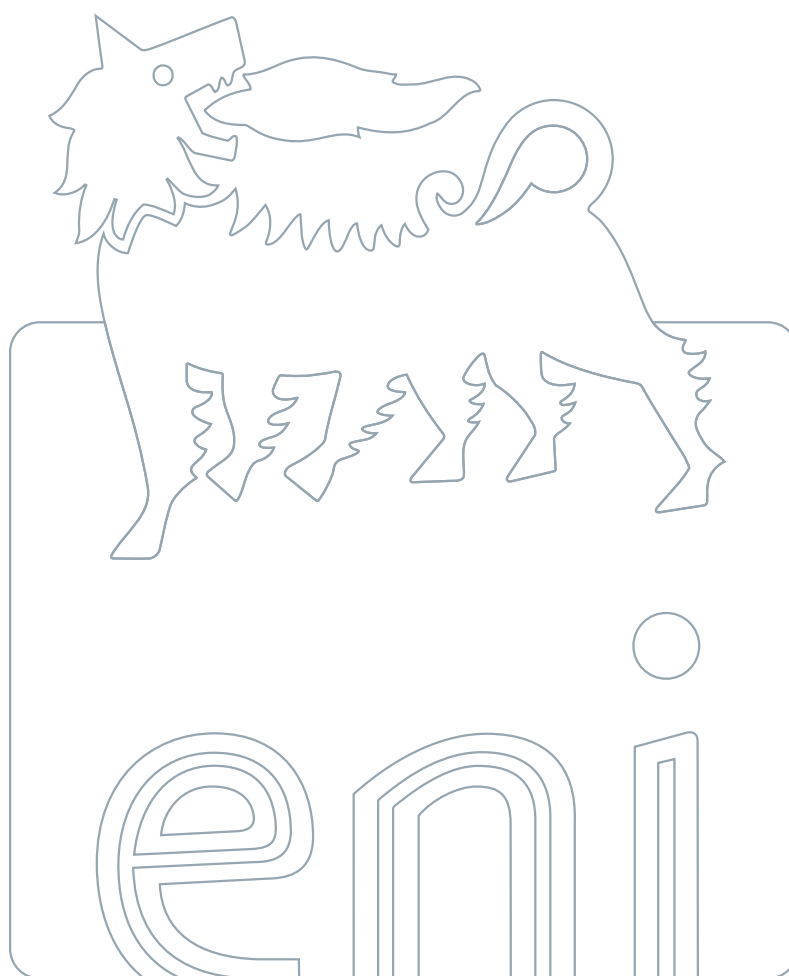


Remuneration Report

2016



Mission

We are a major integrated energy company, committed to growth in the activities of finding, producing, transporting, transforming and marketing oil and gas. Eni men and women have a passion for challenges, continuous improvement, excellence and particularly value people, the environment and integrity.

Countries of activity

EUROPE

Austria, Belgium, Croatia, Cyprus, Czech Republic, France, Germany, Greece, Greenland, Hungary, Ireland, Italy, Luxembourg, Norway, Portugal, Romania, Slovakia, Slovenia, Spain, Switzerland, the Netherlands, the United Kingdom, Turkey, Ukraine

AFRICA

Algeria, Angola, Congo, Egypt, Gabon, Ghana, Ivory Coast, Kenya, Liberia, Libya, Mozambique, Nigeria, South Africa, Tunisia

ASIA AND OCEANIA

Australia, China, India, Indonesia, Iraq, Japan, Kazakhstan, Kuwait, Malaysia, Myanmar, Oman, Pakistan, Russia, Saudi Arabia, Singapore, South Korea, Taiwan, the United Arab Emirates, Timor Leste, Turkmenistan, Vietnam

AMERICA

Argentina, Canada, Ecuador, Mexico, the United States, Trinidad & Tobago, Venezuela

Remuneration Report 2016

Approved by the Board of Directors Meeting on 17th March, 2016



The Report is published in the "Governance" and "Investor Relations" sections of the Company website (www.eni.com)

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Letter from the Chairman of the Compensation Committee

Dear Shareholders,

On behalf of my fellow members of the Compensation Committee, and of the entire Board of Directors of Eni, I am very pleased to present the Remuneration Policy for 2016, outlined here in the first section of this Report.

Eni has long been inspired by a set of core principles that underpin its approach to running its business, and is committed to promoting these with its stakeholders by sharing its know-how, values and objectives in a spirit of mutual trust. These principles place fairness, transparency and integrity at the heart of activity, and are anchored by a body of internal operating systems that is aligned with the highest standards of international best practice.

The remuneration policy reflects Eni's values, vision and business approach, and is the essential instrument by which the Company seeks to "attract, retain and motivate people with the professional skills necessary to successfully manage" the Group (Italian Corporate Governance Code, Principle 6.P.1.). The Committee therefore aims to design a remuneration strategy that supports Eni's underlying goal of enhancing and developing human capital, consistent with its medium-term strategic and operational requirements.

In 2015, our approach has been to implement and consolidate the guidelines defined in 2014 for the current three-year mandate, by delving into certain issues that required further technical and operational refinements, whilst also monitoring and adapting to the evolving regulatory context, as well as emerging norms of international best practice and the expectations of our investors. The Committee began the year with an in-depth review of the general principle of clawbacks, in order to update its existing policy in line with new recommendations introduced by the Italian Corporate Governance Code in July 2014, as well as develop practical criteria with specific Implementation Rules defining the terms, procedures, roles and functions involved in applying the clause to the short and long-term incentive plans of all managers. The Committee also carried out an extensive review of the performance monitoring methods employed across different business areas, in order to ensure comparability of results across reporting periods, as well as a proper evaluation of the objectives assigned to management, net of the effects of any exogenous variables and structural changes to the business.

The second half of the year saw the Committee define, as per its annual plan, recommendations for the 2016 Remuneration Policy. This involved reviewing national and international regulatory developments, the voting policies of leading proxy advisors and institutional investors, as well as relevant remuneration benchmarks, in order to assess performance against the 2015 remuneration policy, as required by the Corporate Governance Code. Looking ahead, we expect 2016 to be another year of continuity, reflecting, as did 2015, the policies established and approved for this Board's mandate. As such the Guidelines on the 2016

Pietro Guindani
Chairman of the
Compensation Committee



Remuneration Policy do not provide for significant changes. That said, this year will also see the Committee lay the groundwork for new proposals to be presented to shareholders, in preparation for the Board's next mandate, in particular as regards the policy governing long-term incentive awards.

The Committee has, moreover, worked to strengthen the overall quality of disclosure in this Report. In particular, to aid user-friendliness, a new Executive Summary has been added, featuring two sections: the first containing summary information on the main points of the 2016 Remuneration Policy, and the second devoted to a set of supplementary and contextual information. The latter part of the Report also contains a new dedicated section on the final results of the application of the short and long-term incentive plans. This provides ready access to data regarding performance vs. targets and their correlation to incentive awards made to management, while still safeguarding confidentiality of commercially sensitive information. Eni's remuneration policy rests on the twin cornerstones of transparency and alignment: our goal is for the strategy to be clear to both staff and shareholders, and for the actions of the former to be fully aligned with the long-term interests of the latter. We strive to achieve this through continuous attention to best practices as well as the expectations of our stakeholders, with the ultimate goal of contributing to the creation of long-term sustainable value.

In this regard, the Committee has relied on the expert support of the relevant corporate functions to maintain a constant dialogue with investors, in order to gain a clear understanding of their expectations and recommendations, hear critical feedback and strive for maximum levels of support at the annual Shareholders' Meeting. We are convinced that this activity enhances our ability to learn, anticipate future challenges and chart a path towards increasingly sophisticated and effective remuneration practices. To conclude, I would like to extend my heartfelt thanks to my fellow Directors Karina Litvack, Diva Moriani and Alessandro Lorenzi for having unreservedly made their wealth of professional skills and experience available to the Committee. Equally, my colleagues join me in expressing our thanks and appreciation to the people at Eni for their dedication and excellent support.

In the hope that you will find satisfaction in the work we have carried out to date on your behalf, please allow me to thank you in advance, on behalf of my fellow Committee members as well as my own, for your support for the continued work we intend to carry out on the Remuneration Policy through 2016.

1st March, 2016

Pietro Guindani
The Chairman
of the Compensation Committee

Foreword

The Eni Remuneration Policy is approved by the Board of Directors following a proposal by the Compensation Committee, which is entirely made up of non-executive, independent Directors. It is defined in accordance with the governance model adopted by the Company as well as the recommendations of the Italian Corporate Governance Code. This Policy aims to align the interests of management with the prime objective of creating sustainable value for shareholders over the medium-to-long term, in accordance with the guidelines defined in the

Strategic Plan of the Company. For purposes of this Report, the Compensation Committee has taken into account the positive voting outcomes achieved at the 2015 Shareholders' Meeting, as well as feedback received from shareholders regarding the 2015 Report. We also took account of the ongoing evolution in governance and regulatory frameworks and best practices from corporate remuneration reports, both nationally and internationally, with the aim of providing the greatest clarity, completeness and accessibility of the information provided.

Overview

This Report was approved by the Board of Directors, per the recommendation of the Compensation Committee, on 17th March, 2016, in accordance with applicable legal and regulatory obligations¹. It defines and illustrates:

- in the first section, the 2016 Policy adopted by Eni SpA (hereafter "Eni" or the "Company") for the remuneration of Directors and Managers with strategic responsibilities², specifying: the general aims pursued, the bodies involved, and the procedures used to adopt and implement the Policy. The general principles and guidelines outlined in this Report also apply to the remuneration policies of companies directly or indirectly controlled by Eni³;
- in the second section, the remuneration paid in 2015 to Eni Directors, Statutory Auditors, Chief Operating Officers and other Managers with strategic responsibilities.

The two sections of the Report are preceded by a summary in order to provide an easily accessible overview of the key elements of the 2016 Policy. The Policy described in the first section of the Report has been prepared:

- in line with the recommendations on remuneration of the Italian Corporate Governance Code for listed companies (the "Corporate Governance Code"), in the version last approved in July 2015, which Eni endorses⁴;
- taking into account: i) the decisions taken on 8th May, 2014 by the Shareholders' Meeting regarding reduction of the

remuneration of the Chairman of the Board of Directors and the Chief Executive Officer, pursuant to proposals submitted by the Italian Ministry of Economy and Finance concerning the remuneration of directors with delegated powers of companies directly or indirectly controlled by Public Administrations⁵; ii) the decisions taken on 8th May, 2014 by the Shareholders' Meeting regarding the approval of the 2014-2016 Long-Term Monetary Incentive Plan.

Finally, the Report lists the shareholdings held by Directors, Statutory Auditors, General Managers and other Managers with strategic responsibilities⁶, and explains how the terms of the 2014-2016 Long-Term Monetary Incentive Plan were applied in 2015⁷.

The text of this Report will be published no later than twenty-one days before the date of the 2016 Shareholders' Meeting at which investors will be invited to approve the 2015 financial statements as well as vote on a non-binding resolution regarding the first section of said Report⁸. The text of the report is available at the Company's registered headquarters, or on the Company website (www.eni.com) in the sections "Governance" and "Investor Relations"; or via the website of the provider of disclosure and storage services for regulated information "1Info" (available at www.1info.it).

The documents relating to the existing remuneration plans based on financial instruments are available in the "Governance" section of the Company website (www.eni.com).

[1] Art.123-ter of Italian Legislative Decree 58/98 (Consolidated Law on Financial Intermediation) and Art. 84-quater of the Consob Issuers' Regulation (Resolution no. 11971/99 and subsequent amendments and additions).

[2] Those persons who have the power and responsibility, directly or indirectly, for planning, directing and controlling Eni fall under the definition of "managers with strategic responsibilities", according to Art. 65, paragraph 1-quater of the Issuers' Regulations. Eni Managers with strategic responsibilities, other than Directors and Statutory Auditors, are those who sit on the Management Committee and, in any case, those who report directly to the Chief Executive Officer. For more information on the organisational structure of Eni, see the "Company" section of the Company's website (www.eni.com).

[3] The remuneration policies of the subsidiaries will be determined in respect of the principle of their management autonomy, in particular for listed companies and/or those subject to regulation, as well as in accordance with the provisions of local legislation.

[4] For further information on Eni's response to the Corporate Governance Code, please refer to the section "Governance" on the Company website (www.eni.com).

[5] Proposal submitted in accordance with Art. 84-ter of Italian Legislative Decree no. 69 of 21st June 2013, converted with amendments by Law No. 98 of 9th August, 2013.

[6] See Art. 84-quater, fourth paragraph, of the Consob Issuers' Regulations.

[7] Art. 114-bis of the Consolidated Finance Act and Art. 84-bis of the Consob Issuer Regulation.

[8] Art. 123-ter of Italian Legislative Decree No. 58/98, paragraph 6.

Executive Summary



The first section of the Remuneration Report provides a detailed description of the 2016 Remuneration Policy, focusing in particular on relevant market comparators and on the performance targets underpinning short- and long-term incentive awards. The 2016 Policy is not significantly different from the 2015 Policy and reflects the decision of the Shareholders' Meeting on 8th May, 2014, including proposals submitted by the Ministry of Economy and Finance (MEF) regarding Law No. 98/2013. In particular:

- Chairman: an emolument for the position equal to 90,000 euros gross per year and remuneration for the delegated powers granted by the Board of Directors of 148,000 euros, up to a total maximum remuneration of 238,000 euros;
- Chief Executive Officer and General Manager: a 25% reduction of the potential maximum remuneration payable compared to the previous term.

The 2016 Remuneration Policy has also been defined by taking into account the decisions of the Shareholders' Meeting held on 8th May, 2014, in accordance with Art. 114-bis of the Consolidated Law on Financial Intermediation, regarding the Long-Term Monetary Incentive Plan 2014-2016 for the Chief Executive Officer and General Manager and for senior managers deemed critical for the business, according to the conditions laid down in detail in the Information Document drafted in accordance with Art. 84-bis of the Issuer Regulation, available on the Company website (www.eni.com).

The following table describes the main elements of the approved Guidelines for the remuneration of the Chief Executive Officer and General Manager, and the other Managers with strategic responsibilities (MSR).

2016 Remuneration Policy

Component	Purpose and characteristics	Conditions for implementation	Values	Page no.
Fixed remuneration	Reward the skills, experience and contribution required by the assigned role	Check on the remuneration positioning by means of benchmarks consistent with the characteristics of Eni and the assigned roles. Market references: CEO/GM: i) Oil & Gas Panel: main listed companies in the Oil & Gas sector (Exxon, Shell, Chevron, Total, BP, Conoco Phillips, BG Group, Anadarko, Repsol, Marathon Petroleum, Marathon Oil, Tullow Oil) ii) Top Europe Panel: main listed European companies (Shell, BHP Billiton, Total, BP, Bayer, Volkswagen, GlaxoSmithKline, British American Tobacco, Siemens, Vodafone, AstraZeneca, Daimler, Rio Tinto, BASF, Deutsche Telekom, BMW, Telefonica, Glencore, Reckitt Benckiser, National Grid, British Telecom, British Gas) iii) Top Italy Panel: main companies listed on the FTSE MIB (Enel, Telecom Italia, FCA, Pirelli, Finmeccanica, Snam, Terna, Prysmian, Luxottica, Atlantia, Mediaset) MSR: National, international and Oil & Gas sector market panels, consistent with those of Senior Management	CEO/GM: 1,350,000 euros per year	16
		MSR: remuneration set based on the assigned role with possible review in relation to annual competitive positioning (median market values) settings	18	
AVI - Annual Variable Incentive	Promotes the achievement of the annual budget targets, also defined in terms of sustainability in the medium to long term	2016 CEO/GM targets: 1. Economic and financial results (25%): EBT and Free cash flow 2. Operating results and sustainability of economic results (25%): hydrocarbon production and exploration resources 3. Environmental sustainability and human capital (25%): CO ₂ emissions and total recordable accident frequency rate (TRIR) 4. Efficiency and financial strength (25%): ROACE and Debt/EBITDA	CEO/GM: level of target incentive equal to 100% of the fixed remuneration (min 85% and max 130%)	16
	Beneficiaries: all managerial resources	MSR targets: business and individual targets based on those of the CEO/GM and responsibilities assigned	MSR: levels of incentive targets differentiated according to the assigned role, up to a maximum of 60% of the fixed remuneration	18
		Incentives paid on the basis of the results achieved in the previous year and evaluated using a 70÷130 point performance scale ⁽¹⁾ , with a minimum threshold for the incentive equal to an overall performance of 85 points. Clawback in cases of manifestly wrong or fraudulently altered data and intentional violation of laws and regulations, the Code of Ethics or Company rules		
DMI - Deferred Monetary Incentive	Promotes the achievement of annual results and profitability growth of the business in the long term	Target gate: achieving the performance level required for the payment of the annual bonus EBT performance measured relative to the value of the Planned EBT Incentives assigned, in the event of achievement of individual targets, based on the EBT results achieved in the previous year, rated on a performance scale of 70÷130 ⁽¹⁾ Incentives paid as a percentage varying between zero and 170% of the amounts assigned, according to the average of the EBT annual results achieved during the vesting period, rated on an annual performance scale of 70÷170 ⁽¹⁾ Three-year vesting Clawback in cases of manifestly wrong or fraudulently altered data and intentional violation of laws and regulations, of the Code of Ethics or of Company rules	CEO/GM: incentive to be assigned for targets equal to 49.2% of the fixed remuneration (min 34.4% and max 64%)	16
	Beneficiaries: senior managers who have achieved their annual targets		MSR: incentives awarded based on targets differentiated according to the assigned role, up to a maximum of 40% of the fixed remuneration	18
LTMI - Long-Term Monetary Incentive	Promotes the alignment with shareholder interests and the sustainability of value creation in the long term	Performance measured in terms of variation of the TSR parameters ⁽²⁾ (60%) and Net Present Value of proved reserves ⁽²⁾ (40%), compared to the variation achieved by the companies of a peer group of reference (Exxon, Chevron, Shell, BP, Total, Repsol) Incentives paid as a percentage varying between zero and 130% of the amounts assigned, according to the average of the annual positioning achieved during the vesting period: 1 st Place 130%; 2 nd Place 115%; 3 rd Place 100%; 4 th Place 85%; 5 th Place 70% ⁽³⁾ ; 6 th Place 0%; 7 th Place 0%	CEO/GM: incentive to be assigned for targets equal to 100% of the fixed remuneration	16-17
	Beneficiaries: senior managers resources deemed critical for the business ⁽⁴⁾	Three-year vesting Clawback in cases of manifestly wrong or fraudulently altered data and intentional violation of laws and regulations, the Code of Ethics or Company rules	MSR: incentives awarded based on targets differentiated according to the assigned role, up to a maximum of 75% of the fixed remuneration	18
Benefits	Supplement the salary package following a total reward approach mainly based on pension and health benefits	Conditions laid down by the national collective bargaining agreements and the additional Company agreements for resources with a managerial occupational category.	- Supplementary pension - Supplementary health care - Insurance coverage - Car for business and personal use	18 e 21
	Beneficiaries: all managerial resources			
Severance indemnities for end of office or termination of employment	Provide for specific amounts defined or commensurate with a certain number of years of remuneration, in line with European recommendations and with the Corporate Governance Code for Italian listed companies	CEO/GM: Additional severance indemnity payable upon termination of employment as manager, in connection with the early termination or non-renewal of the administrative mandate, with mutual exemption from notice This indemnity is not due in the following cases: i) dismissal with just cause (Art. 2119 of the Civil Code) ii) resignation from the position of Chief Executive Officer, before the expiry of the mandate, not caused by a substantive reduction of delegated powers iii) death during employment	CEO/GM: 2 years' annual fixed remuneration (2,700,000 Euros)	17
		MSR: Severance indemnities may be envisaged in addition to the treatments provided for by the relevant national collective labour agreement, in connection with the relevance of the position held	MSR: indemnities defined according to the general criteria established for cases of early resolution, within the protection limits envisaged by the relevant national collective labour agreement	19
Non-competition agreements	Protect the Company from potential competitive risks	CEO/GM: Non-competition agreement can be activated at the discretion of the BoD at the time of termination of the employment relationship, by exercising an option right, to protect the Company interests If the option is exercised by the Board, a specific compensation is paid against a commitment undertaken by the CEO/COO not to perform, for the twelve months following termination of the employment relationship, any Exploration & Production activities that could be in competition with Eni in key markets worldwide Violation of the non-competition agreement will involve the non-payment of the consideration (or its restitution) and the obligation to pay damages conventionally set at an amount equal to twice the amount of the non-competition agreement	CEO/GM : a) payment for the option right granted to the BoD, equal to 500,000 Euros payable in three annual instalments b) in the event the BoD exercises its option, the payment for the non-competition agreement calculated as the sum of two components: i) a fixed component of 1,500,000 Euros, and ii) a variable component linearly set based on the average annual performance of the previous three years (equal to 0 for performance below or equal to the targets and to 750,000 Euros for maximum performance); the consideration for the non-competition agreement will be paid only at the expiry of the related term of the agreement	17
		MSR: Non-competition agreements may be envisaged in connection with the relevance of the position held	MSR: payments defined in relation to the remuneration received and the conditions of duration and efficacy of the agreement	19

[1] Performance rated below the minimum threshold (70 points) is considered equal to zero.

[2] The Total Shareholder Return measures the overall return of a stock investment, taking into consideration both the price change and the dividends paid and reinvested in the same stock, in a specific period. The Net Present Value of proved reserves represents the present value of the future cash flows of proved reserves, net of future production and development costs and related taxes. It is calculated on the basis of standard references defined by the Securities Exchange Commission on the basis of the data published by oil companies in the official documentation (Form 10-K and Form 20-F).

(3) The minimum incentive threshold requires that 5th place is reached for both indicators in at least one year of the three year vesting period.

[4] The managers of Eni and its subsidiaries identified during the annual implementation of the Plan among those who occupy the positions that are most directly responsible for the business performance or that are of strategic interest and who, at the date of assignment, are employees and/or in service at Eni SpA and its subsidiaries, including Eni Managers with strategic responsibilities.

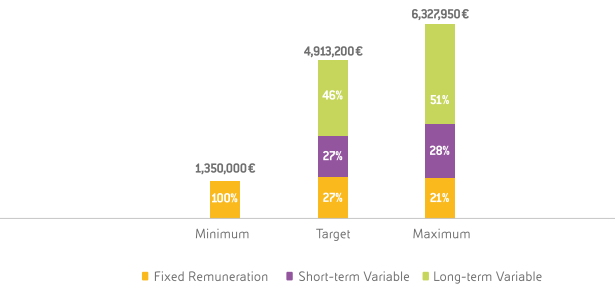
Summary Indicators

Pay mix CEO/GM

In implementation of the resolution of 8th May, 2014 regarding the reduction of the remuneration of directors with delegated powers, the annual remuneration structure of the Chief Executive Officer and General Manager, approved by the Eni Board of Directors Meeting of 28th May, 2014 sets a level of total maximum potential remuneration reduced by 25% compared to the total maximum annual remuneration of the previous term. The pay mix of the maximum potential remuneration of the Chief Executive Officer and General Manager is strongly focused on the variable components, amounting to 79%, with a definite prevalence of the long-term

component as the chart shows. It should be noted that the total amount of theoretical maximum annual remuneration of the Chief Executive Officer and General Manager is subject to the attainment of multiple targets that measure the performance of Eni over three years. Therefore the expectation of total remuneration, as well as the actual remuneration, are subject to the combination of multiple factors whose attainment is subject to probabilistic factors of high risk, multi-stakeholders and sustainability in the medium term, adopted in the identification of the targets.

Pay mix CEO/GM



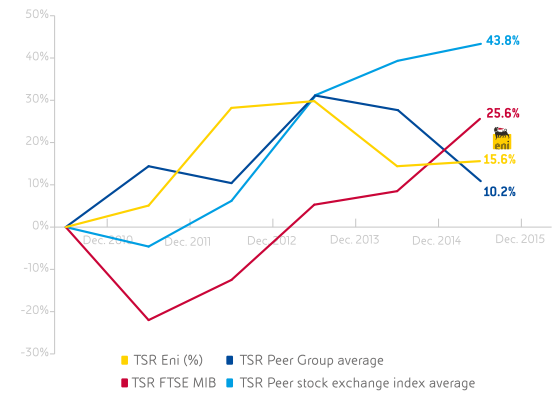
Remuneration, Performance, Sustainability

In the period 2011-2015, Eni provided its shareholders with a Total Shareholder Return of 15.6% compared to 25.6% of the FTSE MIB, while the Peer Group⁽¹⁾ provided an average TSR of 10.2% compared to 43.8% of the average of Stock Exchange benchmarks relevant to peers⁽²⁾.

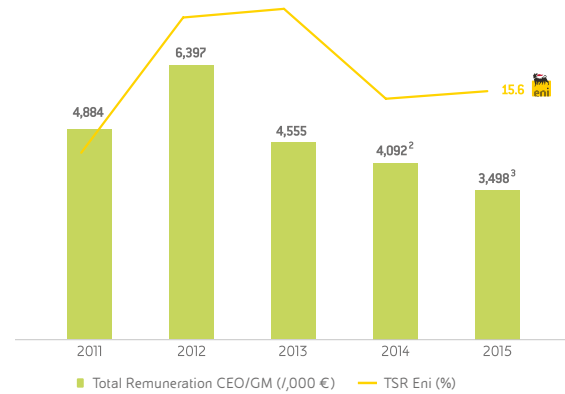
The chart shows the comparison between the TSR trend and the CEO/General Manager's total remuneration for the period 2011-2015.

In 2015, Eni also achieved its sustainability goals and outperformed its injury rate target.

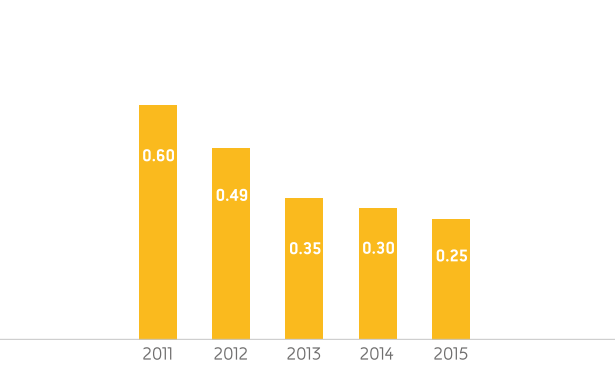
Total Shareholder Return (Eni vs Peer Group and Stock Exchange indices of reference)



Pay for performance analysis (TSR Eni vs CEO/General Manager Total Remuneration 2011-2015¹)



Injury frequency rate for employees and contractors (accidents/hours worked) x 1,000,000



(1) The Peer Group consists of: Exxon, Chevron, Shell, Total, BP, Repsol.
(2) The Stock Exchanges of reference are: Dow Jones Industrial, CAC 40, FTSE 100, AEX, Ibex 35.

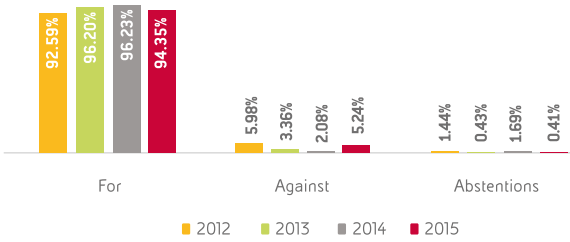
(1) Data given in Table 1 of the 2011-2015 Eni Remuneration Reports.
(2) For 2014 fixed remuneration is calculated as the sum of the pro-rata amounts paid to the outgoing CEO and to the incoming CEO.
(3) For 2015 total remuneration also includes incentives accrued by the current CEO/General Manager in his previous role as COO of the E&P Division.

Remuneration Report 2015 (Section I) - Results of the Shareholders' vote

The Shareholders' Meeting of 13th May, 2015, in accordance with the provisions of the applicable legislation (Art. 123-ter, paragraph six of Italian Legislative Decree No. 58/98), expressed an advisory vote on the first section of the 2015 Remuneration Report. The percentage of

participants voting in favour was, in 2015, 94.35%, vs. an average of 95% votes in favour in the period 2012-2015.

Results of the Shareholders' Meeting vote on the 2012-2015 Eni Remuneration Report (% voting participants)



Section I - Remuneration Policy 2016

Governance of the remuneration process

Bodies and parties involved

The Policy governing the remuneration of members of the Eni Board of Directors is defined in accordance with regulatory and statutory provisions, according to which:

- the Shareholders' Meeting determines the remuneration of the Chairman and of the members of the Board of Directors at the time they are appointed and for the entire duration of their mandate;
- the Board of Directors determines the remuneration of the Directors with delegated powers and of those who participate in Board Committees, after examining the opinion from the Board of Statutory Auditors.

In line with Eni's governance model⁹, the Board is also responsible for:

- defining the Company's targets and approving the Company's actual performance against these targets, thereby determining variable remuneration of eligible Directors;
- approving the general criteria for remunerating Managers with strategic responsibilities;
- subject to proposal by the Chairman in agreement with the Chief Executive Officer, defining the remuneration structure of the Internal Audit Manager, in accordance with the remuneration policies of the Company, on receipt of a favourable opinion from the Control and Risk Committee and having examined the opinion from the Board of Statutory Auditors.

In line with the recommendations of the Italian Corporate Governance Code, the Board of Directors is supported by a Committee of independent Non-Executive Directors (the Compensation Committee), which makes proposals and provides advice on remuneration issues.

Eni Compensation Committee

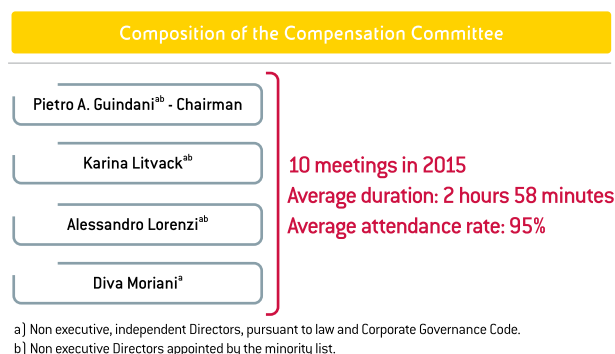
Composition, appointments and tasks

The Eni Compensation Committee was first established by the Board of Directors in 1996. Its composition and appointment, remit and terms of reference are governed by specific rules approved by the Board of Directors and published on the Company website¹⁰.

In line with the Italian Corporate Governance Code, the Committee is composed of four Non-Executive Directors, all of whom meet the definition of independence contained in the law and Corporate Governance Code; the Regulations also permit that the Committee be composed of a majority of independent Non-Executive Directors, provided that the Chairman be independent. In line with the Corporate Governance Code (Art. 6.P.3), the Articles also require at least one Committee member to possess adequate knowledge and experience of financial matters or remuneration

policies, as assessed by the Board at the time of his or her appointment. This requirement is satisfied, in terms of the current composition of the Committee, by the Chairman.

Below are the details of the composition and meetings of the Committee in 2015.



The Chief Services & Stakeholder Relations Officer of Eni or, on his behalf, the Executive Vice President Compensation & Benefits, acts as Secretary to the Committee.

The Committee carries out the following recommendatory and advisory functions towards the Board of Directors, consistent with the recommendations of the Corporate Governance Code (Art. 6.P.4 and Art. 6.C.5):

- submits the Remuneration Report and in particular the Remuneration Policy for Directors and Managers with strategic responsibilities to the Board of Directors for approval, prior to it being presented to the Shareholders' Meeting called to approve the year's financial statements, in accordance with the time limits set by applicable law;
- periodically evaluates the adequacy, overall consistency and effective implementation of the Policy, formulating relevant proposals for the Board of Directors;
- presents proposals for the remuneration of the Chairman and of the Chief Executive Officer, including the various components of compensation and non-cash benefits;
- presents proposals for the remuneration of Board Committee members;
- having examined the Chief Executive Officer's input, proposes general criteria for the compensation of Managers with strategic responsibilities, the annual and long-term incentive plans, including equity-based plans, sets group wide performance objectives and assesses performance against them, thereby determining the variable awards due to Executive Directors pursuant to the implementation of the approved incentive plans;
- monitors the execution of the decisions taken by the Board;
- reports to the Board at least once every six months regarding the activities out of the Committee.

(9) For more information regarding the Eni governance system, please refer to the "Corporate Governance Report" published in the "Governance" section of the Company website.

(10) The rules of the Compensation Committee are available in the "Governance" section of the Company's website, at the following address: <http://www.eni.com/en/IT/governance/board-of-directors/bod-committees/committees.shtml>

Furthermore, in exercising its functions, the Committee may issues opinions as required by Company procedure in relation to operations with related parties, in accordance with specified procedures.

Operating Procedures

The Committee meets as often as necessary to fulfil its functions, usually on the dates established in the annual meeting schedule approved by the Committee itself, and in the presence of at least the majority of its current members. The Chairman of the Committee calls and chairs the meetings; in case of absence or impediment, the meeting is chaired by the oldest attending member. The Committee decides with an absolute majority of those present; in the case of tied votes, the Committee Chairman has a casting vote. The Committee Secretary, who may be assisted in this function by the Executive Vice President Compensation & Benefits, produces the minutes of the meetings.

The Chairman of the Board of Statutory Auditors (or another Statutory Auditor appointed by said Chairman) may attend the meetings of the Committee. Other Statutory Auditors may also participate when the Committee discusses matters for which the Board of Directors decides jointly with the mandatory opinion of the Board of Statutory Auditors. Meetings may be attended, at the invitation of the Chairman of the Committee, by the Chairman of the Board of Directors and the Chief Executive Officer; at the request of the Chairman of the Committee, the meetings may also be attended by Managers of the Company or other persons, including other members of the Board of Directors, to provide information and feedback on individual agenda items.

No Director may participate in Committee meetings in which proposals are submitted to the Board relating to his or her own personal remuneration. The provisions applicable to related-party transactions remain unchanged.

The Committee has the right to access the information and Company managers necessary to perform its duties, and to make use of external consultants whose independence is assured, within the terms and limits of the budget set by the Board of Directors.

Cycle of the Compensation Committee's Activities

The Committee's activities are carried out in line with an annual programme, which involves the following steps:

- verifying the adequacy, overall consistency and effective application of the Policy adopted in the previous year, in relation to results achieved and to compensation benchmark studies provided by specialist external providers;
- defining the policy proposals for the following year, as well as performance targets linked to the short and long-term incentive plans;
- issuing recommendation regarding the implementation of the existing short and long-term variable incentive plans, following an evaluation of results obtained versus performance targets;
- preparing the Remuneration Report for submission to the annual Shareholders' Meeting, subject to approval of the Board of Directors;
- analysing the voting results obtained at the Shareholders' Meeting regarding the Policy;
- monitoring developments in the wider regulatory environment and the voting policies of the leading proxy advisors and institutional investors, as part of preliminary activities planned in support of the proposed Policy for the following year.

Performed and planned activities

During 2015, the Compensation Committee met a total of 10 times, with an average attendance of 95% of its members and an average duration of 2 hours 58 minutes. All the Committee meetings were attended by at least one member of the Board of Statutory Auditors. Earlier in the year, the Committee focused its activities in particular on the following topics:

- i) periodic assessment of the Remuneration Policy implemented in 2014, with a view to defining proposed Policy Guidelines for 2015;
- ii) review, with the support of leading law firms, of the implementation criteria of the previously-adopted clawback policy, followed by revisions aimed at aligning it with recommendations introduced in July 2014 by the Italian Corporate Governance Code (Art. 6.C.1.f), and making its implementation more effective;

Compensation Committee activity cycle

November to December

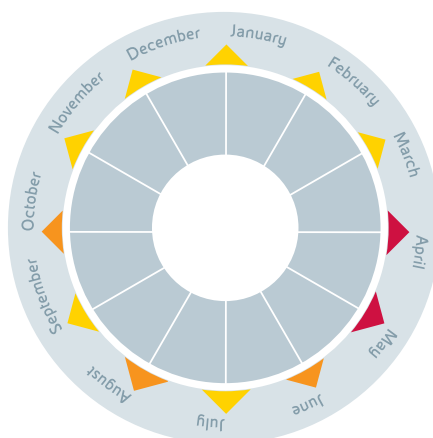
- Monitoring of the regulatory framework and the voting policies of the major proxy advisors and institutional investors

September

- Implementation of the Long-Term Monetary Incentive Plan (LTMI)

July

- Review of the results of the Shareholders' Meeting vote on the planned Remuneration Policy



January

- Review of the Policy adopted in the previous year
- Definition of the targets related to the variable incentive plans
- Definition of the Remuneration Policy

February - March

- Final review of performance vs. variable incentive plan targets
- Implementation of the 2013 Deferred Monetary Incentive Plan (DMI)
- Preparation of the Remuneration Report

April - May

- Presentation of the Remuneration Report to the Shareholders' Meeting

Section I - Remuneration Policy 2016

- iii) review of 2014 corporate results and definition of 2015 performance targets relevant to the variable incentive plans;
- iv) definition of proposals for the implementation of the Deferred Monetary Incentive Plan for the Chief Executive Officer and General Manager as well as other senior executives;
- v) review of the 2015 Eni Remuneration report;
- vi) review and approval of the adjustment method used to monitor Company performance, in order to eliminate exogenous effects, and thereby ensure appropriate comparability of results and assessment against previously-defined targets;
- vii) verification of the non-competition agreement entered into with the outgoing Chief Executive Officer;
- viii) review of the shareholder engagement process in order to maximize the degree of voting approval obtained on the 2015 Remuneration Policy.

In the second part of the year the Committee primarily analysed the results of the 2015 Shareholder Meeting season, with a focus on Eni in relation to leading Italian and European listed companies as well as its oil&gas Company peer group. In addition, the Committee:

- i) analysed regulatory developments regarding executive compensation, particularly with regard to the US Securities Exchange Commission's recent proposals on clawbacks;
- ii) finalised the implementation proposal (2015 assignment) of the Deferred Monetary Incentive Plan for the Chief Executive Officer and General Manager and other key executives;
- iii) carried out a preliminary review of relevant compensation benchmarks, updated to 2015, for top management;
- iv) received periodic updates on the evolution of relevant regulatory developments;

Main topics covered in 2015

Month	Remuneration	Governance
January	- Definition of performance targets for 2015 associated with management's Incentive Plans - Review of the adjustment methods used to measure Company performance	- Remuneration Policy: assessment of the 2014 implementation and drafting of 2015 proposals - Review of the draft Remuneration Report 2015 (Section I) - Review of the general principle of clawback and definition of the related application criteria
February	- Review of the 2014 results associated with management's Incentive Plans - Implementation of Variable Incentive Plans for the Directors with delegated powers - Implementation of the Deferred Monetary Incentive Plan for the CEO/GM and other senior managers - Ongoing review of the adjustment methods used to evaluate Company performance	- Final review of the Remuneration Report 2015 (Sections I and II) - Information on the application conditions for the clawback clause in force
March		- Review of practical implementation criteria related to clawback principle
May	- Approval of the adjustment method used to assess Company performance	- Information on the 2015 engagement process with institutional investors regarding remuneration - Completion of review of implementing criteria related to revised clawback policy - Review of fulfilment of non-competition agreement by outgoing CEO/GM (Paolo Scaroni)
July	- Information on the payment of 2012 LTMI Plans matured for the outgoing CEO/GM (Paolo Scaroni)	- Analysis of the results of the vote on the Remuneration Policy - 2015 Shareholders' Meetings season
September	- Implementation of the Long-term Monetary Incentive Plan (2015 assignment) for the CEO/GM and the critical managerial resources	- Analysis of the regulatory developments regarding executive compensation, particularly with regard to SEC's recent proposals on clawback
October	- Preliminary review of the remuneration benchmarks 2015 - Information on the method of classifying and recognizing the proved reserves, associated with one of the performance parameters (NPV of the proved reserves) envisaged by the LTMI Plan 2014-2016	
November		- Monitoring developments in regulatory framework and voting policy of Proxy Advisors, benchmark studies on 2015 remuneration reports and definition of preliminary Guidelines for 2016 Remuneration Report - Review of results of first engagement cycle with institutional investors on remuneration issues, in view of Shareholders' Meeting season 2016 - Approval of meeting calendar for 2016 and 2016-2017 Activities Plan

- v) reviewed the voting policies of the leading proxy advisors and benchmark studies of remuneration reports published nationally and internationally in 2015;
- vi) reviewed results of management's initial engagement outreach in preparation for the 2016 Shareholders' Meeting season.

For 2016, the Committee has scheduled a total of eight meetings, four of which have already been held as of the date of approval of this Report, and that have focused in particular on: i) review of the Remuneration Policy implemented in 2015, in accordance with the Corporate Governance Code (Art. 6.C.5), as well as the definition of new Policy proposals for 2016; ii) actual performance obtained against targets and the definition of new targets linked to the implementation of the short and long-term variable incentive plans; iii) finalisation of proposals for the implementation of the Annual Variable Incentive Plan and the Deferred Monetary Incentive Plan (2016 awards) for the Chief Executive Officer and General Manager as well as other senior managers; iv) review of this Report for the purpose of submitting it for approval by the Board of Directors.

The Committee will examine the results of the 2016 Shareholder's Meeting season, and will implement the LTM Plan for the Chief Executive Officer and General Manager and key executives in the second half of 2016, as per the annual programme of activities.

The Committee will also initiate preparation of new policy proposals for the Board's next mandate, to include consideration of the possible introduction of a new equity-based long-term incentive plan.

The Committee shall report to the Board of Directors on the results of each of its meetings at each subsequent full Board meeting, in addition to providing half-yearly updates. It will also report to the annual Shareholders' Meeting, via its Chairman or another member appointed by the Chairman, as per requirements of the Italian Corporate Governance Code, in the spirit of building a constructive dialogue with shareholders.

Full information regarding the remuneration of Directors and management is available under the "Remuneration" heading of the "Governance" section of the Company website (www.eni.com).

Remuneration Policy 2016 approval process

The Compensation Committee, in exercising its responsibilities, focused on defining the structure and contents of the Remuneration Policy for purposes of preparing this Report, particularly at meetings held on 14th January, 15th and 18th February and 1st March, 2016, in accordance with the recommendations of the Italian Corporate Governance Code. In taking its decisions, the Committee reviewed the adequacy, overall consistency and effective implementation of the Guidelines Policy approved for 2015 and, as regards Committee member compensation, the decisions taken regarding the renewal of the corporate bodies. In preparing this Report, it also considered national and international disclosure standards, as well as compensation benchmarks prepared by independent international consultants in the preliminary analysis for the 2016 Remuneration

Policy proposals. The 2016 Eni Remuneration Policy for Directors and other Managers with strategic responsibilities was approved by the Board of Directors at their meeting on 17th March, 2016 on recommendation of the Compensation Committee, as along with approval of this Report.

The remuneration policies defined are implemented, in accordance with the instructions from the Board of Directors, by the delegated bodies with assistance from the relevant Company departments.

Purpose and general principles of the Remuneration Policy

Purpose

The Eni Remuneration Policy is defined in accordance with the governance model adopted by the Company and with the recommendations of the Italian Corporate Governance Code (referred to below in the main implementation Principles and Criteria), in order to attract, motivate and retain individuals of high professional and managerial standing (Art. 6.P.1) and ensure alignment of management interests with the primary goal of creating value for shareholders over the medium to long term (Art. 6.P.2).

Eni's Remuneration Policy contributes to achieving the Company's mission, values, and strategies, by:

- promoting actions and conduct that reflect the Company's values and culture, consistent with the principles of diversity, equal opportunity, non-discrimination, recognition of the knowledge and skills of individuals, fairness and integrity, as described in the Code of Ethics¹¹ and the Eni Policy "Our People"¹²;
- recognising roles and responsibilities, results, and the quality of professional contribution, taking into account the operating environment and relevant market pay scales;
- defining incentive structures that are tied to the sustainable long-term achievement of financial, business development, operational and individual objectives, consistent with the Company's Strategic Plan.

General principles

In pursuing the above, the remuneration of Directors and key executives is defined in line with the following principles and criteria:

Remuneration of Non-Executive Directors

Remuneration of Non-Executive Directors is commensurate with the effort required in relation to participation in Board Committees set up in accordance with the Articles of Association (Art. 6.P.2), with appropriate differentiation between the remuneration afforded Committee Chairmen and that of fellow Committee Members, in view of the different roles respectively held regarding coordination of work and relationships with Corporate bodies and managerial teams; unless decided otherwise by the Shareholders' Meeting, Non-Executive Directors are not beneficiaries of variable incentive plans, including equity-based (Art. 6.C.4).

[11] For more information on the Code of Ethics, please refer to the Report on Corporate Governance and Ownership Structure 2015, available on the Company website (www.eni.com).

[12] Policy approved by the Board of Directors on 28th July, 2010.

Remuneration of the Chief Executive Officer and the Managers with strategic responsibilities

The remuneration packages for the Chief Executive Officer and Managers with strategic responsibilities are appropriately balanced between: i) a fixed component that is consistent with role and/or responsibilities, as well as adequate in the event of non-payment of the variable component (Art. 6.C.1.c), and ii) a variable component that is defined within maximum limits (Art. 6.C.1.b), aimed at aligning remuneration with performance, and takes account of the risk profiles of the business (Art. 6.C.1.a).

Consistency with market references

Total remuneration packages aim for consistency with standard market values applicable for positions or roles of similar level of responsibility and complexity, based on panels of relevant comparators that were developed through benchmarking analysis carried out by international remuneration advisors.

Variable remuneration geared towards sustainability of results over the long-term

Executive roles with the greatest influence on business performance are characterised by variable remuneration containing a significant percentage of incentive components, particularly long-term awards (Art. 6.P.2). These incentives are deferred over a period of at least three years in line, with the long-term nature of the business activities performed and the associated risk profiles (Art. 6.C.1.e).

Predetermined, balanced and measurable targets

Targets related to variable remuneration are strongly results-oriented, and are set prospectively, measurable and mutually complementary, in order to fully capture the priorities that underpin the Company's overall performance, consistent with the four-year Strategic Plan and the expectations of shareholders and stakeholders (Art. 6.C.1.d). These targets are defined so as to ensure:

- i) annual performance assessment, on the basis of a balanced scorecard that values the overall business and individual performance, defined in relation to targets specific to each area of responsibility, and for those in charge of internal audit responsibilities, in line with their specific assigned role (Art. 6.C.3);
- ii) the definition of long-term incentive plans that allow Company performance to be evaluated both in absolute terms, i.e. based on the capacity to generate sustained growth in profitability, and in relative terms compared to a peer group, by way of ranking against Eni's main international competitors.

Consistency with actual performance

Incentive awards linked to variable remuneration are made pursuant to a detailed verification process that assesses performance against assigned targets, net of the effects of

exogenous variables¹³, in order to recognise actual value-added attributable to managerial actions.

Benefits in line with market practices

Non-cash benefits are consistent with remuneration practices applicable in the relevant reference markets, in line with local regulation, taking into account the roles and/or responsibilities assigned, favouring social security and insurance components.

Severance indemnities and non-competition agreements within the limits set to protect the Company's interests

To the extent that additional payments may be awarded upon termination of employment and/or mandate for executive roles, and non-competition agreements for roles at greater risk of "poaching" by competitors, these are defined in terms of a certain amount or a number of years of remuneration, in line with the remuneration received and the performance achieved, as per recommendations set forth in the implementation criteria (Art. 6.C.1.g) of the Italian Corporate Governance Code.

Clawback clauses applicable to data misstatements or to intentional and significant violations

At the recommendation of the Committee, the Board has approved a revised Clawback Policy¹⁴ that provides for the variable component of remuneration, if already paid, to be reclaimed, and if still subject to deferral, to be withheld, in instances where results underpinning such awards were based on data which subsequently proved to be manifestly misstated (Art. 6.C.1.f), and/or where subsequent checks confirm a deliberate intent to fraudulently alter data on which incentives have been calculated; and/or where the individual is deemed to have committed serious and deliberate violations of the law and/or regulations, the Eni Code of Ethics or Company procedures, where relevant to the employment and trust relationship. The Policy allows the recoupment of all incentives for the year (or years) in which the behaviours are deemed to have occurred, and applies without prejudice to any other action permitted by law and regulations to protect the interests of the Company. The Clawback Policy provides that the activation of recoupment claims (or withdrawal of incentives awarded but not yet paid) must take place, once appropriate verification has been completed, within three years of payment (or award) in cases of error, and within five years in cases of deliberate intent to defraud.

Remuneration Policy Guidelines 2016

The guidelines for the 2016 Remuneration Policy for Directors with delegated powers reflect the decisions made by the Board of Directors on 28th May, 2014, following the election of a new Board on 8th May, 2014, as well as the Annual Shareholders' Meeting resolutions of 8th May, 2014, regarding the reduction in

(13) Exogenous variables are those events that, due to their nature or through Company choice, are not under the control of the managers, such as, for example, Oil & Gas prices, the euro/dollar exchange rate.

(14) Implementation criteria for the clawback principle envisaged by the Eni Remuneration Policy approved on 12th March, 2015.

the remuneration of Directors with delegated powers pursuant to Article 84-ter of Law No. 98/2013, and the approval of the 2014-2016 Long-Term Monetary Incentive Plan under Art. 114-bis of the Consolidated Law on Financial Intermediation. For Managers with strategic responsibilities, the 2016 Guidelines provide for the same instruments used in 2015, in particular the short and long-term incentive plans, which are consistent with of the reward structure adopted for the Chief Executive Officer and General Manager. As before, these seek to align managerial actions with the targets defined in the Company's Strategic Plan.

To ensure greater alignment with investor interests, the Committee is considering, for adoption as of the next mandate, the potential introduction of a Stock Incentive Plan to replace the current Long-Term Monetary Plan, as well as amendments to the deferred monetary incentive plan based on evolving standards of market best practice.

Market references

For the Chairman, Non-Executive Directors and the Chief Executive Officer and General Manager, the positioning of the Company's remuneration is assessed by comparing similar roles in the following main comparator groups:

- i) Oil & Gas Panel: main listed companies in the Oil & Gas sector, Eni's competitors at international level and of comparable median size (Exxon, Shell, Chevron, Total, BP, Conoco Phillips, Anadarko, Repsol, Marathon Petroleum, Marathon Oil, Tullow Oil).
- ii) Top Europe Panel: main listed European companies, of median size comparable to Eni, excluding companies in the financial, insurance and luxury sectors (Shell, BHP Billiton, Total, BP, Bayer, Volkswagen, GlaxoSmithKline, British American Tobacco, Siemens, Vodafone, AstraZeneca, Daimler, Rio Tinto, BASF, Deutsche Telekom, BMW, Telefonica, Glencore, Reckitt Benckiser, National Grid, British Telecom, British Gas).
- iii) Top Italy Panel: main companies listed on the FTSE MIB, excluding companies in the financial, insurance and luxury sectors (Enel, Telecom Italia, FCA, Pirelli, Finmeccanica, Snam, Terna, Prysmian, Luxottica, Atlantia, Mediaset).

For Managers with strategic responsibilities, positioning is assessed by comparing roles with a comparable degree of responsibility and managerial complexity in the national, international and Oil & Gas markets, applying the same methods employed for the top management.

Chairman of the Board of Directors

Remuneration of the Chairman for the delegated powers

The Policy Guidelines for the Chairman of the Board of Directors reflect the decisions taken by the Board of Directors on 28th May, 2014, which defined a fixed remuneration for the delegated powers amounting to 148,000 Euros, in addition to remuneration for the

position determined by the Shareholders' Meeting on 8th May, 2014 amounting to 90,000 Euros, in compliance with the maximum of 238,000 Euros defined by the same Shareholders' Meeting. These Guidelines do not provide for variable remuneration.

Payments due in the event of termination of office or employment¹⁵

No specific terminal payments are envisaged for the Chairman, nor do any agreements exist for indemnities in the case of early termination of the mandate.

Benefits

For the Chairman, the Remuneration Policy Guidelines provide, in line with decisions taken by the Board of Directors on 28th May, 2014, insurance coverage for the risk of death and permanent disability.

Non-Executive Directors

Remuneration for participation in Board Committees

The Policy Guidelines for Non-Executive and/or Independent Directors provide for the maintenance of an additional annual remuneration¹⁶ for participating in Board Committees, as follows:

- for the Control and Risk Committee, annual remuneration consists of 60,000 Euros for the Chairman and 40,000 Euros for fellow members;
- for the Compensation Committee, the Sustainability and Scenarios Committee and the Nominations Committee, remuneration consists of 30,000 Euros for the respective Chairmen and 20,000 Euros for fellow members.

Payments due in the event of termination of office or employment¹⁷

No specific terminal payments are provided for Non-Executive Directors, nor do any indemnities apply in case of early termination of mandate.

Chief Executive Officer and General Manager

For the Chief Executive Officer and General Manager, the Policy Guidelines reflect the resolutions passed by the Board of Directors on 28th May, 2014 for the current term, taking into account the specific delegated powers granted in accordance with the Articles of Association, the instructions contained in the chapter "Principles and general purposes of the Remuneration Policy", as well as the 25% reduction of the maximum payable overall remuneration of the previous mandate, in accordance with the Shareholder's resolution of 8th May, 2014. The remuneration envisaged by the Board in relation to the delegated powers includes both the compensation for Directors determined by the Shareholders' Meeting on the May 8, 2014, as well as any compensation that may be due for participating in the Board of Directors of Eni's subsidiaries or associated companies.

[15] In view of the reference to this Report contained in the Report on Corporate Governance and Ownership Structures 2015, available in the Governance section of the Company website (www.eni.com), such information is provided also under Art. 123-bis, paragraph 1, subparagraph i) of the TUF (Agreements between the Company and the directors, the members of the management or supervisory board, providing for compensation in case of resignation or dismissal without just cause or if their relationship is terminated following a public purchase offer).

[16] This remuneration supplements the one established by the Shareholders' Meeting of 8th May, 2014 for the remuneration of Non-Executive Directors, amounting to 80,000 Euros annual gross.

[17] Information also provided under Art. 123-bis, paragraph 1, subparagraph i) of the TUF, as set out in note 15.

Fixed remuneration

Total fixed remuneration is set at a gross annual amount equal to 1,350,000 Euros, of which 550,000 Euros for the position of Chief Executive Officer and 800,000 Euros for the position of General Manager.

In his capacity as Eni Senior Manager, the General Manager is also entitled to receive an indemnity for travel, in Italy and abroad, in line with applicable provisions under the relevant national collective labour agreement for senior managers, in addition to supplementary Company level agreements.

Annual variable incentive

The 2016 annual variable incentive plan is linked to the achievement of predefined targets for 2015 as described in the 2015 Remuneration Report, measured according to a performance scale of 70 to 130 points, in relation to the weight assigned to each target (below 70 points, the performance of each target is considered to be zero). For purposes of the incentive award, the minimum overall performance is 85 points. This Plan provides for remuneration calculated with reference to a minimum incentive level (performance = 85), target (performance = 100) and maximum (performance = 130), respectively equal to 85%, 100% and 130% of base salary, as determined by results achieved by Eni over the previous year.

The 2016 targets approved at the Board Meeting of 17th March, 2016 for the 2017 annual variable incentive plan provide for a structure focused on the essential goals consistent with the guidelines outlined in the Strategic Plan and balanced against the prospects of interest to the various stakeholders. The structure and weighting of these different targets are presented in the table below. The value of each objective, at target performance level, is aligned with the budgeted value.

2016 objectives for the 2017 variable incentive plan			
Economic and financial results (25%) EBT Free cash flow		Operating results and sustainability of the economic performance (25%) Hydrocarbon production Exploration resources	
Environmental sustainability and human capital (25%) CO ₂ emissions Total recordable accident frequency rate (TRIR)		Efficiency and financial strength (25%) ROACE Debt/EBITDA	

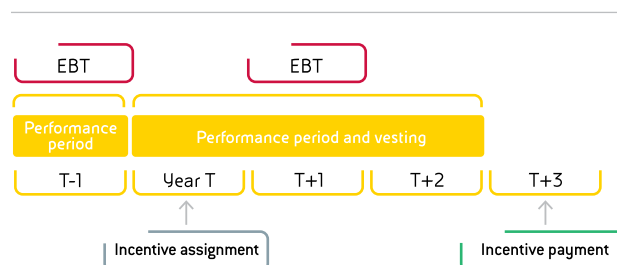
Long-term variable incentives

The long-term variable component consists of two distinct plans:

- The Deferred Monetary Incentive Plan (DMI), also applicable to all senior managers of the Company, with annual assignments over a three-year period, starting in 2015 and linked to

Company performance measured in terms of Earnings Before Taxes (EBT). Conditions of the Plan include: i) that the annual incentive be based on EBT results achieved by the Company in the previous year, measured on a 70-130 performance scale, for a minimum, target and maximum value equal to 34.4%, 49.2% and 64%, respectively, of total fixed remuneration. If results fall below the minimum performance level, no award is made; ii) that the incentive award due at the end of the three-year vesting period be based on the average of annual EBT results achieved during the vesting period, as a percentage between zero and 170% of the assigned value, according to the performance scale given below. Where results are below the minimum EBT, the performance is considered to be zero. The value of the EBT, at target performance level, is aligned with the budgeted value.

DMI Plan - Timeline



Incentive scale

	<<target	<target	Target	>target
Assignment	0%	70%	100%	130%
Payment	0%	70%	130%	170%

- The Long-Term Monetary Incentive Plan (LTMI) approved at the Shareholders' Meeting of 8th May, 2014, also provided for senior managers deemed critical to the business¹⁸ to be eligible for three annual awards beginning in 2014, linked to the performance metrics of Total Shareholder Return¹⁹ and Net Present Value of proven reserves²⁰, measured in relative terms compared to the designated peer group. These metrics, in line with international best practices, are designed to maximise alignment with the interests of shareholders and enable more sustainable value creation in the medium to long term. The conditions of the Plan (shown below) include: i) that the annual award be equal to 100% of overall fixed remuneration; ii) that the award due at the end of the three-year vesting period be determined in relation to results achieved in terms of the relative ranking of TSR (weighted at 60%) and of the NPV of proven reserves (weighted at 40%) versus a peer group consisting of the following leading international Oil & Gas companies: Exxon, Chevron, Shell, BP, Total and Repsol.

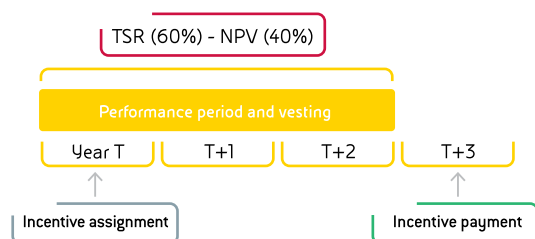
(18) The managers of Eni and its subsidiaries identified during the annual implementation of the Plan among those who occupy the positions that are most directly responsible for the business performance or that are of strategic interest and who, at the date of allocation, are employees and/or in the service of Eni SpA and its subsidiaries, including Eni SpA Managers with strategic responsibilities.

(19) The Total Shareholder Return (TSR) measures the overall return of a stock investment, taking into consideration both the price change and the dividends paid and reinvested in the same stock, in a specific period.

(20) The Net Present Value represents the present value of the future cash flows of proved hydrocarbon reserves, net of future production and development costs and related taxes. It is calculated on the basis of standard references defined by the Securities Exchange Commission on the basis of the data published by oil companies within the official documentation (Form 10-K and Form 20-F).

The actual award is determined as a percentage of the maximum potential amount, by calculating the arithmetic average of the three annual multipliers, each of which is in turn determined during the vesting period based on the ranking achieved in that year versus the peer group. The annual multipliers are determined according to the following scale: 1st place = 130%; 2nd place = 115%, 3rd place = 100%; 4th place = 85%; 5th place = 70%; 6th and 7th place = 0%. The minimum incentive threshold involves reaching 5th place for both indicators in at least one year of the three-year vesting period.

LTM Plan - Timeline



Payments incentive scale

Ranking	7 th	6 th	5 th	4 th	3 rd	2 nd	1 st
Multiplier	0%	0%	70%	85%	100%	115%	130%

Both Plans envisage that, should the recipient's current mandate not be renewed, the payment of each award will occur at the natural expiry of the related vesting period, in accordance with the performance conditions defined in the Plan.

Benefits

For the Chief Executive Officer and General Manager, the Policy Guidelines provide for insurance coverage for the risk of death or permanent disability, and, per provisions contained in the national collective labour agreement and the supplementary corporate agreements for Eni senior managers, enrolment in the supplementary pension plan (FOPDIRE²¹) as well as the supplementary health plan (FISDE²²), together with a Company car for business and personal use.

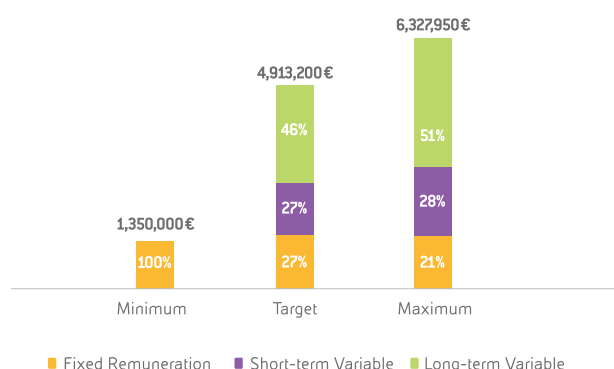
Pay mix

The remuneration package for the Chief Executive Officer and General Manager includes a fixed component, a short-term variable component and a long-term variable component. The pay mix is significantly focused on the variable components, with a dominant weighting accorded to the long-term component, as shown in the chart.

Payments due in the event of termination of office or employment²³

For the Chief Executive Officer and General Manager, in line with sector practice and with the provisions of the European Commission Recommendation No. 385 of 30th April, 2009, as well

Pay mix CEO/GM



as to protect the Company from potential competitive risks, the Policy provides for the following payments:

- An indemnity supplementing the severance award, with mutual exemption from notice, is payable upon termination of the employment relationship, due to non-renewal or early termination of the 2014-2017 administrative mandate, including in the event of resignation due to substantive reduction of delegated powers. This indemnity is equal to two years of total fixed remuneration (1,350,000 Euros), for a total gross amount equal to 2,700,000 Euros. Moreover, consistent with both recommendation 6.C.1.g of the Italian Corporate Governance Code and contractually-agreed terms within the Chief Executive Officer's employment contract, such compensation is not due in the event of dismissal for "just cause" under Art. 2119 of the Italian Civil Code, or in the event of his resignation as Chief Executive Officer prior to the expiry of his mandate, unless triggered by either the above-referenced reduction of delegated powers or in the event of death as governed by Art. 2122 of the Italian Civil Code;
- A Non-Competition Agreement to protect the Company's interests can be activated at the sole discretion of the Board of Directors through the exercise of an option right, the validity of which applies only as of the onset of a second mandate (if awarded), in exchange for a total option fee of 500,000 Euros gross, to be disbursed progressively over three annual instalments. If this option is exercised by the Board and the agreement therefore implemented, the amount of the non-compete award is paid subject to a commitment by the Chief Executive Officer and General Manager not to undertake, for a twelve-month period following the termination of the employment relationship, any Exploration & Production activities potentially in competition with Eni in key markets in Europe, America, Asia and Africa. This amount will be determined by the Board of Directors as the sum of two components: i) a fixed component of 1,500,000 Euros; ii) a linearly-determined variable component based on the average annual performance of the previous three years (equal to 0 for performance below or equal to the targets and to 750,000 Euros for maximum performance), and will be paid at the expiry of the term of the agreement. The variable component is calculated by taking into consideration the annual

[21] Defined contribution retirement plan with individual capitalisation (www.fopdire.it).

[22] Plan that reimburses health expenses for working and retired managers and their families (www.fisde-eni.it).

[23] Information also provided under Art. 123-bis, paragraph 1, subparagraph i) of the TUF, as set out in note 15.

performance related to the annual Variable Incentive Plan. Any violation of the Non-Competition Agreement will involve the non-payment of the consideration (or its restitution, where the violation is identified by Eni after the payment), and the obligation to pay damages set by mutual agreement at an amount equal to twice the amount of the Non-Competition Agreement, without prejudice to Eni's legal right to seek further restitution of damages.

Managers with strategic responsibilities

Fixed remuneration

Fixed remuneration is determined on the basis of assigned roles and responsibilities, and reflects graduated and a generally median to below-median positioning versus national and international executive markets for comparable roles; it may be updated periodically during the annual salary review for all managers.

The 2016 Guidelines, given current market comparators and trends, provide for a selective approach to recruitment, while maintaining appropriate levels to ensure competitiveness and motivation. In particular, the proposed actions will include measures to adjust fixed/one-off remuneration for those in positions that have seen a significant increase in responsibility or scope, as well as to reflect retention needs and excellent quality performance.

In addition, as Eni officers, Managers with strategic responsibilities are entitled to receive the indemnities due for travel in Italy and abroad, in line with applicable provisions of the relevant national collective labour agreement for senior managers and supplementary Company agreements.

Annual variable incentive

The annual variable incentive plan provides for remuneration to be awarded in 2015, calculated on the basis of performance against targets for business areas and individuals achieved in the previous year. This is measured in accordance with a performance scale of 70 to 130 points, with a minimum incentive level equal to 85 points, below which no incentive is due, as described above in relation to the formula applied to the Chief Executive Officer and General Manager. The target incentive level (performance = 100) differs by up to a maximum of 60% of base salary, depending on the individual role.

The targets set for the Managers with strategic responsibilities are consistent with those assigned to the Chief Executive Officer and General Manager, and are focused for each business area on a set of financial, operational and industrial, internal efficiency and sustainability metrics (in terms of health and safety, environmental protection and stakeholder relations), as well as on relevant individual targets, consistent with the provisions of the Company's Strategic Plan.

Long-term variable incentives

The Managers with strategic responsibilities, in line with the provisions for the Chief Executive Officer and General Manager, are eligible for the 2015-2017 Deferred Monetary Incentive Plan (DMI) approved by the Board of Directors on 12th March 2015,

and the 2014-2016 Long-Term Monetary Incentive Plan (LTMI) approved by the Board of Directors on 12th February, 2014 and by the Shareholders' Meeting on 8th May, 2014. The Plans have the following characteristics:

- The 2015-2017 Deferred Monetary Incentive Plan for senior managers takes effect solely in the event that they deliver against performance targets established in the annual Variable Incentive Plan (threshold target). The Plan provides for three annual awards, starting in 2015, with the same performance conditions and characteristics as those described above for the Chief Executive Officer and General Manager. For the Managers with strategic responsibilities, each annual award is set in relation to the EBT results achieved by the Company in the previous year, measured on a performance scale of 70 to 130 points. The target incentive level differs, based on the role, by up to a maximum of 40% of base salary. The award due at the end of the three-year vesting period is determined on the basis of the average annual EBT results achieved during the three-year period, as a percentage between zero and 170% of the assigned value.
- The 2014-2016 Long-Term Monetary Incentive Plan, for the managerial resources deemed critical for the business, comprises three annual awards, starting in 2014, with the same performance conditions and characteristics as described above in relation to the Chief Executive Officer and General Manager's LTMI. For Managers with strategic responsibilities, the annual award differs depending upon seniority up to a maximum of 75% of base salary. The total award due at the end of the three-year vesting period is determined in relation to the results of the identified parameters (TSR with a weighting of 60% and NPV of proved reserves with a weighting of 40%) in the three-year period in question in relative terms compared to the peer group, as a percentage between zero and 130% of the assigned value.

Both Plans include clauses aimed at promoting employee retention. In particular, they allow, in cases of mutually-agreed separation, transfer and/or loss of control by Eni of the Company employing the individual prior to the end of the vesting period, that the employee maintain the right to the award, albeit to a reduced extent based on the length of time between the grant of the award and the occurrence of these events, as well as based on the actual results achieved over the relevant period; no payment is envisaged in the case of unilateral termination of employment.

Benefits

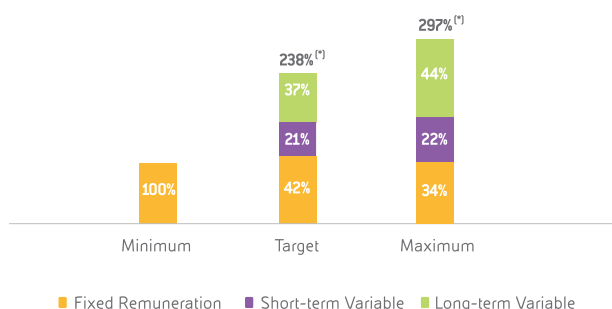
For Managers with strategic responsibilities, in line with the policy implemented in 2014 as well as provisions in the national collective labour agreement and supplementary Company-level agreements for Eni managers, the Policy Guidelines provide for enrolment in the supplementary pension plan (FOPDIRE) and health plan (FISDE), as well as insurance coverage in case of death or disability, together with a Company car for business and personal use, and the possible assignment of housing based on operational and mobility requirements.

Pay mix

The average pay mix of the remuneration package for Managers with strategic responsibilities highlights the balance between the fixed and variable components and, as regards the latter, the greater weighting of medium-long term variable incentives, in line with global best practice.

Payment due in the event of termination of employment

Managers with strategic responsibilities, as well Eni senior managers, are entitled to the payment due for employment termination, as per applicable national collective labour agreement, together with any other additional severance indemnity agreed upon on an individual basis, according to the criteria established by Eni for cases of early resolution, within the protection limits envisaged by the applicable national collective labour agreement. These criteria take into account the position held, the retirement age and the actual age of the manager at the time when the employment is terminated and the annual remuneration received. For cases of termination that present high competitive risks relating

Pay Mix MSR

(*) Nominal value of remuneration package as a proportion of fixed remuneration

to the criticality of the position held by the Manager, agreements containing non-competition clauses may also be entered into, with payments defined in relation to the remuneration received and the conditions of duration and efficacy of the agreement.

Section II – Compensation and other information

This Section has been omitted pursuant to the provisions of art. 84-quater, paragraph 1, of Consob Issuers' Regulation.

Investor Relations

Piazza Ezio Vanoni, 1 - 20097 San Donato Milanese (Milan)
Tel. +39-0252051651 - Fax +39-0252031929
e-mail: investor.relations@eni.com

**Eni SpA**

Headquarters: Rome, Piazzale Enrico Mattei, 1
Capital Stock as of December 31, 2015:
€4,005,358,876 fully paid
Tax identification number: 00484960588
Branches:
San Donato Milanese (Milan) - Via Emilia, 1
San Donato Milanese (Milan) - Piazza Ezio Vanoni, 1

Publications

Financial Statement pursuant to rule 154-ter paragraph 1
of Legislative Decree No. 58/1998
Integrated Annual Report
Annual Report on Form 20-F
for the Securities and Exchange Commission
Fact Book (in Italian and English)
Eni in 2015 (in English)
Interim Consolidated Report as of June 30 pursuant
to rule 154-ter paragraph 2 of Legislative Decree No. 58/1998
Corporate Governance Report pursuant to rule 123-bis
of Legislative Decree No. 58/1998
(in Italian and English)
Remuneration Report pursuant to rule 123-ter
of Legislative Decree No. 58/1998 (in Italian and English)

Internet home page: eni.com

Rome office telephone: +39-0659821

Toll-free number: 800940924

e-mail: segreteriasocietaria.azionisti@eni.com

ADRs/Depository

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