in the subsidiaries or associated companies of other parties related to the Company; (ii) ordinary transactions concluded at equivalent market or standard conditions as well as (iii) transactions for small amounts.

The notes to the financial statements (note 47 to the consolidated financial statements and note 42 to the financial statements of Eni SpA) indicate the transactions conducted with Eni's related parties, highlighting the counterparties.

58. How much money do we pay for employees' recreational clubs?

Answer

The total amount of grants made by Eni and its subsidiaries in 2017 to recreational welfare clubs (Cral) in Italy at the main headquarters and at refineries and petrochemical plants is €309,000.

59. Which sector is responsible for the organisation of events? Who is its manager?

Answer

The coordination of event's organisation is overseen by Eni's competent structure Identity Communication, reporting to the Chief Services and Stakeholder Relations Officer.

60. What are the next scheduled openings? When will they happen?

Answer

All main events involving Eni are communicated through the company's communication channels (in particular its website, social media pages, etc.). Information on the dates and content of events is published in these locations.

61. Which banks are we indebted to and at what rate?

Answer

At 31 December 2017, Eni SpA's medium/long-term financial debt to banks (major national, international and sovereign credit institutions) totalled €3,082 million (€3,805 million if the short-



term portion is also considered). Payables have a weighted average interest rate on the € of 0.97% and a weighted average interest rate on the US dollar of 4.78%.

For further details, see page 287 of the Annual Financial Report.

62. Changes in net borrowings?

Answer

Net borrowings at 31 December 2017 amounted to €10.9 billion, a reduction of €3.9 billion (-26%) compared to 2016. This change was positively influenced by the operations and completion of divestments relating to the Dual Exploration Model and minor assets, including the retail businesses in Belgium in the G&P segment.

In particular, net cash flow from operating activities was €10,117 million, while receipts from disposals amounted to €5,455 million and mainly related to the sale of the 25% interest in Area 4 under development in the Mozambique offshore, the sale of 40% of the Zohr asset in Egypt and the sale of 100% of the share capital of Eni Gas & Power NV and its subsidiary Eni Wind Belgium NV.

The main outflows concerned capital expenditures (€8,681 million) and the payment of the balance of the 2016 dividend and the 2017 interim dividend to Eni shareholders of €2,880 million.

Leverage - the ratio between net borrowings and shareholders' equity including non-controlling interests - was 0.23 at 31 December 2017, down compared to 31 December 2016 (0.28) mainly due to the decrease in borrowings, which was able to absorb the €5 billion reduction in total equity due to the negative exchange rate differences arising from the conversion of the financial statements of subsidiaries which mainly use the dollar as their functional currency (€5,573 million) and the payment of dividends to Eni shareholders, partially offset by the result for the period.

Gearing - the ratio of net borrowings to net capital employed - was 0.18, down from 0.22 at 31 December 2016.

Below is a detail of the change in the composition of the borrowings, as reported on page 69 of the 2017 Integrated Annual Report.

	(€ milioni)	31 dicembre 2017	31 dicembre 2016	Var. ass.
Debiti finanziari e obbligazionari		24.707	27.239	(2.532)
<i>Debiti finanziari a breve termine</i>		4.528	6.675	(2.147)
<i>Debiti finanziari a lungo termine</i>		20.179	20.564	(385)
Disponibilità liquide ed equivalenti		(7.363)	(5.674)	(1.689)
Titoli held for trading e altri titoli non strumentali all'attività operativa		(6.219)	(6.404)	185
Crediti finanziari non strumentali all'attività operativa		(209)	(385)	176
Indebitamento finanziario netto		10.916	14.776	(3.860)
Patrimonio netto comprese le interessenze di terzi		48.079	53.086	(5.007)
Leverage		0,23	0,28	(0,05)
Gearing		0,18	0,22	(0,04)

	(€ million)	December 31, 2017	December 31, 2016	Change
Total debt:		24,707	27,239	(2,532)
Short-term debt		4,528	6,675	(2,147)
Long-term debt		20,179	20,564	(385)
Cash and cash equivalents		(7,363)	(5,674)	(1,689)
Securities held for trading and other securities held for non-operating purposes		(6,219)	(6,404)	185
Financing receivables for non-operating purposes		(209)	(385)	176
Net borrowings		10,916	14,776	(3,860)
Shareholders' equity including non-controlling interest		48,079	53,086	(5,007)
Leverage		0.23	0.28	(0.05)
Gearing		0.18	0.22	(0.04)

63. The increase in net debt with which bank was entered into? And why?

Answer

In 2017, the medium/long-term financial debt to banks decreased by €168 million.

64. Who is responsible for the disposal of toxic waste?

Answer

The special waste produced by Eni is delivered to authorized plants for its recovery/disposal, transported by entities which also have the necessary authorization, in compliance with the applicable legislation. Possession of the legal and technical requirements to carry out waste management activities is verified in advance for all involved parties (transporters, recipients, intermediaries), before commencing the transportation.

In Italy, Syndial, a subsidiary of Eni, is the intermediary for almost all waste produced by Eni in Italy, operating as a centre of expertise in this field.

Some waste streams are handled in internal facilities; the main one of these is groundwater which is collected during clean-up operations and classified as waste (about 3.4 million tonnes in 2017).

65. How many unused residential accommodations do we have? How many accommodations are in use? Who values it?

Answer

Eni SpA has residential accommodations which it both rents and owns.

There are 155 active properties rented to Eni SpA, all of which are in use.

The apartments are identified with the support of real estate agents contracted by Eni through a tender and the rentals meet current market conditions.

With regard to the residential housing by Eni SpA, the company has about 160 apartments, located throughout the country, almost all close to its production activities (refineries, depots, fuel stations, etc.) and of these about 20%, consisting of former company houses, are up for sale, 10% are usable and are being assessed for renovation and/or demolition and the remaining 70% are used by operational functions.



Real estate valuations are carried out by means of a survey carried out by specialist advisers, contracted by tender, who adhere to RICS standards (international standards that establish the guidelines to be followed for the surveys).

66. Do the CEO and directors have interests in supplier companies?

Answer

See the answer to question 67 from shareholder Marco Bava.

67. In what circumstances is article 51 ter of Presidential Decree 917 of 22 December 1986 put into practice in the Group?

Answer

Article 51 of Presidential Decree 917 identifies the general principles for the taxation of employee income and total or partial exemptions from such taxation for well-defined cases of flexible benefits or other types of benefits. Eni's disbursements/services in favour of employees, and in the case of their dependent children and/or family members, regulated by article 51, include the canteen service, the additional contribution to supplementary pension funds, provision of services for social and educational purposes, collective transport services and health care.

68. What kind of benefits do Group employees and pensioners enjoy? For what amount?

Answer

With regard to non-executive personnel: canteen or meal vouchers, supplementary health fund, supplementary pension fund, accident insurance policies, loans guaranteed by the severance indemnity fund and Fondenergia, CRAL (recreational clubs), option to exchange part of the performance related pay for welfare, summer camps for children of employees.

For some categories of workers, depending on the position and the activity carried out, a company car for personal and business use is also provided.

Retired staff can continue to use some services through direct payment (e.g. supplementary health fund).

For Eni managers, in line with the policies implemented in recent years and in compliance with the provisions of national agreements and additional company agreements, registration in the supplementary pension fund (FOPDIRE), registration in the supplementary health care fund (FISDE), forms of welfare insurance cover, including against the risk of death and disability, and the assignment of a car personal and business use, as reported on page 23 of the 2018 Remuneration Report, are included. Retired managers can enrol in supplementary health care (FISDE).



69. Apart from employees, to which other categories does the Group provide benefits? What type?

Answer

There are no other advantages compared to those provided for in the contract or deriving from ordinary commercial practices.

70. What discounts do former retired Group employees enjoy? Have they been reported to INPS in application of the aforementioned article 51? Are there any exceptions?

Answer

Retired former employees do not enjoy any discounts.

71. Are these benefits and discounts also available to former Group executives who have not yet retired?

Answer

According to Art. 3.1, paragraph c) of the FISDE Statute, membership in supplementary health care (FISDE) is only provided for former directors awaiting retirement.

Retired ex employees, even if they are directors, do not enjoy any discounts.

72. What kind of privileges do retired directors enjoy over ordinary employees?

Answer

Retired managers can enrol in supplementary health care (FISDE) with contributions also paid by the company.

73. When will the next investor day be held?

Answer

Events for investors are indicated in the dedicated section of the Eni website.

74. What type of healthcare we provide to former employees? How much does this type of service cost us? Is the service taxed in accordance with the above article 51? For pensioners has INPS been informed of this?

Answer

According to Art. 3.1, paragraphs b) and c) of the FISDE By-laws, enrolment in health care (FISDE) is also permitted for retired Executives and former Executives awaiting retirement. The company makes annual contributions to the fund, paying an amount per person of € 1,737 and € 3,150 respectively, in 2017. The contribution paid by the company is subject to the provisions of art. 51 of the Consolidated Income Tax Law. The annual amounts contributed are published at www.fisde-eni.it. Retired non-managers can continue to be enrolled in the supplementary health fund through direct payment.



75. What are the costs of health coverage for the Chairman and the CEO? Are they also retiral?

Answer

The Chairman is not covered by supplementary health coverage, as reported on page 18 of the 2018 Remuneration Report.

The Chief Executive Officer is required to join the Supplementary Healthcare Fund (FISDE), in compliance with the provisions of the additional company agreements for Eni top management, as reported on page 21 of the 2018 Remuneration Report.

76. What is the name and cost of the consultants who give their opinion on the financial statements? What was their cost?

Answer

See answer to question 77.

77. What kind of quality controls do we carry out?

Answer to questions 76-77

In accordance with the applicable regulations, the opinion on the financial statements is expressed by the statutory auditor acting as an independent person; the current audit engagement is entrusted to EY. As indicated in the annexes to the financial statements, for the 2017 financial year the fees for the statutory audit of the accounts of Eni SpA and its subsidiaries totalled approximately €22.7 million (€24.7 million including other non-audit services).

The Board of Statutory Auditors, in accordance with applicable regulations, supervises the legal auditing process and the independence of the auditing company.

78. How many workers of the Group have been placed in "isopensione" (early retirement scheme)? Did everyone qualify?

Answer

In 2017, 31 departures were authorized by INPS.

79. What are the Isopension costs for the financial year in question?

Answer

The cost recorded in the 2017 financial statements of the implementation of the early exit plan according to art. 4 of Law 92/2012 totals €29.6 million.

80. Has the Group been subjected to any investigations and/or seizures?

Answer

On this subject, reference should be made to the Notes to the 2017 Annual Financial Report, Litigation section, pp. 205 et seq.



81. Where are the fines that the Group incurs from the various national and international authorities published? How is this reported?

Answer

In the event of significant instances, the information is provided in the disclosures of the financial statements.

82. Can you list the capital losses and capital gains you have realised?

Answer

Gains on the sale of property, plant and equipment, intangible assets and business operations of €3,288 million include €1,985 million from the sale of the 25% interest in Area 4 under development in Mozambique's offshore business and €1,281 million from the sale of 40% of the Zohr asset in Egypt.

The net capital gains realised on the sale of equity investments of €163 million refer to the sale of 100% of the share capital of Eni Gas & Power NV and its subsidiary Eni Wind Belgium NV.

In addition, it should be noted that:

(i) Gains on the equity method valuation of investments amounted to €124 million and related mainly to joint ventures and associates in the E&P segment;

(ii) capital losses on the equity method of valuation of investments amounted to €353 million and mainly related to E&P joint ventures and Eni's share of Saipem SpA's 2017 result (€101 million).

83. What kind of benefits have we given to journalists?

Answer

No benefits at all.

84. What kind of works of art did we buy and at what price?

Answer

No works of art were purchased in 2017.

85. Investments in government securities?

Answer

At the end of 2017, investment in government securities totalled € 1,212 million (including both securities held for trading and securities available for sale). Details are given below:

(€ milioni)	31.12.2017	31.12.2016
Titoli quotati emessi da Stati Sovrani	1.022	996
Altri titoli	4.990	5.170
	6.012	6.166

Reference: 2017 Annual Financial Report Note 9 "Financial assets held for trading." Page 158



(€ million)	December 31, 2017	December 31, 2016
Quoted bonds issued by sovereign states	1,022	996
Other	4,990	5,170
	6,012	6,166

(€ milioni)	31.12.2017	31.12.2016
Titoli non strumentali all'attività operativa		
Titoli quotati emessi da Stati Sovrani	190	210
Titoli quotati emessi da Istituti finanziari	17	28
	207	238

Reference: Annual Financial Report Note 10 "Available-for-sale financial assets", page 159

(€ million)	December 31, 2017	December 31, 2016
Securities held for non-operating purposes		
Quoted bonds issued by sovereign states	190	210
Quoted securities issued by financial institutions	17	28
	207	238

As at 31 December 2017, Eni also held listed securities issued by sovereign states with a total value of approximately €63 million. Further information can be found on pages F-32,F-33,F-34 2017 Annual Report on Form 20-F.

86. What is the amount of payables vs INPS and the Agenzia delle Entrate?

Answer

Payables to INPS amount to €56 million (approximately €60 million in 2016). At 31 December 2017 net payables due to the Agenzia delle Entrate from Eni SpA essentially relate to the allocation of the additional IRES (corporate income tax) as per law 7 of 6 February 2009 (the so-called Libyan Tax) (€ 61 million).

The taxes settled are duly paid at the statutory dates.

87. What is the percentage increase in management salaries compared to the previous year?

Answer

Information on management remuneration is provided in the Remuneration Report, which is published annually.



88. Which statutory auditor lost their independence after their appointment and why?

Answer

None.

89. Have there been any difficulties in complying with anti-money laundering regulations? What are the main findings in this respect?

Answer

As is well known, Eni SpA is not a monitored entity under the terms of the anti-money laundering regulations; however, the company has adopted control measures aimed at preventing the corporate responsibility risk relating to such cases.

- a) **Have the external consultants and law firms entrusted with the task, as set out in the draft Annual Report, of verifying criminal acts accused by the public prosecutor's office ever found themselves in agreement with the public prosecutor's office's findings? If so, was it not counter-productive to hand over the findings to them for defensive purposes? That is to say, has the basis of the company's defence not been undermined in such cases? Or perhaps in such cases the company accepted the risk of paying a law firm to draft a report in line with the Public Prosecutor's Office?**
- b) **In the Annual Report, the law firms appointed by Eni to perform the related internal audits are qualified as independent. According to Eni, when a law firm can be defined as independent? Is it still independent when commissioned by the company under investigation?**
- c) **Have the names of these law firms not been revealed in the Annual Report in order to protect their privacy? Given that the reports from these law firms have been handed over to the judicial authorities, have they not lost their privacy?**

Answer to questions a), b) and c)

The summaries of the results of the internal audits carried out by independent law firms were published by Eni in its Annual Report, as well as - in some cases - in company press releases. The law firms are independent because they are appointed by the company's control bodies (and not by the Legal Affairs Department) and because they are law firms that have not had any relationship with Eni in the past (or have had very limited relationships in terms of remuneration compared to other law firms that have assisted the company). In particular, with regard to the independent internal investigation in the OPL 245 case, the name of the US law firm (Pepper Hamilton) was communicated in response to questions received at the 2016 Shareholders' Meeting.

- d) **At this stage, I have not fully understood how many types of investigations and trials involve the CEO. In any case, could the fact that he continues to perform his duties rather than resign not involve a risk of judicial orders being applied during the preliminary investigations? In short, I am convinced of the innocence of the CEO, who until proven guilty and a final sentence is imposed should be considered innocent, but if I were the lawyer of the CEO, I would advise him to resign to as not to incur possible misjudgements by the judiciary. In fact, in this case the issue goes beyond the CEO himself because it**



involves the image of Eni. If there is an alleged offence of international corruption, such as the one alleged against him, how can the CEO quietly carry out all his duties in this area? Has the CEO relinquished his authority in areas where he is under trial and/or under investigation?

Answer

Eni's Chief Executive Officer is only involved in the Nigeria-OPL 245 trial pending before the Criminal Court of Milan, Section VII. The position that the Board of Directors has expressed on several occasions, based also on the results of the independent investigations conducted, is one of maximum confidence in the correctness of the actions of the company and its CEO in relation to transaction OPL 245. In any case, the Board of Directors has taken a number of precautionary measures. In particular, it decided that the head of the legal function for this is answerable not only to the Control and Risks Committee (as already provided for in general by the Committee's Regulations for events involving the company's top management) but also to the Chairman.

e) Milan Public Prosecutor's Office - Penal Proceedings 12333/2017. Would this be a crime of association for slander involving, among other, a former legal affairs manager? What positions did the others involved hold? We do not name names in such a way as to protect their privacy, however the press seems to report them. But who gave the names to the press? In fact, not only are these not named in the shareholders' meeting but neither are they reported in the draft financial statements. In any case, is it true that in this case criminal association has also been alleged? According to the Prosecutor in this case, how would the slander have occurred? Who would be the injured parties? In particular, who is the alleged slanderer?

Answer

The information available to date is limited because the proceeding is still at the investigation stage. The allegation currently being formulated by the investigators, and still being examined, is that there was a group of people, with differing relationships to Eni, who formed a criminal association aimed at interfering with the judicial activity, as well as to misled and delegitimize the results of the Milan Public Prosecutor's Office investigations in the various criminal cases related to alleged international bribery that took place, respectively, in Algeria and Nigeria.

From the information taken from the available documents, the former Chief of Legal and Regulatory Affairs for the Company is listed in the register of suspects - in addition to an external consultant of Eni, a an associate of his and some business figures - (the information is included in the financial report). As far as it is known to Eni - which, as far as it is aware, is not involved in the investigations for liability according to Italian Legislative Decree 231/2001 - there should not be any other corporate representatives involved.

The names of the suspects are not reported in the draft financial statements for this case as with all the others listed and described in the "Litigation" section; in any case, there is a clear indication of the position held at the time of the events and today by the company representative involved.

f) Is it true that the director Karina Litvack was suspended by a committee and reinstated last year? On what grounds was she suspended? Is her case related to that of Professor Zingales, who resigned previously? Has Professor Zingales ever complained of any misconduct on the part of Eni or its employees?



Answer

Eni's Board of Directors resolved to move the director Karina Litvack from the Control and Risk Committee in the light of the investigations into conspiracy offences against the company reported in the press and also in a writ served on another company manager. The decision was taken, also taking account of the subject of the investigation and certainly not the status of the accused Director Litvack, for the sole purpose of ensuring maximum protection for the company from the risks arising from possible conflicts of interest, without prejudice to the presumption of non-involvement of Director Litvack in circumstances under investigation, until the investigation into the circumstances and her role as a Director of Eni. As stated by the company in its press release of April 4, 2017, when the Public Prosecutor of the Court of Milan asked for the proceedings to be dropped, the company's Board of Directors decided to invite the Director back to serve on the Control and Risk Committee. The new Board of Directors, appointed by the 2017 Shareholders' Meeting, confirmed the Director as a member of the Control and Risk Committee.

The reasons that led to the resignation of Director Luigi Zingales are reported in the letter sent by Director Zingales to the Board of Directors and to the Chairman of the Board of Statutory Auditors, reported in Eni's press release of 3 July 2015. In the letter, the Director pointed out the existence of "irreconcilable differences of opinion on the role of the Board in the management of the company".

- g) With regard to the trial for international corruption opened in March 2018 in Milan, in which Mr Descalzi and other senior managers were charged with the payment of the largest bribe since the "mani pulite" scandal in the 1990s (over one billion Euros), according to L'Espresso of 20 February 2018, updated on 22 February, Eni risks having to pay €9 billion. Is this valuation true? If so, why did we not make provision for this amount?**

Answer

The news reported by the weekly publication reports a statement allegedly made by a Nigerian official, without any explanation from him on which Nigerian legislation the reported valuation is based. It should be noted that no criminal proceedings are formally pending in Nigeria against Eni, its affiliates or their employees.

- h) Did the Board of Statutory Auditors carry out any checks on the above point and find nothing? But if the facts were true, could not they be accused of a lack of vigilance in their checks? Could it be appropriate to replace them?**

Answer

See answer to question V.

- i) What measures has the Court of Auditors taken with regard to the criminal proceedings in progress? Has it opened any investigations?**

Answer

See answer to question V.



j) What position has Chairman Marcegaglia taken in the face of the ongoing investigations and trials?

Answer

As part of the duties assigned to the role in internal control matters, the Chairman shared the positions collectively adopted by the Board of Directors on the basis of the results of the independent audits carried out by the company's control bodies, also supporting the Board in obtaining further independent opinions.

Furthermore, in relation to the OPL 245 affair, the Chairman has proposed a series of measures to the Board to protect the Company and has taken on, together with the Control and Risk Committee, the supervision of the Legal Affairs Department.

k) Is it true that Nigeria considers that the marine exploration licence obtained by Eni was the result of a bribe of more than one billion and that the government of Nigeria therefore considers the agreements with Eni and Shell to be null and void? Formally, what costs did we incur to obtain the licence that gave us permission for underwater exploration in the territory in question?

Answer

Eni paid USD 981.5 million in 2011 to acquire the ownership of the OPL 245 licence as reported in the Annual Report (value equal to €818 million). To date, considering exploration and pre-development costs subsequently capitalised, the total book value has been recalculated to €1,107 million.

l) What is the value of Shell's interest in Nigeria? Would such a value at the present time therefore be considered a loss?

Answer

No comment on the question. Eni is not responsible for Shell's treatment value or impairment of the OPL 245 licence.

m) Is it true that Nigeria has asked Eni for USD 6.5 billion for the foregoing? What interest will be charged on this figure? Has at least part of the debt been paid?

Answer

See answer to question g) above.

n) What fines have been imposed in Italy in connection with the Nigeria affair? How much? Were they as high abroad? In Italy and abroad, who would be responsible for this?

Answer

No fines were imposed either in Italy or abroad.

o) Is it true that Nigeria would initially have withdrawn the penalties against Eni, provided that a Nigerian state-owned company had been included in the deal? This is reported in the above-mentioned article by L'Espresso, 20/02/2018, updated on 22/02/2018 ("Maxi



tangente, colpo all'Eni: ora rischia di pagare nove miliardi", Massive bribe, blow to Eni: now it risks having to be nine billion).

Answer

As mentioned above, no criminal proceedings are formally pending in Nigeria against Eni, its affiliates or their employees. The agreements concluded with the Government in 2011 provide the right for the Nigerian State Petroleum Company (NNPC) to acquire a share of up to 50% in the licence OPL 245 (the so-called "back-in right").

p) How much did the OPL 245 license cost us? To whom did we pay the price? Why has the African country not received anything?

Answer

For the cost of licence OPL 245, see answer to question K). The payment made by Eni and Shell to the Nigerian Government for the licence OPL 245 was made into bank account of the Government held with an international bank.

q) QUESTION TEXT MISSING

r) Is Roberto Casula, Eni's current number two, being investigated? Has he been the victim of attempted libel? If so, by whom?

Answer

Whereas Mr Casula, like others, is a directly report to the Chief Executive Officer, as stated in the Notes to the Financial Statements of the 2017 Annual Report, Litigation section, pp. 210 and 211, Roberto Casula, identified in the said section as holding the position of Chief Development, Operation & Technology Officer, was indicted in the criminal proceedings OPL 245 Nigeria at the Court of Milan and is investigated in the Congo investigation at the Milan Public Prosecutor's Office.

s) What are the duties of Roberto Casula?

Answer

The Chief Development, Operations & Technology Officer (CO/DOT) is in charge of the single competence centre at Eni for the effective and efficient configuration of development projects, technical support to industrial assets, the management of research activities through the development of technological KH and innovation and upstream operational procurement and decommissioning activities.

The assignment of powers is consistent with the responsibilities assigned

t) Was thought given to the possibility of moving duties of Mr Descalzi to Mr Casula?

Answer

The powers delegated to Mr Descalzi have been conferred by the Board of Directors. The position that the Board of Directors has expressed on several occasions, based also on the results of the independent investigations conducted, is one of maximum confidence in the correctness of the actions of the company and its CEO.



u) Does Eni know who among its employees would have received any kind of dowry/inheritance from Nigeria? The aforementioned article mentions it!

Answer

According to the documents filed by the Milan Public Prosecutor's Office in December 2016, at the conclusion of the preliminary investigations, a former Eni manager received an amount in his own bank account for which the payment reference was an alleged inheritance left by his father.

v) But in all of this, does the company continue to confirm its maximum confidence in the Board of Statutory Auditors, which has so far found nothing in these events? If I entrust someone to perform an audit and the auditor doesn't find anything when all hell breaks loose around them, culminating in the strange attempted murder of the Nigerian Anti-Corruption Chief and the murder of one of his security guards, is it possible that the Board of Auditors made errors of judgement?

Answering questions h), i) and v)

The activities carried out by the Board of Statutory Auditors are described in the relative report to the Shareholders' Meeting, to which reference should be made. In particular, with regard to issues relating to the OPL 245 affair, the Board of Statutory Auditors, together with the Watch Structure, extended the forensic mandate entrusted in 2014 to a leading international law firm expert in anti-corruption matters, in order to assess whether, in the light of the deeds and documents made available by the Milan Public Prosecutor's Office, those made available by the Nigerian Investigative Authorities and any other information useful for the purpose of the investigation made available, the conclusions reached following the previous verifications carried out on the matter could or could not be confirmed, and from which, in the opinion of the independent expert, no evidence of unlawful conduct on the part of the Company. As a result of these additional checks, the appointed international law firm confirmed its previous conclusions. As indicated in the report, the Board of Statutory Auditors continues to monitor the proceedings that affect the company.

The control activities carried out by the Magistrate of the Court of Auditors are governed by the provisions of Law 259 of 21 March 1958 and the results are contained in the report to be presented to the chambers of the Italian parliament.

w) Of the 21 complaints to the Board of Statutory Auditors, which were received from major shareholders?

Answer

None

x) How many trainee journalists were hired at Agi in 2017?

Answer

In 2017, no journalists were hired to work at Agi.

y) What were the debts in 2017 of the subsidiary AGI? How much has the debt increased or decreased?



Answer

The financial statements as at 31 December 2017 for AGI reported a loss of approximately EUR 6 million and a shareholders equity of approximately EUR 2 million.

The company's net borrowings amounted to approximately €2 million, a decrease of approximately €3 million to 2016 following the recapitalisation of the company by Eni in 2017 (approximately €8 million), partly offset by net cash from operating activities (a negative of approximately €4 million) and capital expenditure for the period (approximately €1 million).

- z) Did you think that if there were more opportunities for contact with shareholders during the year, they would not have to concentrate their questions during the shareholders' meeting? In this case, I write as a member of an association of shareholders, to whom you could pass clarifications as they are provided either to me or other shareholders, with the opposite result. In the final analysis, should the purpose of relations with shareholders also be to maintain relations throughout the year, or is this an erroneous conclusion?**

Answer

Eni communicates regularly with its shareholders, both institutional and retail, and with the market in order to ensure the dissemination of complete, correct and timely information on its activities. Information on periodic reports, the four-year strategic plan, significant events and operations is provided by means of press releases, meetings and conference calls with institutional investors, financial analysts and the press and is promptly made available to the public, including through publication on the website. In addition to the traditional annual strategic presentation, meetings with institutional investors are held periodically, in particular on the occasion of the "Investor Day", in response to the need to improve dialogue with the market. Specific functions of Eni are responsible for relations with institutional investors, shareholders and the media. In particular, relations with institutional investors and financial analysts are managed by the Investor Relations function, as recommended by the Corporate Governance Code; relations with other shareholders are managed by the Company Secretariat function; relations with the media are managed by the External Communications function. The relative information of interest is available on the Eni website. Eni is always available to answer the questions of its shareholders received at the appropriate post office box stated on the company's website, bearing in mind, however, limits due to compliance with the principle of equal information of shareholders. With particular reference to shareholders' associations, in order to facilitate the collection of proxies by employee shareholders' associations that meet the requirements of current legislation, the By-laws confirm that these associations will be provided, according to the terms and conditions agreed upon from time to time with their legal representatives, with opportunities for communication and collecting proxies.



SHAREHOLDER DOMENICO NARDOZZA

- 1. Net of the interruption of COVA activities due to the seizure of some operating plants ordered by the Potenza public prosecutor in 2016, which "involved production of approximately 60 thousand barrels/day at Eni's share"³², and the suspension of industrial activities from COVA in 2017 following the launch of a criminal investigation into environmental pollution offences for losses from tanks "which had a not inconsiderable impact on Eni's 2017 results"³³, what is the "health" condition of the Val d'Agri field and its real extraction potential?**

Answer

There is no correlation between the production suspensions in 2016 and 2017 and the "health" condition of the Val D'Agri field. Currently, the correct and regular exploitation of the reservoir guarantees production of about 82,000 barrels/day, 4.5 million cubic meters per day of gas (cm/d) and 3,500 cm/d of production water (100% data).

- 2. In Val d'Agri the wells drilled and in production are less than those authorized by the agreements; there are already closed locations, such as that of the former Cerro Falcone 7 and Sant'Elia 1 cluster in the municipality of Marsico Vetere. Not far from the first pitch a new cluster of the same name is taking shape but while work on the new wells is advancing, there is no trace of clean-up work on the old clusters. As provided for in the agreements, will there be a return to the campaign plan and within what timescale?**

Answer

The old Sant'Elia 1/Cerro Falcone 7 station (SE1/CF7) has never been drilled because, in terms of "zero risk" for the environment, Eni decided not to use the station as it was near water sources. For this purpose, a new area was identified in a more suitable location.

Therefore, only initial civil engineering works were conducted at the SE1/CF7 workstation, namely the construction of concrete slabs, tanks and cellars in preparation for the reception of the drilling rig.

Following the decision to change location, a survey was carried out on the land according to Italian Legislative Decree 152/06; the results of chemical analyses carried out on the soil samples showed full compliance with the regulations and, therefore, did not reveal concentration values higher than the concentration thresholds imposed by Italian Legislative Decree 152/06, for the intended use of the site (Table 1, Column A, Annex 5 to Part Four of Italian Legislative Decree 152/06, sites for public open spaces/residential private use). It should also be noted that for almost all the samples analysed, the concentration values found are below the limits of instrumental detectability.

Following the results, a clean-up plan was produced to restore the area to its original condition. Once clearance has been received for the hydrogeological constraint and for some civil engineering works in order to be able to access the platform with the necessary vehicles, the clean-up work can begin.

- 3. The memorandum signed in 2011 between the government and the Basilicata region indicated, among the many things that needed to be implemented, one that closely**

³² 2016 Annual Financial Report, https://www.eni.com/docs/it_IT/eni-com/documentazionearchivio/documentazione/bilanci-rapporti/rapporti-2016/Relazione-finanziaria-annuale-2016.pdf, page 185

³³ 2017 Annual Financial Report, https://www.eni.com/docs/it_IT/eni-com/documentazionearchivio/documentazione/bilanci-rapporti/rapporti-2017/Relazione-finanziaria-annuale-2017.pdf, page 96



concerned Eni; that is, a production threshold of 104 to 125 thousand barrels of oil per day was foreseen. As the CEO, Mr Descalzi, stated at the 2017 Shareholders' Meeting, "We are now producing 80 thousand barrels and we need to carry out activities to reach 104 thousand barrels, with a total investment of more than € 3 billion"³⁴, is the limit of 125 thousand barrels still a realistic target for Eni for the Val d'Agri field? If so, how much will Eni invest in COVA to process such a daily quantity of crude oil?

Answer

Production is currently about 82,000 barrels/day, compared to a maximum capacity of 104,000 barrels/day at the Val d'Agri Oil Unit, which is still the benchmark.

The main strategic objective of the current investment plan is to create value over the long term, in accordance with the instructions of the Authorities and in full respect of the territory. The plan features a high degree of environmental sustainability as it provides for the construction of new wells from existing pitches and the maximisation of interventions on existing wells without therefore the impacts relating to the occupation of new spaces and without expansion of the Val d'Agri Oil Unit.

4. **In other areas where Eni operates, alternative investments to oil are being undertaken. In Val d'Agri, on the other hand, only oil is extracted and invested in, with dubious results given the "structural" problems of COVA. Will there be a reversal of the trend towards other types of investment here in Val d'Agri? If yes, of what type and extent, and with what timescale.**

Answer

See answer to question 5

5. **It is precisely these different types of investments that could bring further employment to the territory that is now also the home to the DIME, perhaps reducing the discontent that has been seen for years now. Why not invest now in something else and not at the end of the inevitable extraction route?**

Answer to questions 4-5

In order to allow the continuation and development of industrial activities in a climate of greater collaboration and dialogue with the territory and stakeholders, Eni has started a feasibility analysis for a short to medium term plan of work based on a strategy of implementing projects in the renewables, technological innovation and circular economy sectors. The goal is to move to an integrated business model where Upstream is still an important part but is included in a broader context of greater sustainability, driving the development of the area, redeveloping the territory, promoting employment which can attract technologically innovative solutions and take full advantage of the new digital opportunities.

6. **Eni's 2017 annual financial report refers to the commitment arising from the memorandum of intent signed in 1998 with the Region of Basilicata in connection with the oil development programme proposed by Eni in the Val d'Agri area, which would provide for various initiatives, most of which are already regulated by implementation**

³⁴ Minutes of the Ordinary Shareholders' Meeting of ENI SpA, https://www.eni.com/docs/it_IT/enicom/azienda/governance/2017/Verbale-Assemblea-ordinaria-13-aprile-2017-navigabile.pdf, page 124



agreements, for a total amount of €128 million³⁵. What is the value of, and to what to they relate, the initiatives already governed by the existing implementation agreements? The total of €128 million refers to how many years? How much of this €128 million will be invested in the next 5 years?

Answer

The €128 million comes mainly from commitments under the 1998 Protocol, which has not yet been formalised with specific implementation agreements. Expenditure will be made on the basis of the formalisation of these agreements, which will be defined by the Region.

On the basis of the 1998 Protocol, Eni/Shell has already formalised with the Region of Basilicata compensatory measures for relating to the "Management of the Environmental monitoring system", "Sustainable development" and the establishment of 100% study scholarships for a total value of approximately € 180 million, € 131 million of which have already been paid.

7. How is the company proceeding with the acquisition of the areas outside the COVA for the so-called buffer zone?

Answer

It consists of 70 hectares, around 70% of which have now been acquired, that will be used for the construction of plants to process production water which can be made available as a primary asset in the agricultural supply chain, civil or industrial activities in the field of renewables, technological innovation and the circular economy as well as being a buffer between the activities of the industrial area and the nearest settlements.

³⁵ 2017 Annual Financial Report, https://www.eni.com/docs/it_IT/eni-com/documentazionearchivio/documentazione/bilanci-rapporti/rapporti-2017/Relazione-finanziaria-annuale-2017.pdf, page 200



SHAREHOLDER INVESTIMENTI SUD ITALIA

- 1. Has the Board of Directors selected the person to take on the role of Shareholders' Representative designated by the Company? Did the Board consider a number of options (including on the basis of their quoted prices)?**

Answer

The appointment has been made by the competent corporate structures in compliance with internal procedures regarding the conferral of mandates. The choice of the person was made on the basis of the assessment of the work performed in the previous position and proven experience in the field.

- 2. What is the cost of the Designated Representative?**

Answer

The Shareholders' Representative designated by the Company according to Article 135-undecies of the Consolidated Law on Finance, is the lawyer Dario Trevisan. The cost is a maximum of € 5,000 depending on the number of proxies, plus expenses, VAT and CPA (contribution to lawyer's providential fund).

- 3. How many times during the year did the Board of Directors exercise its power to examine and approve the operations of subsidiaries?**

Answer

In 2017, the Board of Directors examined and approved 14 transactions relating to subsidiaries.

- 4. Last year, the Company announced that it was in the process of updating its internal regulation on the management of inside information; has that update been completed?**

Answer

The updating of the internal regulation on the management of the handling of inside information has been prepared and is being shared with the relevant internal functions; the time required for the final drafting was due to the need to implement the latest Consob guidelines on the subject. In the course of formalising the updating of internal regulation, compliance with legal obligations is fully ensured by specific internal provisions.



- 5. For press releases which are not required to be approved by the Board of Directors by specific provisions, are they sent to the members (or some members) of the Board at the same time as their publication on the website or previously?**

Answer

All press releases are subject to the approval of the Chief Executive Officer of the External Communication Department in line with the provisions of internal regulation on Communication and Market Abuse. This is without prejudice to the approval of the Board of Directors for press releases within its purview. After approval, press releases are published by the same function on Eni's website, in compliance with the rules on Market Abuse and in any case without prejudice to further legal requirements related to the particular nature of the information processed.

- 6. Beyond the rules on the composition of the Board of Directors and Board of Statutory Auditors, what are the existing mechanisms in the corporate structure that support gender balance and equal opportunities of access to management positions? What was the percentage increase in the number of women in top management positions compared to 2016?**

Answer

Eni considers diversity to be a resource, a source of enrichment that makes the company stronger and better able to face challenges. The company has adopted a Diversity & Inclusion system aimed at promoting the creation of a work environment in which diversities of any nature are valued without distinction (race, colour, gender, religion, nationality, political opinion, sexual orientation, social status, age).

In particular, the recognition of the value of gender is supported through a structured and long-term approach to gender management, based both on a Governance and regulatory system and on the enhancement of female talent recognized in all internal personnel management and development processes.

In this sense, awareness-raising activities are constantly promoted and "active" monitoring processes are put in place on the presence of women in positions of responsibility (middle and top management), in managerial resource basins and at crucial career junctions. Much attention is paid to young incoming women, to training and development activities dedicated to women (mentoring and/or coaching) and to the enhancement of female role models.

The percentage of women in positions of responsibility (middle managers and executives) rose from 23.67% in 2015 to 24.86% in 2017; in particular, women executives account for 14% of the managerial force, with a gradual growth trend over the years in the promotion of women (23% of the total in 2017 vs. 15% in 2014).



The presence of women on the boards of directors and control of Eni's subsidiaries also increased overall from 26% in 2015 to 32% in 2017 for the Boards of Directors and from 34% to 37% for the control bodies.

7. What is the expenditure budget allocated in 2017 to the internal control committee and internal auditor for the performance of their duties?

Answer

The Risk and Control Committee budget for 2017 was €100,000, the Internal Audit budget for 2017 for professional and other external services was €700,000.

8. What was the cost of external consultants for the updating of the 231 Organisational Model? Can you confirm that consultancy has been provided by a PWC network company in 2017 and will be in 2018?

Answer

A framework contract is in place with companies in the PWC network to provide assistance to Eni SpA and the companies in the group in the adoption/updating of the 231 models. In 2017, the Group's total cost from this activity totalled approximately €2 million. For 2018, the activities have continued and may continue within the limits allowed by applicable regulations, taking into account the proposal to assign the statutory audit to PWC.

9. How many requests for information according to Article 115 of Italian Legislative Decree 58 1998 by Consob were received by the Company during the year? What was the subject of these requests?

Answer

The Company received a request for information according to art. 115 of Italian Legislative Decree 58/1998 from Consob, concerning the shareholding structure. The Board of Statutory Auditors received a request for information according to article 115 of Italian Legislative Decree 58/98 from Consob in relation to investigations initiated by the Milan Public Prosecutor's Office into an alleged interference of the judicial activities conducted by the said Public Prosecutor's Office.

10. What is the Company's current use of energy resources for 2017? What about the percentage split between renewable and non-renewable resources? What are the greenhouse gas emissions attributable to the company's business? Is there a corporate policy aimed at increasing the use of renewable sources for the group's energy needs?

Answer

- In 2017, Eni's consumption of primary energy sources totalled around 13 MTOE, to which should be added 0.5 MTOE of energy purchased from other companies. This energy is essentially of fossil



origin but about 80% of it comes from natural gas/fuel gas, which guarantees efficiency of productivity and better emissions performance compared to other petroleum products (e.g. gas oil).

- Electricity production from renewable sources still accounts for a marginal share of energy consumption, however in the four-year period 2018-2021 an increasing renewables commitment is expected, with investment in economically sustainable projects of about €1.2 billion and an installed power output from renewable sources of about 1 GW by 2021 and 5 GW by 2025. These investments will also make it possible to gradually replace self-consumption from fossil sources with renewable energy from solar and wind power plants.
- Direct emissions of greenhouse gases attributable to the Company's business (so-called Scope 1) are calculated on the basis of operating at 100% and are published in all institutional communications. In 2017 these emissions amounted to 42.52 MtCO₂eq, down by 27% compared to 2010 thanks to investments in flaring down, energy efficiency, green conversion of the downstream segment and control of fugitive methane emissions. In the last year there has been an increase of 2.5% compared to 2016, mainly due to the start-ups in Ghana, Angola and Indonesia.

11. Are staff training programmes related to the anti-corruption policy planned? Have any disciplinary sanctions been imposed for violations of the company's anti-bribery policy?

Answer

Since 2009, Eni, through its anti-corruption unit, has developed a compulsory training programme on anti-corruption issues for personnel, both in Italy and abroad. This programme includes an e-learning course with assessment tests, carried out in two separate modules, one for executives and middle managers and equivalent roles abroad and a "basic" module for all other employees. In addition to the e-learning training, the anti-corruption unit carries out classroom training events (workshops) for staff at risk of corruption. The workshops provide a general overview of the anti-corruption laws applicable to Eni, the risks that may arise from their violation for individuals and entities and Eni's Anti-Corruption Compliance Program. Alongside the workshops, job specific training carried out, i.e. training events for specific professional areas at risk of corruption.

Finally, it is confirmed that during 2017, disciplinary sanctions were imposed for conduct in violation of anti-corruption regulations.

12. Is there a person responsible for IT security? Does this person report directly to the CEO or to other middle managers?

Answer

IT security is the responsibility of the Head of the "ICT Global Cyber Security" function. This function:

- reports to the Information & Communication Technology Department (reporting to the Chief Services & Stakeholder Relations Officer, who in turn reports to the Eni CEO);



- works in close collaboration with the other corporate functions responsible for identifying risks concerning the protection of critical information.

13. Is it possible to obtain (for the individual shareholder) a complete copy of the shareholders' register? Is it possible to obtain copies or extracts in digital format and, if so, at what cost?

Answer

According to art. 2422 of the Italian Civil Code, shareholders have the right to examine the shareholders' register and to obtain extracts at their own expense. The cost of extracts may vary depending on the terms of your request.

14. What activities were carried out by the individual directors for the benefit of the company, in terms of degree of responsibility, in terms of meetings, in terms of working time?

Answer

The activities of the directors take place within the board and the committees, on a collective basis. Specific roles are performed by the Chief Executive Officer and the Chairman by virtue of the functions assigned to them by the Board and the By-laws and also by the Chairmen of the Board Committees. For further information, please refer to the 2017 Corporate Governance Report, available on the Eni website.

15. Has the appropriateness, or otherwise, of the established and paid remuneration been based on the above aspects or otherwise, and with what criteria?

Answer

The remuneration prescribed by the Board of Directors for Directors who perform special functions according to Article 2389 of the Italian Civil Code is determined in accordance with the Remuneration Policy approved by the Board of Directors at the proposal of a Remuneration Committee composed of independent Directors, after consulting the Board of Statutory Auditors and published in the Remuneration Report, as well as being submitted to the consultative vote of the Shareholders' Meeting in the section relating to the aforementioned Remuneration Policy.



16. Do the directors use the services of their own contractors to examine the company's practices?

Answer

As far as the Company is aware, the Directors do not avail themselves of contractors from outside the Company for the examination of the matters submitted to them.

17. If so, are they entered in the relevant register with a commitment to confidentiality and access to confidential data? Can we know the names?

Answer

See previous answer.

18. In particular, for the purposes of the Board's approval of these financial statements, how much time did the directors have available? How much time did they actually spend studying it?

Answer

The Directors are updated in a timely and continuous manner on management events and on issues connected with their representation in the financial statements; in particular, the discussion of the main issues from the financial statements took place in 4 sittings, in December, January, February and March, of the Control and Risk Committee and of the Board of Statutory Auditors, in the presence of the auditing company. The draft annual financial report was made available to Directors approximately one week before the date of Board approval.

19. Do the Directors have the professional skills to assess the adequacy and correctness of the financial statements or have they used the services of third parties?

Answer

The directors carry out their functions themselves and do not make use of third parties, as far as the company is aware.

20. Were the directors always unanimous in their decisions?

Answer

The decisions of the Board of Directors were taken unanimously, with the exception of cases in which abstention is required by law or internal regulations (e.g. abstention of the Chief Executive Officer on the resolution relating to his remuneration).



21. Did the non-executive directors carry out duties off-site or perform roles, including simple representation or introduction in relation to specific activities or contracts entered into?

Answer

With the exception of the Chairman, who is the legal representative of the company under By-laws, the non-executive directors did not carry out any roles or duties with respect to specific activities or contracts, except for any activities of the Chairmen and members of the Board Committees, based on the tasks assigned to them by the Board.

22. Do the statutory auditors make use of contractors in their control duties? Have the names have been communicated to the company? Has the company denied access to contractors in some cases?

Answer

As far as the Company is aware, the Statutory Auditors do not avail themselves of contractors from outside the Company for their control duties.

23. Are they entered in the relevant register with a commitment to confidentiality and access to confidential data?

Answer

The Statutory Auditors do not avail themselves of contractors in control activities (see question 22)

24. Which auditor individually carried out the control activity on which occasion?

Answer

As reported in the Report of the Board of Statutory Auditors to the Shareholders' Meeting, in 2017 Statutory Auditor Marco Seracini carried out 4 individual control activities, which he subsequently reported to the Board, as part of the review of the quarterly reports prepared by Internal Audit in accordance with the internal regulations that govern the process of receiving, analysing and processing reports sent or transmitted to Eni, including in a confidential or anonymous form.



25. Have training programmes have been organised for Directors (known as "induction") as required by the Corporate Governance Code? If so, on what issues and how long did they last? Who decided on the topics?

Answer

In line with the provisions of the Corporate Governance Code, the Chairman of Eni's Board of Directors, in agreement with the Chief Executive Officer, has prepared a training plan (known as the "board induction") immediately after the appointment, which took place on 13 April 2017, and which included some additional sessions of ongoing training for the Board, which was also attended by the Board of Statutory Auditors.

In particular, the Board, almost completely confirmed compared to the previous one, took the training programme which covered individual aspects of the business and visits to operating sites at the Porto Marghera refinery and the Mantova petrochemical plant, along with the Upstream and "Renewable" control centres.



SHAREHOLDER DOMENICO GIOVANNI BATTISTA MELE

1. What programmes and plans are there for the Val d'Agri cultivation concession?

Answer

Production is currently about 82,000 barrels/day, compared to a maximum capacity of 104,000 barrels/day at the Val d'Agri Oil Unit, which is still the benchmark.

The main strategic objective of the current investment plan is to create value over the long term, in accordance with the instructions of the Authorities and in full respect of the territory. The plan features a high degree of environmental sustainability as it provides for the construction of new wells from existing pitches and the maximisation of interventions on existing wells without therefore the impacts relating to the occupation of new spaces and without expansion of the Val d'Agri Oil Unit.

2. How many existing and future applications are there for exploration permits in Basilicata and what are they?

Answer

Eni is present in Basilicata as an operator in the **Serra San Bernardo** Search Permit (Eni 63.34% - ROCKHOPPER Italia 22.89% - TOTAL E&P Italia 13.77%) and submitted 100% of the application for 5 Permit Applications (**Anzi; Frusci; Monte LI Foi; San Fele** and **Satriano di Lucania**). While it is a partner in 4 other Search Permits (**Aliano**: TOTAL E&P Italy Op. 60% - Eni 40%; **Fosso Valdienna**: TOTAL E&P Italy Op. 83.4% - Shell Italia E&P 9.3% - Eni 7.3%; **Teana**: TOTAL E&P Italy Op. 80% - Eni 20%); **Tempa Moliano**: TOTAL E&P Italy Op. 83.4% - Shell Italia E&P 9.3% - Eni 7.3%) and contributes to the Permit Application for **Masseria La Rocca** (ROCKHOPPER Italia Op. 30% - TOTAL E&P ITALIA 38% - Eni 32%).

3. How does it intend to compensate for the lack of re-injection of processing fluids from the Val d'Agri concession, in view of the problems posed by the 'Costa Molina 2' well in the Montemurzo area (Potenza) and the ban on reinjecting the 'Monte Alpi 9' sterile well in the Grumento Nova area (Potenza)?

Answer

Currently, Eni has a single injection well (Costa Molina 2) authorized according to the regulation in force. There are currently no plans for the commissioning of additional injector wells.

With a view to always meeting the needs of the region and to respond in a far-sighted way, Eni is planning and discussing with institutions in order to promote the installation of production water treatment plants so it can be subsequently used for industrial, civil and agricultural purposes within a sustainable business vision and in line with a circular economy.

The field is exploited with the production of around 82,000 barrels of oil and about 3,500 cubic meters of associated production water per day. This water is reinjected at a rate of for 2000 cm/day



into the Costa Molina 2 well, in the same reservoir from which it is produced at a depth of about 3000 m, according to the best practices of the oil industry; the remaining production water is disposed of as waste through the use of tankers.

Integrated Environmental Authorization, ref. D.G.R. (Regional Government Decree) 627/2011 from Basilicata (and subsequent ratification of a non-substantial amendment to the IEA to renew the reinjection authorization on 9 September 2013), authorizes the reinjection of production water into deep geological units through the Costa Molina 2 well with a maximum volume of 3,200 cm/day (and 1,000,000 cm/year).

As mentioned, the reinjection amounts to 2,000 cm/day, which is significantly less than what is authorized, demonstrating the company's care for the region.

