



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, Denmark, France, Germany, Greece, Hungary, Ireland, Italy, Luxembourg, Malta, the Netherlands, Norway, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, Switzerland, Turkey, the United Kingdom

AFRICA

Algeria, Angola, Cameroon, Congo, Côte D'Ivoire, Egypt, Equatorial Guinea, Gabon, Ghana, Libya, Mali, Morocco, Mozambique, Nigeria, Tunisia

ASIA AND OCEANIA

Australia, Azerbaijan, China, East Timor, India, Indonesia, Iran, Iraq, Kazakhstan, Kuwait, Malaysia, Oman, Pakistan, Papua-New Guinea, Qatar, Russia, Saudi Arabia, Singapore, Taiwan, Thailand, Turkmenistan, Ukraine, the United Arab Emirates, Vietnam, Yemen

AMERICAS

Argentina, Brazil, Canada, Colombia, Dominican Republic, Ecuador, Mexico, Peru, Trinidad & Tobago, the United States, Venezuela

Corporate Governance and Shareholding Structure Report

This Report is intended to provide a general and complete overview of the corporate governance system adopted by Eni.

Fulfilling the applicable legal and regulatory duties¹, in accordance with the guidelines and recommendations of Borsa Italiana S.p.A. (“Borsa Italiana”) – the company responsible for the organisation and management of the Italian stock exchange – and the most representative trade associations, the Report contains information regarding ownership structures and compliance with the Corporate Governance Code promoted by Borsa Italiana, giving reasons for the choices made in the application of corporate governance principles, as well as practices actually applied.

Borsa Italiana’s Corporate Governance Code is accessible to the public at www.borsaitaliana.it².

The text of this Report is also available at the registered office, published in the “Corporate Governance” section of the Company’s website³ and forwarded to Borsa Italiana according to the procedures and by the deadlines required by applicable regulations.

The information contained in this Report relates to the financial year 2009 and has been updated, in respect of certain matters, as of March 11, 2010, the date of the Board of Directors’ meeting that approved it together with the Directors’ report, the consolidated financial statements and the draft financial statements for the financial year 2009.

Eni: profile, structure and values

Profile

Eni is an integrated energy company with operations in more than 77 countries and a workforce of approximately 78,400 people. It operates in industries ranging from oil and natural gas to the generation and sale of electricity, from petrochemicals and engineering to construction, all of them sectors in which it has excellent skills and strong global market positions.

All of Eni’s actions are characterised by a strong commitment to sustainable development: making the most of people’s skills, contributing to the development and well-being of the communities in which it works, respecting the environment, investing in technical innovation, pursuing energy efficiency and lowering the risks of climate change are objectives shared by the corporate bodies, management and employees.

All of Eni’s men and women have a passion for challenges, continuous improvement and excellence, and above all they believe in the fundamental role played by the individual, the environment, integrity and the values established by the Code of Ethics.

Because of this, constant attention is paid to ensuring good governance.

Integrity and transparency are the principles which Eni pursues in formulating an administration and control structure that is suited to its size, complexity and operating structure, in adopting an effective internal control system, and in communicating with shareholders and other stakeholders, particularly by reviewing and updating the information available on its website.

¹ Article 123-*bis* of Legislative Decree No. 58/1998 (“Consolidated Law on Finance”) and article 89-*bis* of Consob Resolution No. 11971/99 and subsequent amendments (“Consob Regulations on Issuers”).

²At the following address: http://www.borsaitaliana.it/borsaitaliana/ufficio-stampa/comunicati-stampa/2006/codiceautodisciplina.en_pdf.htm.

³At the following address: http://www.eni.com/en_IT/governance/report-on-corporate-governance/report-on-corporate-governance.shtml

Governance structure

The corporate governance structure of Eni follows the traditional model, which assigns corporate management to the Board of Directors, the linchpin of the organisational system, supervisory functions to the Board of Statutory Auditors and auditing of the accounts to the audit firm appointed by the Shareholders' Meeting.

In compliance with the provisions of the By-laws, the Board appoints a Chief Executive Officer (CEO), to whom it assigns the management of the Company, with the exception of some matters which it reserves for itself, and assigns proxies to the Chairman to identify and promote integrated projects and strategically important international agreements.

The chosen model therefore establishes a clear distinction between the functions of the Chairman and those of the CEO, pursuant to article 25 of the By-laws, both of them retain representative powers for the Company.

The Board of Directors has created three internal committees with consulting and advisory functions: the "Internal Control Committee", "Compensation Committee" and "Oil-Gas Energy Committee". Furthermore, on a proposal made by the CEO, in agreement with the Chairman, it has appointed three General Managers (Chief Operating Officers) to head the three operating Divisions of Eni⁴.

The Board of Directors, on a proposal made by the CEO, in agreement with the Chairman, subject to the prior approval of the Board of Statutory Auditors, has appointed the Company's Chief Financial Officer as the Officer in charge of preparing financial reports.

The Chief Operating Officers and the Chief Financial Officer, together with the Chief Corporate Operations Officer and the Executives which directly report to the CEO (Senior Executive Vice President of the Company) are permanent members of the Management Committee, which advises and supports the CEO.

Some of the organizational and management choices highlighted in the Report have been made in order to fulfill US legal requirements, with which the Company has been required to comply following its listing on the New York Stock Exchange ("NYSE").

Code of Ethics

The Board of Directors believes it is fundamentally important that the values and principles which guide Eni are clearly defined, both internally and externally, in order to ensure that all company activities are implemented in compliance with the relevant laws and in a context of fair competition, honesty, integrity, fairness and good faith as well as in accordance with the legitimate interests of all the stakeholders with which Eni comes into contact on a daily basis: shareholders, employees, suppliers, customers, commercial and financial partners, as well as local communities and institutions within the countries in which Eni operates.

These values are embedded in the new Eni Code of Ethics, approved by the Board of Directors at its meeting held on March 14, 2008 to replace the previous Business Conduct Code of 1998. The Code of Ethics fulfils the evolution of the regulatory framework, expands on the issues of human rights and sustainability, ensures compliance with international best practices and updates references in relation to Eni's new organisational structure. Everyone working for Eni, from the corporate bodies and management downwards, is specifically committed to complying and ensuring compliance with these principles in the context of their duties and responsibilities. Under no circumstances may the conviction that one is acting for the benefit of Eni justify behavior which conflicts with these principles. The Guarantor of the Code of Ethics defends and promotes these principles and presents a report on the implementation of the Code, on a half-yearly basis, to the Internal Control Committee as well as to the Board of Statutory Auditors, the Chairman and the CEO, who in turn report to the Board. With specific reference to corporate governance issues, the new Code refers to the main corporate governance rules contained in the Corporate Governance Code adopted by Eni⁵, highlighting relations with shareholders and the market and defining the general principles to be applied when disseminating company information and in relations with the media.

⁴ "Exploration & Production", "Gas & Power" and "Refining & Marketing" Divisions.

⁵ For further details, see the paragraph entitled "Compliance with the Corporate Governance Code of Borsa Italiana and Eni Code".

The Code is also a general unwaivable principle of Model 231, of which it is an integral part: the synergies between the Code of Ethics and the Model are also emphasized by the allocation of Guarantor functions with respect to the Code of Ethics to the Eni Watch Structure, the latter being established by Model 231, with responsibility for promoting and verifying its implementation.

The Code of Ethics applies to all subsidiaries which are directly and indirectly controlled in Italy and abroad by Eni. Subsidiaries which are listed on the stock exchange and those of the gas sector which are subject to so-called unbundling regulations adopt the Code and adjust it as necessary, in accordance with their own company peculiarities and the principle of managerial autonomy. Each subsidiary assigns Guarantor functions with respect to the Code of Ethics to its own Watch Structure.

The representatives specified by Eni in the corporate bodies of other investee companies, as well as in consortia and joint ventures, promote the principles and contents of the Code within their respective areas of responsibility.

Eni's commitment to disseminating the principles of the Code is further underlined by the creation, under the responsibility of the Guarantor of the Code of Ethics, of a specific "Code of Ethics Promotion Team". The Team's task is to promote knowledge and facilitate the implementation of the Code providing all the tools required to interpret and understand it. For this purpose, it promotes a variety of initiatives depending on the stakeholders involved. These initiatives also aim to stimulate observations on the Code so that it can be constantly updated to fulfill the needs of the social context in which Eni operates

In particular, through a specific Promotion Plan, the Code of Ethics Promotion Team realized in 2009 various initiatives concerning dissemination and communication, training and participation of stakeholders.

For further details regarding dissemination and communication activities relating to the Code, see the "Sustainability" Section of the Eni website and the Sustainability Report⁶.

Sustainability

Sustainability is an integral part of Eni's governance model and is driving a process of improvement centred on issues identified through dialogue with stakeholders and discussions about future energy scenarios.

Each Sustainability objective is pursued through projects and initiatives defined by Eni and its Subsidiaries and included in specific short and medium term action plans. Planning, implementation and control is a process shared with the Business Units and Areas and approved by the company's highest decision-making bodies. The Board of Directors also has a key role in defining sustainability policies and approving the Sustainability Report, which is also submitted to the Shareholders' Meeting. The audit firm certifies the Sustainability Report, verifying the correctness of the planning and management process for the activity as a whole and of the flow of data supplied by operating sites, which are subsequently consolidated and audited at level of Country, Company, Division, Corporate Management and Sustainability Unit. This certification process complies with the requirements of the ISAE 3000 standard, issued in 2004 by the International Auditing and Assurance Standard Board (IAASB), the same body that is assigned to issuing auditing principles.

The most significant initiatives carried out by Eni in recent years to ensure the sustainability of the governance system include in particular encouraging shareholders to participate in the life of the company, raising awareness among shareholders and the Board about issues connected with the model of sustainability and diversity in particular, as well as disseminating good governance practices according to the principles of the Code of Ethics.

Eni's commitment to sustainable development is also recognised by the leading financial Sustainability indexes. In 2009, the company's place was reconfirmed in the Dow Jones Sustainability Index and STOXX, where it has been since 2007. The company is also included in the *FTSE4GOOD* index and had its second place in the Accountability Rating Italy 2009 reconfirmed.

Moreover, Eni came first both in the Italian and world CSR Online Awards 2009, ranks drawn up by the financial communication company Lundquist. Finally, in June 2009 in New York, Eni's CEO was presented

⁶ http://www.eni.com/en_IT/sustainability/sustainability_swf.page

with the Foreign Policy Association's Corporate Social Responsibility Award. For further details, see the Sustainability Report and the Sustainability section of the Eni website⁷.

Information about the shareholding structure⁸

Share capital structure and significant shareholdings

The share capital of Eni consists of ordinary registered shares. The shares are indivisible and each share gives one voting right. Owners of Eni shares may vote in the ordinary and extraordinary shareholders' meetings of the company and may, in any case, exercise the corporate and financial rights which are ascribed to them by current regulations, in compliance with the limits imposed by the latter and by the Company's By-laws.

On December 31, 2009, the Company's share capital was Euro 4,005,358,876, fully paid-up and represented by 4,005,358,876 ordinary registered shares, each with a nominal value of €1.00.

In 1995, Eni issued an ADR (American Depositary Receipt) program for the US market. The ADR identifies the stock certificates representing shares of foreign companies traded in stock exchanges of the United States. Each Eni ADR represents two ordinary shares and is listed on the New York Stock Exchange⁹.

Based on the information available and communications received in accordance with article 120 of Legislative Decree No. 58/1998 (Testo Unico della Finanza – Italian Consolidated Law on Finance), Consob Resolution No. 11971/1999 (Regolamento Emittenti Consob – Consob Regulations on Issuers), on December 31, 2009 the shareholders who owned a more than 2% share of Eni's capital were:

Main Shareholders

Shareholders	Shares held	% of capital
Ministry of Economy and Finance	813,443,277	20.31
Cassa Depositi e Prestiti SpA ^(a)	400,288,338	9.99
Eni SpA (own shares)	382,952,240	9.56

(a) Cassa depositi e prestiti SpA is controlled by the Ministry of Economy and Finance.

⁷ http://www.eni.com/en_IT/sustainability/sustainability_swf.page

⁸ The information regarding the ownership structure is provided in accordance with article 123-bis, paragraph 1, of the Testo Unico della Finanza (Consolidated Law on Finance). For information regarding:

- the mechanism for the exercise of voting rights in any employee share scheme, where voting rights are not exercised directly by the employees, as required by letter e) of the aforementioned provision, see the paragraph entitled "Shareholders' meeting and rights";
- agreements between companies and its Directors, which provide compensation in the event of a resignation or dismissal without just cause or if employment contracts are terminated following a takeover bid, as required by letter i) of the aforementioned provision, see the paragraph entitled "Directors' Remuneration";
- rules applicable to the appointment and replacement of Directors, as required by letter l) of the aforementioned provision, see the paragraph entitled "Appointment of the Board of Directors";
- amendments to the By-laws required by letter l) of the aforementioned provision, see the paragraph entitled "Shareholders' meetings and rights".

⁹ For further details on ADR program see the Eni website section relative to "FAQ": http://www.eni.com/en_IT/investor-relation/investor-tools/investor-faq/investor-faq.shtml

Shareholders by area

Shareholders	Number of shareholders	Number of shares	% of capital ^(a)
Italy	340,489	2,246,718,828	56.09
UK and Ireland	998	188,379,015	4.70
Other UE	4,603	523,822,062	13.08
USA and Canada	1,701	394,799,891	9.86
Rest of world	1,175	241,943,718	6.04
Own shares at the dividend date		382,952,240	9.56
Other		26,743,122	0.67
Total		4,005,358,876	100.00

(a) As of September 24, 2009, payment date of the interim dividend for fiscal year 2009 (ex-dividend date, September 21, 2009).

Shareholders by amount of shares held

Shareholders	Number of shareholders	Number of shares	% of capital ^(a)
>10%	1	813,443,277	20.31
3%-10 ^(b)	2	551,813,303	13.78
2%-3%	0	0	0
1%-2%	8	431,214,800	10.77
0,5%-1%	6	168,306,301	4.20
0,3%-0,5%	13	190,695,057	4.76
0,1%-0,3%	36	254,058,897	6.34
≤ 0,1%	348,900	1,186,131,879	29.61
Own shares at the dividend date		382,952,240	9.56
Other		26,743,122	0.67
Total		4,005,358,876	100.00

(a) As of September 24, 2009, payment date of the interim dividend for fiscal year 2009 (ex-dividend date, September 21, 2009).

(b) Afterwards, Intesa San Paolo Group reduced the percentage of shares held from 3.78% to 1.39%.

Eni is not subject to management and coordination activities ¹⁰.

Shareholding limits and restrictions on voting rights

In accordance with article 6 of the By-laws, and applying the special rules pursuant to article 3 of Law Decree No. 332/1994, converted into Law No. 474 of 1994 (Law No. 474/1994), under no circumstances may any party own shares in the company which constitute a direct or indirect shareholding of more than 3% of the share capital. Exceeding this limit results in a ban on exercising the voting rights and any rights – other than property rights – relative to any shareholding that exceeds the limit.

Pursuant to article 32 of the By-laws and the same laws mentioned above, shareholdings owned by the Ministry of the Economy and Finance, public bodies or organization controlled by them are exempt from this ban.

Finally, this special rule provides that the clause regarding shareholding limits will not apply if the limit is exceeded as a result of a take-over bid, provided that, as a result of the takeover, the bidder will own a shareholding of at least 75% of the share capital with the right to vote on resolutions concerning the appointment or dismissal of Directors ¹¹.

¹⁰ Article 19, paragraph 6, of Law Decree No. 78/2009, converted into Law No. 102/2009, states that the term *enti* (entities) in the reference contained in article 2497, paragraph 1, of the Civil Code, regarding management and coordination, should be understood to refer to "legal entities other than the State that own a shareholding in the context of their business activities or for economic or financial purposes".

¹¹ According to Law No. 266 of 2005 (2006 Budget Law), to which a specific paragraph of this Report is dedicated, the same clause would cease to apply if rules regarding the issue of the shares or financial instruments for which the same law provides were included in the By-laws.

Special powers of the State (Golden Share)

Pursuant to article 6.2 of the By-laws and to the special rules set out in Law No. 474/1994, the Ministry of Economy and Finance, in agreement with the Ministry of Economic Development, holds special powers that can be exercised in accordance with the criteria set out in the Prime Ministerial Decree of June 10, 2004. These special powers are briefly the following:

- a) objection to the purchase, by parties who are subject to the shareholding limit¹², of significant shareholdings, i.e. shareholdings that represent at least 3% of the share capital and consist of shares with the right to vote in ordinary shareholders' meetings. The objection, duly justified, must be expressed if the transaction is deemed to be prejudicial to the vital interests of the State, within ten days of the date of the notification which Directors are required to send when a request is made for registration in the register of shareholders. During the period of time allowed for the right of objection to be exercised, the voting rights and any rights other than property rights connected with the shares that represent the significant shareholding remain suspended. In the event of the right of objection being exercised, by means of a duly justified decision based on the actual prejudicial effect caused by the transaction to the vital interests of the State, the assignee will be forbidden from exercising its voting rights and any rights other than property rights connected with the shares that represent the significant shareholding, and will be required to assign these same shares within one year. In the event of a failure to comply, the Court, at the request of the Ministry of Economy and Finance, will order the sale of the shares representing the significant shareholding according to the procedures set out in article 2359-ter of the Civil Code;
- b) objection to the signing of agreements, as defined in article 122 of the Consolidated Law on Finance, in the event that at least 3% of the share capital consisting of shares with the right to vote in ordinary shareholders' meetings is represented in the agreements. For the purpose of allowing the right of objection to be exercised, Consob will inform the Ministry of the Economy and Finance of any significant agreements of which it has been notified under the terms of the aforementioned article 122 of the Consolidated Law on Finance. The right of objection must be exercised within ten days of the date of Consob's notification. During the period of time allowed for the right of objection to be exercised, the voting rights and any rights other than property rights of the shareholders signing up to the agreement are suspended.. If an objection decision is issued with due justification detailing the actual prejudicial effect of the aforesaid agreements to the vital interests of the State, the agreement will be null and void. If the conduct during the Shareholders' Meeting of the shareholders bound by the agreement reveals that the undertakings given under an agreement pursuant to the aforesaid article 122 of the Consolidated Law on Finance have been maintained, any resolutions passed with the casting vote of these same shareholders may be challenged;
- c) vetoing, if duly justified by an actual prejudicial effect to the vital interests of the State, of resolutions to dissolve the Company, transfer the company, merge, demerge, transfer the registered office overseas, change the company purpose, amend the By-laws in a way that withdraws or modifies the powers detailed in letters (a), (b), (c) and the subsequent letter (d);
- d) appointment of a Director with no right to vote in Board meetings.

Decisions to exercise the powers detailed in letters a), b) and c) may be challenged within sixty days, by the parties entitled to do so, before the Regional Administrative Court of Lazio.

Shares and participating financial instruments referred to in Law No. 266 of December 22, 2005

In order to "promote privatization and the spread of investment in shares" of companies in which the State has a significant shareholding, article 1, paragraphs 381 to 384 of Law No. 266 of 2005 (2006 Financial Law) introduced the power to add provisions to the By-laws of privatized companies primarily controlled by the State, like Eni, which allow shares or participating financial instruments to be issued that grant the special meeting of its holders the right to request that new shares, even at par value, or new financial instruments be issued to them with the right to vote in ordinary and extraordinary Shareholders' Meetings. Making this

¹² These are the parties described in article 6.1 of the By-laws, excluding those described in article 32.2.

amendment to the By-laws would lead to the shareholding limit referred to in article 6.1 of the By-laws being removed. At the present time, however, Eni's By-laws do not contain any such provision.

Agreements between shareholders

The Company is not aware of any agreements under the terms of article 122 of the Consolidated Law on Finance.

Significant agreements that would become effective, be modified or be extinguished in the event of a change of control of Eni

Except as follows, Eni and its subsidiaries are not parties to any significant agreements that can be disclosed without causing serious prejudice to the Company and that would become effective, be modified or be extinguished in the event of a change in the identity of the shareholders who currently control Eni. Significant agreements are considered to be agreements that have been examined and approved by the Board of Directors because they come within its exclusive areas of responsibility, as stated below.

In particular, the agreements that come into this category relate to:

(i) the Shareholders' Agreements between Eni, Amorim Energia and Caixa Geral de Depósitos for the joint management of Galp Energia SGPS SA. The agreement provides that in case of change of control of any participating company, the other partners have a call option to purchase the Galp shareholding held by the party whose controlling entity has changed;

(ii) any expiry of the natural gas distribution licence of the subsidiary Distribuidora de Gas Cuyana SA, due to the provisions of article 34 of title VIII of Law 24.076 if the company were to be controlled by a shareholder that engages directly or through subsidiaries in the activities production, storage or distribution of natural gas in Argentina.

Proxies for capital increases, power of Directors to issue participating financial instruments and authorizations to purchase treasury shares

There are no provisions for proxies to be granted to the Board of Directors to carry out share capital increases pursuant to article 2443.

The Directors have no powers to issue participating financial instruments.

In a resolution approved on April 29, 2008, the Shareholders' Meeting authorized the Board of Directors, pursuant to article 2357 of the Civil Code, subject to prior revocation of the non-implemented part of the previous authorization, to purchase treasury shares on the Electronic Stock Market within 18 months of the date of the resolution, up to a maximum of 400 million shares, with a nominal value of 1 euro, and up to a total amount of 7.4 billion euros, including shares held in portfolio as of the date of the Shareholders' Meeting, for a price no lower than their nominal value and no higher than the reference price recorded on the day before each individual purchase plus 5%.

The authorization expired on October 29, 2009¹³. On December 31, 2009, the treasury shares in Eni's portfolio amounted to 382,952,240, the equivalent of 9.56% of share capital of Eni.

¹³ For further information, go to http://www.eni.com/en_IT/governance/shareholders/treasury-shares/treasury-shares.shtml.

Corporate Governance information¹⁴

Compliance with the Corporate Governance Code of Borsa Italiana and Eni Code

In a resolution of the Board of Directors approved on December 13, 2006, which conformed to a similar decision of January 20, 2000, Eni adhered to the new Corporate Governance Code for listed companies promoted by Borsa Italiana, according to the version issued on March 14, 2006 ("Code of Borsa Italiana").¹⁵

In accordance with the Code of Borsa Italiana, Eni has adopted its own Corporate Governance Code (following the "Code" or "Eni Code") for the purpose of transposing its provisions, adapting them to the specific reality of Eni, clarifying some of them and at the same time enhancing and raising the general standards of governance of the Company.

The Eni Code is therefore a clear and comprehensive description of the Company's governance system that complies with the provisions of the Code of Borsa Italiana and with the Company's main documents.

In particular, the Code takes into account the fact that Eni is a parent company that is not controlled by any other company and is not subject to management or coordination by others. Equally, the Code takes into account the current provisions of the By-laws, which establish a traditional administration and control system (therefore eliminating the provisions regarding the single and dual models contained in the Code of Borsa Italiana), separating the posts of Chairman and CEO (which avoids the need for a lead independent Director to be appointed) and establishing specific provisions for the appointment and composition of the Board of Directors and the Board of Statutory Auditors.

In order to ensure greater transparency and intelligibility, the Eni Code deals directly with the various options envisaged by the Code of Borsa Italiana, without therefore referring to later documents (e.g. with regard to the decision not to redistribute or modify the functions of the Board's internal committees, to provide for a single Officer in charge of internal control, to provide for this Officer also to report to the CEO, not to assign Internal Auditing to external parties).

The provisions of the Code of Borsa Italiana that refer to the responsibilities of the Shareholders' Meeting have been included as hopes or recommendations, since the Board cannot guarantee compliance with them.

Some of the generic recommendations of the Code of Borsa Italiana have been made specific, particularly those relating to the independence of Directors, adopting specific terms which identify "additional remunerations" that prejudice their independence and which define "close family members".

Finally, provisions have been included that raise the standard of governance proposed by the Code of Borsa Italiana and in particular:

- the interest of all stakeholders has been established as a benchmark for Directors: Directors act and decide in an informed manner and autonomously, pursuing the primary objective of creating value for shareholders, taking into account the interest of other stakeholders;
- the minimum reporting frequency to the Board on the part of Directors with proxies has been reduced from three to two months;
- for the purposes of the self-assessment of the Board (board review), it is possible to utilize the services of a specialized external consultant in order to ensure that the implemented work is objective;
- the commitment of Directors and Auditors to stay in office until they are capable of ensuring sufficient time for implementing their tasks has been emphasized;
- it has been established that the internal Committees of the Board required by the Eni Code (with specific reference to the Committee for Internal Control and Compensation Committee) shall not consist of a number of Directors that represent a majority of the Board, so as not to alter the process for Board resolutions;

¹⁴ The governance information is also provided in accordance with the requirements of article 123-bis, paragraph 1, letters e), i), l), and paragraph 2, of the Consolidated Law on Finance.

¹⁵ The Code of Borsa Italiana is available to the public on the www.borsaitaliana.it website at: http://www.borsaitaliana.it/borsaitaliana/ufficio-stampa/comunicati-stampa/2006/codiceautodisciplina.en_pdf.htm.

- provision has been made for an opinion to be issued by the Internal Control Committee in relation to rules for ensuring transparency as well as substantive and procedural fairness during transactions with related parties – and transactions involving interests on the part of Directors. The Committee has also been ascribed a significant role in the preliminary phase of operations with related parties, in compliance with sector principles and best practices;

- for the appointment of the Officer in charge of internal control, the Board's proposal is made by the CEO in agreement with the Chairman. In a resolution approved on October 30, 2008, the Board of Directors provided for the proposal to be made after having also heard from the Internal Control Committee and for these appointment procedures also to apply to the Senior Executive Vice President of Internal Audit; it therefore appointed the latter, with the agreement of the Committee, as Eni's Officer in charge of internal control¹⁶;

- provision has been made for at least two members of the Internal Control Committee to have adequate experience in the accounting and financial fields (the Code of Borsa Italiana only requires one).

As of December 13, 2006, the Board of Statutory Auditors has expressly complied with the relevant provisions of the Code.

Following the adoption of the Eni Code, the Board of Directors also approved a number of resolutions implementing and specifying the provisions it contains.

In particular:

- the functions of the Board of Directors have been redefined. The Board maintains an absolutely central position with respect to the corporate governance system of the Company and retains wide-ranging responsibilities, particularly in terms of Company and Group organization and the internal control system;

- the most significant operations of the Company and its subsidiaries have been defined and presented for approval by the Board, which is required to pay particular attention to situations in which the Directors have personal or third party interests as well as to transactions with related parties;

- the Board of Directors also has a key role in defining sustainability policies and approving the Sustainability Report, which are also submitted to the Shareholders' Meeting.

- subsidiaries that are of strategic importance (Snam Rete Gas S.p.A., Saipem S.p.A., Polimeri Europa S.p.A. and Eni International BV) have been identified;

- the guidelines on the maximum number of offices held by Directors in other companies have been defined in order to ensure that Directors dedicate the time required to perform their duty effectively; the provisions set for the Executive Director are extended to cover the General Managers as well;

- the principle has been established of respect for the managerial independence of listed subsidiaries (currently, in Italy, Saipem S.p.A. and Snam Rete Gas S.p.A.) and the commitment on the part of Eni to comply with the provisions of the Code that relate to the shareholders of issuers. This principle has been subsequently extended, as a result of developments in the legal framework, to cover companies that are subject to separate administration and accounting systems (known as "unbundling") as required by specific regulation applicable (in addition to Snam Rete Gas S.p.A., for Italy, Italgas S.p.A. and Stogit S.p.A.¹⁷).

At its meeting on April 23, 2009, the Board of Directors also established the general governance principles that Eni applies, in its position as the shareholder, to its investee companies in Italy and overseas. For this purpose, it has issued Guidelines, complemented by specific implementation rules, aimed at establishing general principles, roles and organizational responsibilities for identifying governance and control systems and for the composition of company bodies and the respective appointment criteria. In particular, the governance model chosen for the Italian companies is that of the joint-stock company with a traditional administration and control system, while for overseas companies provision has been made for the adoption of legal forms that are similar to that of a joint-stock and/or limited liability company under Italian law. The auditing of investee companies in Italy and overseas must be entrusted to an audit firm. In order to ensure adequate representation of diversity in company bodies, particularly gender diversity, a monitoring project in Eni scenery has been launched.

¹⁶ The Board thus confirmed a previous resolution of March 16, 2007.

¹⁷ With effect from July 2009, Eni sold its shareholding in the two companies to Snam Rete Gas S.p.A.

The Eni corporate governance system therefore complies with the requirements of the Code of Borsa Italiana and also contains provisions that improve the standard of corporate governance. Further details of the implementation of the respective provisions will be provided in the rest of this Report.

The Eni Code is published in the Corporate Governance section of the Eni website¹⁸. In order to avoid making the text too burdensome to read, the “Comment” contained in the Code of Borsa Italiana does not appear but it is borne in mind by Eni in applying the Principles and Criteria.

Shareholders’ Meetings and rights¹⁹

The Shareholders’ Meeting, whether ordinary or extraordinary, has the power to pass resolutions according to the procedures and on the matters stated in the law and in the By-laws. In particular, the Ordinary Shareholders’ Meeting appoints and dismisses Directors and Statutory Auditors, determines their remuneration, approves the financial statements (closed on December 31st of each year) and appoints the audit firm and determines its remuneration. The Extraordinary Shareholders’ Meeting passes resolutions on changes to the By-laws and operations of an extraordinary nature, such as capital increases, mergers and demergers.

As regards the rules applicable to amendments to the By-laws, Eni complies with ordinary legislation, with the exception of the terms of the paragraph relating to the special powers of the State contained in this Report, to which reference should be made. It is also worth noting that article 23.2 of the By-laws provides for the Board of Directors to pass resolutions regarding the adaptation of provisions in the By-laws to legal requirements.

The By-laws have also assigned the Board of Directors, pursuant to article 2365, paragraph 2, of the Civil Code, responsibility for passing resolutions on mergers by incorporation and proportional demergers of companies at least 90% of whose shares or units are owned by the Company, as well as on the establishment and closure of secondary offices.

In order to promote the attendance of shareholders at Shareholders’ Meetings, until the new provisions become effective²⁰, the convocation will be sent out by notice addressed to Borsa Italiana and published on the website and in the *Gazzetta Ufficiale*, as well as, in accordance with article 13 of the By-laws and current legislation, in the daily newspapers *Il Sole 24 Ore*, *Corriere della Sera* and *The Financial Times*. Convocation notices must state the provisions of the By-laws that are relevant to the meeting, including, in particular, instructions on how to obtain proxy forms.

In order to speak at a Shareholders’ Meeting, notice must be submitted, at least two working days before the date of first convocation of the Shareholders’ Meeting, by an authorized financial broker. The entitled person may withdraw this notice, through the financial broker, thus losing the right to speak at the meeting.

In order to facilitate attendance by shareholders, the By-laws provide for votes to be cast by mail and establish specific facilities for collecting proxies.

Votes sent by mail, within the period established by law, may be revoked by means of an explicit declaration made known to the Company at least one day before the Shareholders’ Meeting. Anyone intending to attend the Shareholders’ Meeting as the legal or voluntary representative of shareholders or other persons entitled to attend must submit documentation that demonstrates their powers to the relevant department of the Company according to the terms and procedures stated in the convocation notice.

Furthermore, pursuant to article 14 of the By-laws, in order to facilitate the collection of proxies from shareholders who are employees of the Company and its subsidiaries, and who are members of shareholders’ associations that fulfill the requirements of current relevant legislation, the associations in question are provided, according to terms and procedures agreed by their legal representatives, with spaces to be used for communication purposes and for the collection of proxies.

¹⁸ At the following address: http://www.eni.com/en_IT/governance/governance-model-policies/eni-corporate-governance-code/eni-corporate-governance-code.shtml.

¹⁹ Information provided pursuant to article 123-ii, paragraph 1, letters e) and l) with reference to changes to the By-laws, and paragraph 2, letter c), of the Consolidated Law on Finance.

²⁰ For shareholders’ meetings whose convocation notices will be published after October 31, 2010, the new provisions will apply which transpose Directive 2007/36/EC on the convocation, contribution and voting rights of shareholders.

In accordance with the law and the By-laws, within five days of the convocation notice being published, shareholders who, whether jointly or individually, represent at least one fortieth of the share capital may submit a request for the list of additional matters to be discussed. The request must state the proposed matters (which must exclude any matters that may only be proposed by the Directors or are based on plans or reports drawn up by the Directors).

In order to ensure the orderly and efficient running of Shareholders' Meetings and allow each shareholder to contribute to the matters being discussed, on December 4, 1998, the Shareholders' Meeting approved the regulations for its meetings, which are available on the Eni website²¹.

Shareholders' Meetings are chaired by the Chairman of the Board of Directors or, in his stead, by the individuals named in the By-laws.

As part of the initiatives launched to stimulate the interest of shareholders and a greater degree of involvement, at the last Annual Shareholders' Meeting (29 - 30 April 2009) an interactive animation and a Shareholders' Handbook were produced, available on the website²², in order to provide clear and immediate information on the attendance procedures and the rights that can be exercised at these events which are so important for the life of the Company and its shareholders. Eni also intends to extend these initiatives to the Shareholders' Meeting that will be convened to approve the financial statements for 2009, paying more attention, also communicative, to the relation with its shareholders.

During the Shareholders' Meetings, the Board strives to ensure the greatest transparency of the matters discussed by shareholders, who are granted the opportunity to ask for information about the matters included in the agenda, this information being subsequently provided in accordance with the rules regarding inside information.

Board of Directors²³

Composition

In accordance with article 17 of the By-laws, the members of the Board of Directors vary between a minimum of three and a maximum of nine. The Ordinary Shareholders' Meeting determines the number of members within these limits.

The By-laws state that minority shareholders may appoint a number of their own representatives on the Board that corresponds to three tenths of the total.

The Shareholders' Meeting of June 10, 2008, set the number of Directors at nine, appointing the Board of Directors and Chairman of the Board for three financial years or in any case until the date of the Shareholders' Meeting convened to approve the financial statements for the financial year 2010. On June 11, 2008 the Board of Directors appointed Paolo Scaroni Chief Executive Officer of Eni.

The Board consists of Roberto Poli (Chairman of the Board), Paolo Scaroni (Chief Executive Officer), Alberto Clò, Paolo Andrea Colombo, Paolo Marchioni, Marco Reboa, Mario Resca, Pierluigi Scibetta and Francesco Taranto.

Roberto Poli, Paolo Scaroni, Paolo Andrea Colombo, Paolo Marchioni, Mario Resca and Pierluigi Scibetta were elected on the basis of the list submitted by the Ministry of the Economy and Finance, which owns 20.31% of the share capital.

Alberto Clò, Marco Reboa and Francesco Taranto were elected on the basis of the list submitted by the institutional investors, which owned a total of 1.10% of the share capital at the time.

Roberto Ulissi, Corporate Affairs and Governance Senior Executive Vice President of the Company was confirmed as Secretary of the Board of Directors.

Information is provided below on the personal and professional lives of the elected Directors.

²¹ At the following address: http://www.eni.com/en_IT/governance/shareholder-meeting/meeting-regulation/meeting-regulation.shtml.

²² At the following address: http://www.eni.com/en_IT/governance/shareholders/initiatives/initiatives.shtml.

²³ Information also provided pursuant to art. 123-bis, second paragraph, letter d) of the Consolidated Law on Finance.

ROBERTO POLI

Born in 1938. Chairman of Eni S.p.A. since May 2002. Holds the post of Chairman of Poli e Associati S.p.A., a consultancy company in the fields of corporate finance, extraordinary operations, company acquisitions and restructuring plans. He is a Director of Mondadori S.p.A., Fininvest S.p.A., Coesia S.p.A., Maire Tecnimont S.p.A. and Perennius Capital Partners SGR S.p.A. Between 1966 and 1998, he lectured in corporate finance at Università Cattolica del Sacro Cuore, in Milan. He has worked as extraordinary operations advisor for some of Italy's largest industrial groups. He was Chairman of Rizzoli-Corriere della Sera S.p.A. and Publitalia S.p.A.

PAOLO SCARONI

Born in 1946. CEO of Eni S.p.A. since June 2005. Director of Assicurazioni Generali S.p.A., LSEG plc (London Stock Exchange Group), Veolia Environnement (Paris), Board of Overseers of Columbia Business School, New York, and Director of the Teatro alla Scala Foundation. After graduating in Economics and Trade in 1969 at Bocconi University, Milan, and gaining initial work experience at Chevron for three years, he gained a Master's Degree in Business Administration from Columbia University, New York, and continued his career at McKinsey. In 1973, he joined the Saint Gobain Group, where he performed numerous managerial tasks in Italy and overseas until he was appointed President of the Glass Division in Paris in 1984. Between 1985 and 1996, he was Vice President and CEO of Techint and managed the privatisations of the subsidiaries SIV, Italmimpianti and Dalmine. In 1996, he moved to the UK and joined Pilkington, working as CEO until May 2002. Between May 2002 and May 2005, he was CEO and General Manager of Enel. Between 2005 and July 2006 he was Chairman of Alliance Unichem (UK). In November 2007, he was honoured by France as an Officer of the Legion of Honour.

ALBERTO CLÔ

Born in 1947. Director of Eni S.p.A. since June 1999. Currently Director of Atlantia S.p.A., Italcementi S.p.A. and De Longhi S.p.A. Graduated in Political Sciences at the University of Bologna. Lecturer in Industrial Economics and Public Service Economics at the University of Bologna. In 1980, he founded the journal "Energia", of which he is editor. Author of books and over 100 essays and articles on the problems of the industrial economy and energy. Contributor to various daily newspapers and financial journals. Between 1995 and 1996 he was Minister of Industry and ad interim Minister of Foreign Trade and President of the Council of Industry and Energy Ministers of the European Union during the six-month Italian presidency. In 1996, he received the honour of "Cavaliere di Gran Croce" of the Republic of Italy.

PAOLO ANDREA COLOMBO

Born in 1960. Director of Eni S.p.A. since June 2008. Graduated in Business Administration in 1984 at the Bocconi University, Milan. Qualified as a professional accountant in 1985 and Auditor. Lecturer in the Accounting Department of the Bocconi University, Milan. Founding partner of Borghesi Colombo & Associati, a specialised consultancy firm on corporate finance operations – including taxation and business consultancy in the context of extraordinary operations – as well as strategic and corporate governance consultancy. Director of Mediaset S.p.A., Ceresio SIM S.p.A. and Versace S.p.A., Chairman of the Board of Statutory Auditors of Aviva Vita S.p.A. and Interbanca S.p.A., Statutory Auditor of Sirti S.p.A., A. Moratti S.p.A., Humanitas Mirasole S.p.A., Credit Agricole Assicurazioni Italia S.p.A. and Iniziativa Gestione Investimenti SGR S.p.A. Between May 2002 and May 2005, he worked as Effective Statutory Auditor of Eni S.p.A.. Between May 2005 and May 2008, he was Chairman of the Board of Statutory Auditors.

PAOLO MARCHIONI

Born in 1969. Director of Eni S.p.A. since June 2008. Lawyer specialized in criminal and administrative law, counsel for defense in the Italian Supreme Court and superior jurisdictions. Advisor of public organizations, and commercial companies in matters of commercial, corporate, administrative and local government law. Mayor of the town of Baveno (VB) between April 1995 and June 2004. President of the Assembly of Mayors of Con.Ser.Vco between September 1995 and June 1999 and member of the Assembly of Mayors of ASL14,

the the steering committee of the Verbano Health District, the Assembly of Mayors of the Waste Water Consortium of the Val d'Ossola and the Assembly of Mayors of the Social Services Consortium of Verbano until June 2004. Councillor of the Municipality of Stresa (VB) between April 2005 and January 2008. Between October 2001 and April 2004, he was a Director of C.i.m S.p.A, Novara (Goods Interport Centre) and, between December 2002 and December 2005, Director and member of the Executive Committee of Finpiemonte S.p.A. Between June 2005 and June 2008 he was a Director of Consip. Since June 2009, he has been Vice-President of the Province of Verbano-Cusio-Ossola and provincial alderman for budgeting, property, legal affairs and production activities.

MARCO REBOA

Born in 1955. Director of Eni S.p.A. since May 2005. Graduated in Business Administration at the Bocconi University, Milan. Professional Accountant and Auditor. Professor at the Faculty of Law of the Carlo Cattaneo University – LIUC - Castellanza, and author of numerous publications regarding corporate governance, economic assessment and budgeting. Works in Milan and is editor of the Rivista dei Dottori Commercialisti, an accountancy journal. Director of Luxottica Group S.p.A. and Interpump Group S.p.A. Chairman of the Board of Statutory Auditors of Mediobanca S.p.A., Auditor of Gruppo Lactalis Italia S.p.A., Egidio Galbani S.p.A and Big S.r.l.

MARIO RESCA

Born in 1945. Director of Eni S.p.A. since May 2002. In 2008, he was appointed by the government as General Director for the enhancement of Italian museums within the Italian Ministry for Cultural Heritage and Activities. Chairman of Confimprese and Finbieticola Casei Gerola S.p.A. Director of Mondadori S.p.A. Graduated in Economics and Trade at the Bocconi University, Milan. Hired after graduating by Chase Manhattan Bank, in 1974 he was appointed Manager of Saifi Finanziaria (Fiat Group) and between 1976 and 1991 he was a partner in Egon Zehnder. During this period he served as a Director of Lancôme Italia, companies in the RCS Corriere della Sera Group and the Versace Group. Between 1995 and 2007, he was Chairman and CEO of McDonald's Italia. He has also been Chairman of Sambonet S.p.A., Kenwood Italia S.p.A., founding partner of Eric Salmon & Partners and President of the American Chamber of Commerce. In June 2002, he received the honour of Cavaliere del Lavoro.

PIERLUIGI SCIBETTA

Born in 1959. Director of Eni S.p.A. since May 2005. Graduated in Economics and Business at La Sapienza University, Rome. Professional Accountant and Auditor, he has practiced at his own studio in Rome since 1990. He was Director of Gestore del Mercato Elettrico (GME) S.p.A., Istituto Superiore per la Previdenza e la sicurezza del lavoro (I.S.P.E.S.L.), Nucleco S.p.A., FN S.p.A. and Agenzia per l'innovazione tecnologica (AGITEC) S.p.A., as well as a former Deputy Extraordinary Commissioner and Director of Ente per le Nuove Tecnologie, l'Energia e l'Ambiente (ENEA) and Effective Statutory Auditor of Consorzio smantellamento impianti del ciclo del combustibile nucleare.

FRANCESCO TARANTO

Born in 1940. Director of Eni S.p.A. since June 2008. Currently Director of Cassa di Risparmio di Firenze S.p.A., Pioneer Global Asset Management S.p.A. (Gruppo Unicredito) and Kedrios S.p.A. Began his career in Milan, in 1959, at the offices of an exchange broker, subsequently working for Banco di Napoli between 1965 and 1982, where he held the post of deputy manager for the stock exchange and securities department. He has held numerous management posts in the asset management field, particularly as Director of securities funds at Eurogest, between 1982 and 1984, and general Director of Interbancaria Gestioni between 1984 and 1987. After moving to the Prime Group (1987 – 2000) he held the post of CEO of the parent company for many years. He is also a member of the steering council of Assogestioni and of the corporate governance committee for listed companies set up by Borsa Italiana. He was a Director of Enel between October 2000 and June 2008.

Appointment²⁴

In order to ensure that the Board includes representatives of the minority shareholders, in accordance with the rules established by Law No. 474/1994²⁵ and in compliance with the provisions of the Consolidated Law on Finance²⁶, the By-laws provide for Directors to be appointed by list voting. In particular, pursuant to article 17 of the By-laws and by virtue of the provisions of Law No. 474/1994, lists may be presented both by shareholders, either individually or together with others, representing at least 1% of the share capital, or by the Board of Directors. Each shareholder may present or contribute towards presenting, and vote for, a single list. The entities that control it, the companies controlled by them and those that are jointly controlled are not allowed to present, or contribute to presenting, other lists or to vote for them, not even through a third party or trust company. The lists, which must expressly identify candidates who fulfill the independence requirements, must be deposited at the registered office at least ten days before the date for which the Shareholders' Meeting is first convened (twenty days if presented by the Board of Directors) and published in at least three national Italian daily newspapers, two of them financial, according to the requirements of Law No. 474/1994. The lists will also be forwarded to market management companies and published on the company's website. All candidates must fulfill the integrity requirements imposed by current laws. At the same time as each list is deposited, on pain of the list being considered inadmissible, the professional CV of each candidate must be presented together with statements in which they accept their candidacy and confirm that there are no reasons for ineligibility and incompatibility, and that they fulfill the honorability and any necessary independence requirements.

After the voting formalities have been completed, the appointment is implemented by drawing seven tenths of the Directors (rounded down to the nearest whole number in the event of a fraction), in the progressive order in which they are listed, from the list which won a majority of votes; the remaining ones being drawn from other lists which are not directly or indirectly connected with the shareholders that presented or voted for the list that came first in terms of the number of votes.

The list voting procedure only applies in the event of the whole Board of Directors being replaced.

For the appointment of Directors who were not elected by this method, for whatever reason, the Shareholders' Meeting shall pass a resolution by the majority required by law in order to ensure that the composition of the Board complies with the law and the By-laws.

Pursuant to article 6, paragraph 2, letter d) of the By-laws, in addition to the Directors appointed by the Shareholders' Meeting, the Ministry of the Economy and Finance is entitled to appoint one non-voting Director in agreement with the Minister of Economic Development. This power has not been exercised.

Independence requirements

The Consolidated Law on Finance establishes that at least one of the Directors, or two if the Board consists of more than seven members, must fulfil the independence requirements established for the Statutory Auditors of listed companies by article 148, paragraph 3, of the same act, and, if required by the By-laws, the additional requirements established in the Code of Ethics.

Article 17.3 of the Eni By-laws improves on these legal requirements by providing for at least one Director, if the Board consists of no more than five members, or at least three Directors, if the Board consists of more than five members, to fulfil the aforesaid independence requirements. The same provision of the By-laws also establishes an additional mechanism to the ordinary election system that in any case ensures the existence on the Board of the minimum number of independent Directors. Eni has done this to strengthen the presence of independent Directors on the Board.

²⁴ Information also provided pursuant to art. 123-bis, first paragraph, letter l) of the Consolidated Law on Finance.

²⁵ Article 4 of Law 474/1994 provides for the Board to be elected by list voting and for at least one fifth of Directors with voting rights to be reserved for the minority lists, rounded up to the nearest whole number in case of a fraction. Shareholders' meetings whose convocation notices will be published after October 31, 2010 will be subject to the new provisions that transpose Directive 2007/36/EC, according to which the provisions of articles 125-bis, 147-ter and 148 of the Consolidated Law on Finance will apply to privatized listed companies, subject to the proviso that at least one fifth of Directors are drawn from the minority lists.

²⁶ Article 147-ter of the Consolidated Law on Finance provides for the voting list mechanism and establishes that at least one of the members of the Board of Directors must be drawn from the minority list and that he/she must have won the majority of votes and is not connected directly or indirectly with the shareholders that presented or voted for the list which came first in terms of the number of votes.

