



ENI S.P.A.

**ORDINARY SHAREHOLDERS' MEETING OF 29 APRIL AND 5 MAY 2011
ON FIRST AND SECOND CALL RESPECTIVELY**

**REPORT OF THE BOARD OF DIRECTORS
ON THE RENEWAL OF THE COMPANY OFFICERS AND DETERMINATION OF THE
REMUNERATIONS
(ITEMS 3, 4, 5, 6, 7, 8, 9, 10 AND 11 ON THE AGENDA)**

The Italian text prevails over the translation into English

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ON FIRST AND SECOND CALL RESPECTIVELY**

**Report of the Board of Directors
on the renewal of company officers and determination of the remunerations**

**DETERMINATION OF THE NUMBER OF THE
BOARD OF DIRECTORS' MEMBERS
(ITEM 3)**

To the Shareholders:

the Shareholders' Meeting has been called to appoint the Members of the Board of Directors, as today being the expiring term of the previous directors in office appointed by the Meeting held on June 10, 2008. Pursuant to Article 17.1 of the By-laws, the Board of Directors consists of no fewer than three and no more than nine members and the Shareholder's Meeting determines the number within these limits.

The Shareholder' Meeting on June 10, 2008 set in nine the number of Directors.

The Art. 17.1 of the By-laws also states that, in addition to the Directors appointed as specified above, the Ministry of Economy and Finance, in agreement with the Ministry for Economic Development, pursuant to Law by Decree of May 31, 1994, no. 332 ("L.D. no. 332/94"), converted into Law with amendments from Law July, 30, 1994 no. 474, may appoint another Director with no voting rights. Until now the Ministry for Economy and Finance has not used said faculty.

In order to ensure that the Board of Directors has a composition that is suitable to the dimension of the company and the complexity of its business, the Board hereby proposes to maintain the number of nine Directors to be appointed by the Shareholders' Meeting.

To the Shareholders:

You are invited to approve the proposal of setting at nine the number of the Directors to be appointed by the Shareholders' Meeting.

**DETERMINATION OF THE DIRECTORS' TERM
(ITEM 4)**

To the Shareholders:

pursuant to Article 17.2 of the By-laws, the Directors are appointed for a term up to three financial years. In order to ensure continuity in the management of the Company, the Board proposes to set the term of the Directors' office to three financial years, this

term expiring on the date of approval of Eni 2013 financial statements by the Shareholders' Meeting.

To the Shareholders:

You are invited to approve the proposal to set the term of the office of the Directors to be appointed to three financial years, this term expiring on the date of the Shareholders' Meeting convened to approve Eni 2013 financial statements.

APPOINTMENT OF THE DIRECTORS
(ITEM 5)

To the Shareholders:

pursuant to art. 17.3 of the By-laws, except for the Director appointed pursuant to L.D. no. 332/94, the Board of Directors is appointed by the Shareholders' Meeting on the basis of lists presented by Shareholders (and, in case, by the Board of Directors); in which the candidates must be listed in numerical order.

Candidate lists presented by the Shareholders must be filed in the manners specified in the meeting notice, at least twenty-five days before the date set for the first call of the Shareholders' Meeting.

Each Shareholder may submit severally or jointly a single list and vote one candidate list only. Controlling subjects, controlled companies by them and those under joint control cannot submit or participate in the submission of other lists, or vote on them, not even through proxies or fiduciary companies. Controlled companies are intended as those companies as defined by art. 93 of Legislative Decree no. 58 of February 24, 1998 ("TUF"). Each candidate may appear in one list only or will be ineligible. Only those Shareholders who, alone or together with other Shareholders, represent at least 0.5 per cent of the voting share capital at the ordinary Shareholders' Meeting may present candidate lists.

Together with the deposit of each list, in order to assure its validity, the following documents shall be deposited:

- statement of each candidate to accept his/her nomination;
- the curriculum of each candidate containing adequate information on his/her personal and professional characteristics;
- statement of each candidate to attest that he/she possesses the requirement of independence set forth by Article 148, third Paragraph, of TUF requirements and of honour and that causes for his ineligibility and incompatibility are non existing;
- the identity of shareholders that have presented such list and the percentage of participation held by them in Eni share capital.

According to the Consob Communication n. DEM/9017893 of February 26, 2009, Shareholders who are other than those who severally or jointly hold a controlling or majority shareholding, should deposit, together with their list:

- a statement certifying the absence of direct or indirect relationships with Shareholders who individually or jointly hold a controlling or relative majority, pursuant to art. 147-ter, third Paragraph, of TUF and art. 144-quinquies of the Consob Resolution n. 11971 of May 14, 1999 and subsequent amendments («Issuer Regulations»);

or

- a statement specifying any relationships, if relevant and the reasons why these relationships are not considered decisive to the existence of the aforementioned relationships.

The lists, together with the above-mentioned information, will be made available at the Company's registered office, on the Company's internet website and at the Italian Stock Exchange at least twenty-one days before the date set for the first call of the Shareholders' Meeting.

Ownership of the minimum share required to submit lists is determined by taking into account the shares that are registered in the name of the Shareholder on the day in which the lists are filed with the company. The relative certification can also be provided subsequently to the deposit, within the term set for the filing of the lists.

At least one Board member, if the Board members are no more than five, or at least three Board members if the Board members are more than five, shall have the independence requirements set for the Board of Statutory Auditors members of listed companies by Article 148, third Paragraph, of TUF, that applies also to Directors pursuant to Article 147-ter, fourth Paragraph, of TUF.

Shareholders are invited to take into account also the independence requirements set by Article 3 of Eni's Corporate Governance Code.

The independent candidates shall be expressly indicated in each list.

All candidates shall also have the requirement of honour set for the Board of Statutory Auditors members of listed companies by Article 148, fourth Paragraph, of TUF, that applies also to Directors pursuant to Article 147-quinquies, first Paragraph, of TUF.

Board members will be elected in the following manner:

- a) seven tenths of the members to be elected will be drawn out from the candidate list that receives the majority of votes expressed by the Shareholders in the numerical order in which they appear on the list, rounded off in the event of a fractional number to the next lower number;
- b) the remaining Board members will be drawn out from the other candidate lists; said lists shall not be linked in any way, neither indirectly, to the Shareholders who have presented or voted the list that has obtained the highest number of votes; to this purpose the votes obtained by each candidate list will be divided by one or two or three depending on the number of the members to be elected. The quotients thus obtained will be assigned progressively to candidates of each said lists in the order given in the lists themselves. Quotients thus assigned to the candidates of said lists will be set in one decreasing numerical order. Those who obtain the highest quotients will be elected.

In the event that more than one candidate obtains the same quotient, the candidate elected will be the one of the list that has not hitherto had a Board member elected or that has elected the least number of Board members.

In the event that none of the lists has yet elected a Board member or that all of them have elected the same number of Board members, the candidate from all such lists who has obtained the largest number of votes will be elected. In the event of equal list votes and equal quotient, a new vote will be taken by the entire Shareholders' Meeting and the candidate elected will be the one who obtains a simple majority of the votes;

- c) if through the procedure described above the minimum number of independent Directors set by these By-laws is not elected, the quotient is calculated according to

letter b) above in order to be assigned to the candidates present in each list; the independent candidates not yet drawn from the lists pursuant to letters a) and b) above, who have got the highest quotients will be elected in order to meet the provisions of the By-Laws on the number of the independent Directors. The Directors so appointed will replace the non independent Directors to whom the lowest quotients have been assigned. If the number of independent candidates is lower than the minimum limit set by the By-laws, the Shareholders' Meeting will make a resolution with the majorities prescribed by the law to substitute the not independent candidates who have got the lowest quotients;

- d) to appoint Board members for any reason not covered by the terms of the aforementioned procedure, the Shareholders' Meeting will make a resolution with the majorities prescribed by the law in order, however, to assure that the Board composition complies with the current legislation and the By-laws.

In consideration of the Board proposal aforementioned, the Shareholders' Meeting, pursuant to Article 17.3 of the By-laws, shall appoint nine Directors on the basis of the lists presented by those entitled.

The retiring Board of Directors will not present a list of candidates.

To the Shareholders:

You are invited to vote one of the lists presented and published pursuant to the By-laws.

**APPOINTMENT OF THE CHAIRMAN OF THE BOARD OF DIRECTORS
(ITEM 6)**

To the Shareholders:

pursuant to Article 18.1 of the By-laws, the Chairman of the Board of Directors is appointed by the Shareholders' Meeting, or, if it doesn't provide for, by the Board of Directors, among the Board members with voting right.

The Board proposes to the Shareholders' Meeting to appoint Chairman of the Board of Directors the Director proposed by the Shareholders among those elected according to the proposal on Item 5 of the Agenda.

To the Shareholders:

You are invited to appoint Chairman of the Board of Directors the Director proposed by the Shareholders among those elected previously according to the proposal on Item 5 of the Agenda.

**DETERMINATION OF THE REMUNERATION OF THE CHAIRMAN OF THE BOARD OF
DIRECTORS AND OF THE DIRECTORS
(ITEM 7)**

To the Shareholders:

pursuant to Article 26.1 of the By-laws, the Shareholders' Meeting determines the Chairman's and the Directors' remuneration.

The Shareholders' Meeting held on May 25, 2006 authorised the Board of Directors to extend to Eni S.p.A.'s Directors and Statutory Auditors the D&O insurance policy for Eni S.p.A. managers, for a maximum coverage and yearly premium of 200 million US dollars and 2 million US dollars respectively. The policy remains effective also for the Directors to be appointed. The related maximum insurable sum currently amounts at 200 million US dollars and the annual insurance premium at 1,6 million US dollars.

To the Shareholders:

You are invited to approve one of the proposals that will be presented to the Shareholders' Meeting on this item.

APPOINTMENT OF THE STATUTORY AUDITORS (ITEM 8)

To the Shareholders:

the Shareholders' Meeting has been called to appoint the members of the Board of the Statutory Auditors, having the current Board of the Statutory Auditors been appointed by the Shareholders' Meeting held on June 10, 2008.

Pursuant to Article 28.1 of the By-laws, the Board of the Statutory Auditors consists of five effective members and two alternate members.

Pursuant to Article 28.2 of the By-laws, the Board of the Statutory Auditors is appointed by the Shareholders' Meeting on the basis of lists presented by the Shareholders; in such lists candidates are listed in numerical order.

According to the Board proposal on Item 9 of the Agenda, the first candidate of the minority list who obtains the majority of votes will be proposed as Chairman of the Board of the Statutory Auditors.

The candidates to the office of Statutory Auditor shall have the independence qualifications set forth by Article 148, third Paragraph, of TUF. They shall also have the professional qualifications and the requirement of honour set forth by the Ministerial Decree No. 162, dated March 30, 2000 issued by the Ministry of Justice. The matters strictly connected to those of interest of the Company as indicated in Article 28.1 of the By-laws shall be taken into account. Said matters are: company law, business economics and corporate finance. The sectors strictly connected with those of interest of the Company are the engineering and geological sectors.

The Statutory Auditors may be appointed members of administration and control bodies in other companies within the limits set by Eni By-laws and by Article 144-terdecies of Issuer Regulations.

Shareholders are invited to take into account also the independence requirements set by Article 10 of Eni's Corporate Governance Code.

For the presentation, deposit and publication of the candidate lists the procedures for the appointment of Directors on the basis of lists, to which reference is made, and the provisions contained in the Issuer Regulations, as applicable, shall apply.

Only those Shareholders who, alone or together with other Shareholders, represent at least 0.5 per cent of the voting share capital at the ordinary Shareholders' Meeting may present candidate lists.

The lists presented by the Shareholders must be filed with the Company's registered office at least twenty-five days before the date set for the first call of the Shareholders' Meeting.

Together with said lists, the following documents shall be deposited:

- the information regarding the identity of the Shareholders who have presented a list, the percentage of Eni share capital owned by each of them;
- a declaration that each candidate accepts his/her nomination;
- the curriculum of each candidate containing adequate information on his/her personal and professional characteristics; a declaration of each candidate that he/she possesses the requirements set forth by the current legislation and Eni By-laws for the office of Statutory Auditor. Each candidate shall also declare that the limits to the number of office that may be covered by a statutory auditor as set forth by the provisions of Issuer Regulations;
- a declaration of the Shareholders different from those that, also jointly, hold a control or a relative majority stake in the Company's share capital that they have no liason relationships, as per Article 144-quinquies of Issuer Regulations, with the above-mentioned Shareholders.

According to the Consob Communication n. DEM/9017893 of February 26, 2009, Shareholders who are other than those who severally or jointly hold a controlling or majority shareholding, should provide, together with the declaration aforementioned, the following information:

- any relevant relationships with Shareholders who hold severally or jointly, a controlling or relative majority shareholding. In particular, it is recommended to mention at least those relationships as listed at Article 2 of Consob Communication. Alternatively they must state if there are no significant relationships;
- the reasons why these relationships are not considered decisive for defining the existence of the relationships pursuant to art. 148, second Paragraph of TUF and art. 144-quinquies Issuer Regulations.

The lists, together with the above-mentioned information, will be made available at the Company's registered office, on the Company's internet website and at the Italian Stock Exchange at least twenty-one days before the date set for the first call of the Shareholders' Meeting.

The lists shall be divided into two sections: the first one for the candidates to be appointed effective Auditors and the second one for the candidates to be appointed alternate Auditors. At least the first candidate of each section shall be chartered accountant and have exercised audit activities for not less than three years.

Three effective Auditors and one alternate Auditor will be drawn from the list that obtains the majority of votes. The other two effective Auditors and the other alternate Auditor will be appointed pursuant to Article 17.3, letter b) of the By-laws, or pursuant to Article 17.3, letter d) of the By-laws. The procedure described in this last Articles shall be applied separately to each section of the lists involved.

The Auditors will remain in force three financial years; the term will expire on the date of the Shareholders' Meeting convened to approve Eni 2013 financial statements.

To the Shareholders:

You are invited to vote one of the lists presented and published pursuant to the By-laws.

**APPOINTMENT OF THE CHAIRMAN OF THE BOARD OF STATUTORY AUDITORS
(ITEM 9)**

To the Shareholders:

pursuant to Article 28.2 of the By-laws, the Shareholders' Meeting appoints the Chairman of the Board of Statutory Auditors among the effective Auditors appointed according to Article 17.3, letter b) of these By-laws, from the minority lists or according to the provisions contained in Article 17.3 letter d) of the By-laws.

To the Shareholders:

You are invited to appoint as Chairman of the Board of Statutory Auditors the first candidate of the minority list that has received the majority of votes.

If no minority lists are presented, or if the Statutory Auditors are elected according to Article 17.3 letter d) of the By-laws, you are invited to appoint Chairman of the Board of Statutory Auditors the candidate elected according to the procedures proposed by the Shareholders.

**DETERMINATION OF THE REMUNERATION OF THE CHAIRMAN OF THE BOARD OF
STATUTORY AUDITORS AND OF THE EFFECTIVE STATUTORY AUDITORS
(ITEM 10)**

To the Shareholders:

pursuant to Article 2402 of the Civil Code, the Shareholders' Meeting determines the annual remuneration of the Chairman of the Board of Statutory Auditors and of the other effective Auditors.

The Shareholders' Meeting held on May 25, 2006 authorised the Board of Directors to extend to Eni S.p.A. Directors and Statutory Auditors the D&O insurance policy for Eni S.p.A. managers, for a maximum coverage and yearly premium of 200 million US dollars and 2 million US dollars respectively. The policy remains effective also for the Statutory Auditors to be appointed. The related maximum insurable sum currently amounts at 200 million US dollars and the annual insurance premium at 1,6 million US dollars.

To the Shareholders:

You are invited to approve one of the proposals that will be presented to the Shareholders' Meeting on this item.

**COMPENSATION OF THE COURT OF AUDITORS' REPRESENTATIVE IN CHARGE OF THE
FINANCIAL MONITORING OF ENI
(ITEM 11)**

To the Shareholders:

pursuant to the current legislation, as confirmed by Decision No. 466/1993 of the Constitutional Court, the Court of Auditors, pursuant to Law No. 259 issued on March 21, 1958, exercises the financial monitoring of Eni's operations. According to said law, the entities to the functioning of which the Italian State contributes ordinarily, as Eni, are subject to said control.

In order for the Court of Auditors to exercise such control, a representative of the Court of Auditors attends the meetings of the Board of Directors, the Audit Committee and the Board of Statutory Auditors of Eni without the right to vote.

At present, the Magistrate receives a compensation of euro 1,000 for the participation in each meeting of the Board of Directors, the Board of Statutory Auditors and of the Board Committees, in addition to the reimbursement of the expenses incurred because of the office.

To the Shareholders:

You are invited to set the compensation for the representative of the Court of Auditors as financial controller of Eni.

The Chairman of the Board of Directors

ROBERTO POLI