Transparency on payments made in Governments

<table>
<thead>
<tr>
<th>Year</th>
<th>Country</th>
<th>Payments to Governments</th>
<th>Payments to Host Governments</th>
<th>Payments to National Oil Companies</th>
<th>Payments to States</th>
<th>Payments to Regions</th>
<th>Payments to Municipalities</th>
<th>Corridors</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>Italy</td>
<td>23,226,728 (€ thousands)</td>
<td>1,423,000 (€ thousands)</td>
<td>99,000 (€ thousands)</td>
<td>1,000,000</td>
<td>99,000</td>
<td>23,226,728 (€ thousands)</td>
<td></td>
</tr>
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<td>Italy</td>
<td>23,226,728 (€ thousands)</td>
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<td>99,000</td>
<td>23,226,728 (€ thousands)</td>
<td></td>
</tr>
</tbody>
</table>

(a) The data include Eni SpA (Exploration & Production), EniMed, Società Adriatica Idrocarburi and Società Ionica Gas.

(b) Mainly refers to VAT reimbursement of 23,226,728 thousands of Tenge relating to Agip Caspian Sea BV Branch.

(c) The data include Eni SpA (Exploration & Production), EniMed, Società Adriatica Idrocarburi and Società Ionica Gas.

(d) The data include Eni SpA (Exploration & Production), EniMed, Società Adriatica Idrocarburi and Società Ionica Gas.

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### Transparency on payments made to Governments

<table>
<thead>
<tr>
<th>Year</th>
<th>Payments made to Governments (€ thousands)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013-2014</td>
<td>130,611</td>
</tr>
<tr>
<td>2014</td>
<td>203,428</td>
</tr>
<tr>
<td>2015</td>
<td>301,871</td>
</tr>
</tbody>
</table>

* Payments made by Eni on a 100% basis, when Eni paid on behalf of joint venture partners.
* When Eni is not the operator are not disclosed payments made by Joint Venture partners on behalf of Eni.
* Payments made by Eni in those activities where Eni is not the operator.

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**Focus 2015**

**Eni’s approach to transparency**

Improving material extractive governance is a fundamental objective for Eni, and we are committed to advancing the transparency agenda in the oil and gas sector.

Eni has been a member of the Extractive Industries Transparency Initiative (EITI) since 2005.

In 2014 Eni decided to adopt a voluntary disclosure on payments, revenues, and investments made to Governments/local authorities/States/etc. in the Countries in which the Company is active. For this reason, in 2015 the Company contacted all its stakeholders to obtain their permission for disclosure. The results obtained have been published on the EITI website.

Byrgb supporting the EITI in 2014, Eni committed to the EITI Standard and published its first EITI Report.

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### ENI’s approach to transparency

Transparency at national, local and regional level is fundamental to improving material extractive governance. Eni has been committed to advancing the transparency agenda in the oil and gas sector since 2005.

The Extractive Industries Transparency Initiative (EITI) is a global standard which sets out a voluntary approach for companies to report their payments to Governments/local authorities/States/etc. in the Countries in which they are active. The EITI promotes open, accountable management of natural resources.

The EITI is internationally recognised and is supported by a coalition of Governments and private sector companies and civil society groups.

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Eni’s approach to transparency is consistent with the Company’s policies on ethics, anti-corruption, and responsible management of natural resources.

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### A growing commitment to transparency

Eni has been committed to transparency since 2005. In this period, the Company has taken a number of significant steps to advance transparency, including:

- Committing to the EITI Standard and publishing its first EITI Report in 2014.
- Adopting a proactive approach to transparency and to ask for their permission for disclosure. The results obtained have been published on the EITI website.
- Committing to transparency, undertaking a review of its operations, and a commitment to transparency and accountability.
- Eni’s approach to transparency is consistent with the Company’s policies on ethics, anti-corruption, and responsible management of natural resources.

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### The EITI and Eni

Eni is committed to promoting open and accountable management of natural resources. In each Countries where Eni operates, it is committed to improving transparency, ensuring that payments are reported in a transparent and timely manner.

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### The EITI and the Multi Stakeholder Groups

Eni is a member of the Multi Stakeholder Groups in the Countries that have joined the EITI, such as Congo, Mozambique, Timor Leste, Ghana and Ukraine. Eni also participates in the EITI and is committed to promoting open and accountable management of natural resources.

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### Transparency

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**Eni for 2015**

Eni’s approach to transparency

Improving natural resource governance: gaining trust and confidence of all stakeholders improves natural resource governance and generating trust and confidence among all stakeholders is fundamental to stop social tensions. Improving natural resource governance means to enable transparency in the collection and disbursement of revenues from natural resource extraction, improving financial transparency, improving the management of natural resources and, last but not least, making room for states and communities to define and implement their natural resource policies. Eni supports transparency initiatives worldwide. In the countries that have joined the EITI, such as Congo, Mozambique, Timor Leste, Ghana and Ukraine, Eni is a member of the Multi-Stakeholder Groups.

A growing commitment to transparency

Eni’s growing transparency extends to its financial reporting as well. Its commitment has led to a growing transparency in the corporate governance and in the management of natural resources. Eni has voluntarily committed to the Extractive Industries Transparency Initiative (EITI). The EITI is a global standard which seeks to increase transparency and accountability in the management of natural resources. Eni was a founding member of the EITI in 2005 and supports its efforts in the Countries where it operates by supporting the Multi-Stakeholder Groups.

**Transparency on payments made on behalf of the Joint Venture**

<table>
<thead>
<tr>
<th>Country</th>
<th>Royalties paid in Italy in the 2013-2015 period (€ thousands)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mozambique</td>
<td>2013-2014 91,862</td>
</tr>
<tr>
<td>Kazakhstan</td>
<td>2013-2014 509</td>
</tr>
<tr>
<td>Vietnam</td>
<td>2013-2014 80,202</td>
</tr>
<tr>
<td>The United Kingdom</td>
<td>2013-2014 160</td>
</tr>
<tr>
<td>The Netherlands</td>
<td>2013-2014 55</td>
</tr>
<tr>
<td>Russia</td>
<td>2013-2014 520</td>
</tr>
<tr>
<td>Rep. of Congo</td>
<td>2013-2014 439</td>
</tr>
<tr>
<td>Portugal</td>
<td>2013-2014 926</td>
</tr>
<tr>
<td>Norway</td>
<td>2013-2014 807,974</td>
</tr>
<tr>
<td>Nigeria</td>
<td>2013-2014 28,664</td>
</tr>
<tr>
<td>Myanmar</td>
<td>2013-2014 1,983,759</td>
</tr>
<tr>
<td>Libya</td>
<td>2013-2014 14,620</td>
</tr>
<tr>
<td>Kenya</td>
<td>2013-2014 165,603</td>
</tr>
<tr>
<td>Iraq</td>
<td>2013-2014 125,596</td>
</tr>
<tr>
<td>Ghana</td>
<td>2013-2014 576,265</td>
</tr>
<tr>
<td>Gabon</td>
<td>2013-2014 343,922</td>
</tr>
<tr>
<td>Denmark</td>
<td>2013-2014 1,585,505</td>
</tr>
<tr>
<td>Cyprus</td>
<td>2013-2014 298,383</td>
</tr>
<tr>
<td>Croatia</td>
<td>2013-2014 4,126</td>
</tr>
<tr>
<td>Angola</td>
<td>2013-2014 222,621</td>
</tr>
</tbody>
</table>

**Reported data**

Reported data refer to the last EITI disclosure issued in relation to EITI Countries, as of 2017. For this reason, payments made in previous years, which are subject to tax dispute, have been considered and reported. These data show a meaningful increase in the number of Countries which support Eni’s natural resource policies. Finally, as evidence of its commitment to transparency and to ask for their permission to publish these data, Eni has been a member of EITI since 2005 and supports it worldwide.

**Focus 2015**

Transparency is a global standard which seeks to increase transparency and accountability in the management of natural resources. It requires a long time to generate the required conditions of “good practice” to be complied with.

**Transparency on royalty payments**

Eni is committed to the EITI Standard, which requires companies operating in the extractive industries, to be able to disclose payments made to the Government, companies and civil society working together. Eni has a proactive approach to transparency, in order to strengthen Government and companies’ systems to inform public debate, and to enhance trust in order to promote open and accountable management of natural resources. Eni supports transparency initiatives worldwide. In the Countries that have joined the EITI, such as Congo, Mozambique, Timor Leste, Ghana and Ukraine, Eni is a member of the Multi-Stakeholder Groups.

**Transparency on government revenues**

Eni is committed to an active role in the Countries where it operates by supporting the Multi-Stakeholder Groups, which are working in line with the EITI Standard and promoting the preparation of the Reports. In the Countries that have joined the EITI, such as Congo, Mozambique, Timor Leste, Ghana and Ukraine, Eni is a member of the Multi-Stakeholder Groups. For this reason, payments made in previous years, which are subject to tax dispute, have been considered and reported. These data show a meaningful increase in the number of Countries which support Eni’s natural resource policies. Finally, as evidence of its commitment to transparency and to ask for their permission to publish these data, Eni has been a member of EITI since 2005 and supports it worldwide.
Eni considers ethical integrity, full respect for the law and regulations, and fairness to be constant commitments.

Transparency International, a network of subsidiaries, was ranked as best performer in organisational transparency thanks to the disclosure of full lists of company structures lacking any level of oversight. Eni has participated in various editions of the analysis on the transparency in corporate reporting carried out among the world’s 124 largest listed companies, gaining 7.3 points out of the 10 available.

The evaluation obtained – significantly increased compared to the 33rd place in the previous research – holds for legal entities, including Countries of operations and of incorporation and the percentages of ownership.

Tax transparency in the form of timely, accurate and comprehensive tax disclosures is a key aspect for a company that is conducted in accordance with the best available tax legislation. The disclosure of tax information in Italy and in foreign countries is based on the Corporation’s tax and anti-corruption policies, that Eni is conducting in accordance with the best available tax principles and ethical and anti-corruption standards.

Eni Anti-Corruption Compliance Program

The purpose of this tax strategy is to ensure a level of transparency and respect concerning the law applicable to Eni, and the Corporation is committed to respecting the applicable tax laws. The Corporation will report its untaxed results in full with the aim of avoiding any form of tax evasion, in accordance with the Code of Ethics, Eni’s primary anti-corruption established against corruption principle of “zero tolerance”.

Eni does not incorporate any tax provisions in tax heavens, nor do we incorporate our organizational structures lacking any level of oversight. Our glands, all of the organizational structures, are designed using international standards, fully consistent with the tax rules currently in force, with the aim of avoiding the risk of double taxation on both income and capital gains. In order to ensure compliance with the tax rules currently in force, the Corporation will ensure that its subsidiaries in Italy and abroad are included in the group of companies controlled by Eni.

Eni’s tax strategy is based on the disclosure of the following information:

* MSG = Management System Guideline – on 29 October 2014 Eni BoD approved an update of the Anti-Corruption MSG.
Eni does not make use of organizational structures lacking industrial rationality in order to obtain tax advantages.

The adoption and implementation of the Best Practices Program, according to the International Chamber of Commerce (ICC), is a key aspect for a company to ensure the effectiveness and the soundness of its anti-corruption initiatives.

The disclosure represents an appreciation of Eni’s efforts to improve transparency in corporate reporting, in addition to meet the requirements of the anti-corruption legislation.

To ensure the effectiveness and soundness of the Eni Anti-Corruption Management System, the Eni Board of Directors approved in December 2014 (a) the Code of Conduct and Business Ethics, which sets forth the principles of ethical behavior expected of Eni’s personnel, (b) a network of subsidiaries, is a key aspect for a company to ensure the effectiveness and the soundness of its anti-corruption initiatives.

Eni has participated in various editions of the analysis on the transparency in corporate reporting carried out by Transparency International and the corporate reporting survey published by the Financial Reporting Europe (FIRD) of the European Securities and Markets Authority (ESMA) in October 2013, and analyzes the companies’ corporate reporting on the basis of defined criteria.

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Eni considers ethical integrity, full respect for the law and regulations, and fairness to be constant commitments.
Eni does not make use of organizational structures lacking industrial rationality in order to obtain tax advantages.

The adoption and implementation of the Eni Anti-Corruption Program, as per the obligations under the Italian Anti-Corruption Act, is based on the fundamental principles of transparency, accountability, and continuous improvement. The anti-corruption stance of the Group and its subsidiaries is a key aspect for a company operating in the country, as it confirms Eni’s commitment to maintaining high ethical standards and fair competition. To this end, Eni considers ethical integrity, transparency, and anti-corruption policies as necessary for an appropriate management of its business activities and as a key principle of corporate social responsibility. The Group is committed to implementing an effective anti-corruption program in line with the ethical standards established by the regulation.

The program is based on the implementation of the “zero tolerance” principle contained in the Eni Code of Ethics. To this end, Eni has implemented an articulated anti-corruption program, the Executive Program, in order to ensure the implementation of the anti-corruption standards set out in the Code of Ethics, Eni Anti-Corruption Program (the so called tax heavens).

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Eni’s approach to transparency and anti-corruption is focused on several key aspects:

- **Compliance Program**: Eni has implemented an Anti-Corruption Compliance Program to promote compliance with the Code of Ethics. The program is mandatory for all employees and includes a network of subsidiaries, like Eni that operates through a virtual organization. In 2013, Eni SpA and its unlisted subsidiaries were undergoing an ad hoc organizational assessment. In 2015, Eni has implemented an articulated system of rules and controls aimed to strengthen Eni’s Anti-Corruption Compliance Program. To this end, Eni Anti-Corruption Compliance Program activities are monitored and controlled by the internal control system, which have been integrated with the requirements of the Italian tax code. Eni also enacted a disciplinary code of conduct and a code of ethics for the persons who work with Eni in Italy and abroad.

- **Focus on Governance**: Eni has been part of several anti-corruption programs, as indicated in the report of Transparency International (TI), both at national (through the Italian chapter of TI) and international level.

- **Country-by-Country Reporting**: Eni has been ranked in the Focus 2015 report, setting forth a list of companies which have carried out a country-by-country reporting exercise, with the aim of providing greater transparency on the tax advantages deriving from tax havens, as reflected in the report of Transparency International in 2013, among a sample of 15 major Italian companies.

- **Ethical Practices Act**: Eni has implemented a system of rules and controls for the prevention of crimes of corruption, aimed to strengthen the implementation of the “zero tolerance” principle contained in the Eni Code of Ethics. Eni Anti-Corruption Compliance Program.

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Royalties paid in Italy in the 2013-2015 period

Data shown in the table correspond to the Company’s accounting records and include data for the parent company partners. Payments made on behalf of the Joint Venture on a 100% basis, when Eni paid (c) Including taxes on employees and withholding taxes on suppliers.

(a) The data include the payment of $ 33,136 thousands for previous years taxes subject to tax dispute.

(*) Accrual basis.

The table presents data as reported. These data show a Royalties Bonuses Fees

Eni and the Extractive Industries Transparency Initiative

The Extractive Industries Transparency Initiative (EITI) is a global standard which seeks to encourage Governments and the companies which extract public wealth in minerals, oil, and natural gas to report their activities transparently. Its ultimate aim is to improve the accountability of Governments and companies in the management of natural resources, and to ensure that the full respect of laws and local tax laws and guarantees for resource extraction issuers to disclose payments made to the Governments/local authorities/ Montana, Timor Leste, Ghana, and Ukraine. Eni is a member of the Multi Stakeholder Groups.

A growing commitment to transparency

By adhering to the EITI, Eni has also been listed since 2005 on the Extractive Industries Transparency Initiative (EITI) Register, which tracks the level of transparency in the extractive industries of countries around the world. The EITI Register is a public database that provides information on the progress of countries in implementing the EITI. Eni has been a member of EITI since 2005 and supports its efforts in promoting transparency, accountability, and good governance in the extractive sector.

In the countries that have joined the EITI, such as Congo, Mozambique, Timor Leste, Ghana, and Ukraine, Eni is a member of the Multi Stakeholder Groups.

Eni’s approach to transparency

Improving natural resource governance is central to Eni’s strategy, and the Company is committed to promoting the management of natural resources. Eni’s approach to transparency is anchored in its Code of Ethics, which reflects the “zero tolerance” to corruption stated in Eni’s Code of Ethics.

Finally, as evidence of its transparency, Eni has been a member of EITI since 2005 and supports its efforts in promoting transparency, accountability, and good governance in the extractive sector. Eni is fully in line with the EITI requirements for companies to provide transparent information on payments made to Governments.

Transparency on payments made to Governments

The table shows the total payments made to Governments and their jurisdictional distribution in the 2013-2015 period. Payments made on behalf of the Joint Venture on a 100% basis, when Eni paid (c) Including taxes on employees and withholding taxes on suppliers.

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