

Meetings and activities of the Remuneration Committee in 2020

In 2020, the Remuneration Committee met 10 times, with an average participation rate of 100% and an average duration of 2 hours and 10 minutes. At least one member of the Board of Statutory Auditors participated in each meeting, with constant participation of the Chairman of the Board of Statutory Auditors. At the invitation of the Chairman of the Committee, Company executives and advisors also took part in specific meetings to provide information and clarifications considered necessary by the Committee to perform its enquiries.

Activities of the Committee in charge until May 13, 2020 included:

- the periodic review of the remuneration policy implemented in 2019 in order to prepare the proposed policy guidelines for the 2020-2023 term, providing for keeping the structure and criteria of remuneration of the Directors and managers with strategic responsibilities defined in the previous entire term, as regards in particular the maximum potential remuneration levels envisaged for the top positions of Chairman and Chief Executive Officer and General Manager, as well as for non-executive Directors in relation to their participation in Board Committees;
- the examination of the 2020 Remuneration Report prepared, in line with art. 123-ter of the Consolidated Law on Financial Intermediation and art. 84-quater of the Consob Issuers' Regulation, for the purposes of subsequent approval by the Board and presentation to the Shareholders' Meeting of May 13, 2020, called to express a binding vote on the first section (remuneration policy) and a non-binding vote on the second section (remuneration paid), as required by current legislation;
- the review of Eni's results for 2019 in order to implement the short-term and long-term incentive plans using a method for the analysis of deviations specified and approved by the Committee in order to neutralize the effects, either positive or negative, of exogenous factors and to make it possible to objectively assess performance;
- the definition of 2020 Eni's performance targets relevant to the variable incentive plans;
- the finalisation of proposals for the implementation of the Short Term Incentive Plan with deferral for the CEO and General Manager;
- the finalization of the new 2020-2022 Long-Term Equity-based Incentive Plan for the purposes of subsequent approval by the Board and presentation to the Shareholders' Meeting of May 13, 2020;
- the update of the remuneration benchmark studies in order to define the proposals of the Remuneration Policy Guidelines for the 2020-2023 term relating to Directors, Statutory Auditors and Managers with strategic responsibilities;
- the examination of the outcome of engagement activities held with leading institutional investors and proxy advisors in view of the general meeting, in order to maximise shareholder consensus on the 2020-2023 Remuneration Policy and on the 2020-2022 Long-Term Equity-based Incentive Plan. The Chairman of the Committee also took part in the aforementioned meetings, bearing witness to the importance given by the Committee to dialogue with shareholders;

- risk assessment, scenario analysis and analysis of the emerging developments in the most important remuneration-related issues, examination of the composition of the shareholders, also with reference to the characteristics of the retail shareholder segment and in-depth analysis of voting recommendations issued by leading proxy advisors with elaboration of related voting projections with the assistance of primary consulting firm.

Following the renewal of the corporate bodies, the Committee in office since May 14, 2020 has formulated proposals relating to the remuneration of the Directors with powers for the new 2020-2023 term and the definition of the remuneration of non-executive Directors for participation in the Board Committees, to be submitted for the approval of the Board of Directors, subject to the opinion of the Board of Statutory Auditors, in implementation of the Policy approved for the entire term by the Shareholders' Meeting of May 13, 2020.

It also carried out, in collaboration with the competent corporate functions, an induction session with the aim of providing the new Directors with a detailed knowledge of the main functions and cycle of activities of the Remuneration Committee, as well as the structure, general criteria and remuneration levels provided for by Eni's Remuneration Policy.

During the second part of the year, the Committee first examined the results of the 2020 shareholders' meetings, with regard to the Eni Remuneration Report, of the major Italian and European listed companies as well as Eni's Peer Group.

With regard to other main activities, the Committee:

- finalised the proposal concerning the fulfilment ("2020 attribution") of the 2020-2022 Long-Term Equitybased Incentive Plan for the CEO and General Manager and critical management personnel for business preparing related regulations;
- reformulated the Engagement Plan with institutional investors and proxy advisors in view of the 2021 Shareholders' Meeting, taking into account the new duration of the Remuneration Policy and the high consensus received at the Shareholders' meeting;
- held a first cycle of meetings with the main proxy advisors, in order to understand their voting guidelines and policies, also in relation to the impact of the Covid-19 pandemic;
- updated the Regulation "Implementation criteria of the clawback principle envisaged by the Eni Remuneration Policy" of March 12, 2015 as amended on October 26, 2017, to adapt its contents in line with the Eni 2020-2023 Policy, as regards, in particular, the applicability of the malus clauses;
- carried out a periodic monitoring of developments in the legislative and regulatory environment and in market standards for the representation of information on remuneration issues, with a specific focus on the implementation measures of Directive (EU) 828/2017 (so-called "SRD II Directive"), and on the evolution of the Corporate Governance Codes, in Italy and in the main European countries, as well as on voting policies of leading proxy advisors and institutional investors, also to know the indications resulting from the impacts of the Covid-19 pandemic.