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ENI S.P.A.

**ORDINARY SHAREHOLDERS' MEETING ON APRIL 13, 2017
ON SINGLE CALL**

**REPORT OF THE BOARD OF DIRECTORS
ON THE ITEMS ON THE AGENDA**

The Italian text prevails over the English translation.

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**ORDINARY SHAREHOLDERS' MEETING ON APRIL 13, 2017
ON SINGLE CALL**

**REPORT OF THE BOARD OF DIRECTORS
ON THE ITEMS ON THE AGENDA**

ITEM 1

ENI S.p.A. FINANCIAL STATEMENTS AT DECEMBER 31, 2016.

RELATED RESOLUTIONS.

**ENI CONSOLIDATED FINANCIAL
STATEMENTS AT DECEMBER 31, 2016.**

**REPORTS OF THE DIRECTORS, OF THE BOARD OF STATUTORY
AUDITORS AND OF THE AUDIT FIRM.**

Dear Shareholders,

The document “Annual Report at December 31, 2016” of Eni S.p.A., which will be available at the Company’s registered office as required by law, on the Company’s website, at Borsa Italiana S.p.A. (the Italian Stock Exchange) and at the centralized storage device authorised by Consob called “IInfo” – which can be consulted on the website www.iinfo.it, includes the draft of the financial statements of Eni S.p.A. and the consolidated financial statements, along with the Directors’ report on operations and the declaration pursuant to Article 154-*bis*, paragraph 5 of Legislative Decree No. 58 of February 24, 1998 (Consolidated Law on Finance, hereinafter “T.U.F.”). The Reports of the Audit Firm and of the Board of Statutory Auditors will be available to the public together with the Annual Report.

Reference is therefore made to these documents.

Dear Shareholders,

You are invited to resolve as follows:

“to approve the financial statements at December 31, 2016 of Eni S.p.A. which report a net profit amounting to 4,521,093,313.31 euro.”

ITEM 2

ALLOCATION OF NET PROFIT

Dear Shareholders,

in regard to the results achieved, you are invited to resolve as follows:

“to allocate the net profit for the period of 4,521,093,313.31 euro, of which 3,080,637,260.11 euro remains following the distribution of the 2016 interim dividend of 0.4 euro per share, resolved by the Board of Directors on September 15, 2016, as follows:

- the amount of 19,233,515.44 euro to the reserve required by Article 6, paragraph 2 of Legislative Decree No. 38 of February 28, 2005;*
- to Shareholders in the form of a dividend of 0.4 euro per share owned and outstanding at the ex-dividend date, excluding treasury shares on that date, and completing payment of the interim dividend for the financial year 2016 of 0.4 euro per share to the extent of remaining net profit and drawing on the available reserve where necessary. The total dividend per share for financial year 2016 therefore amounts to 0.8 euro per share;*
- the payment of the balance of the 2016 dividend in the amount of 0.4 euro, payable on April 26, 2017, with an ex-dividend date of April 24, 2017 and a record date of April 25, 2016.”*

ITEM 3

DETERMINATION OF THE NUMBER OF MEMBERS OF THE BOARD OF DIRECTORS

Dear Shareholders,

The Shareholders' Meeting has been called to appoint the Members of the Board of Directors, as the term of office of the present Directors, appointed by the Shareholders' Meeting held on May 8, 2014, draws to an end¹. Pursuant to Article 17.1 of the By-laws, the Board of Directors shall consist of no fewer than three and no more than nine members and the Shareholder's Meeting determines the number within these limits.

The Shareholder' Meeting on May 8, 2014 set the number of Directors at nine.

In accordance with the recommendations of Article 1.C.1., letter h) of the Italian Corporate Governance Code of listed companies, to which Eni S.p.A. adheres, the Board of Directors, in view of the results of its self-assessment of the Board, expressed its position on the qualitative and quantitative composition of the new Board (“BoD advice”) to the Shareholders. This BoD advice was published promptly in the appropriate section of the Company's website and is attached to this Report.

Also considering the factors indicated in its BoD advice, the Board of Directors proposes to maintain the number of Directors to be appointed by the Shareholders' Meeting at nine to ensure that the Board of Directors has a composition that is suitable to the size of the Company and the complexity of its activities.

Dear Shareholders:

You are invited to approve the following resolution:

“to set the number of Directors to be appointed by the Shareholders' Meeting at nine.”

¹ Except for Director Alessandro Profumo appointed by the Shareholders' Meeting held on May 12, 2016, whose term of office draws to an end together with the other Directors.

ITEM 4
DETERMINATION OF THE DIRECTORS' TERM OF OFFICE

Dear Shareholders,

Pursuant to Article 17.2 of the By-laws, the Directors are appointed for a period of up to three financial years. In order to ensure continuity in the management of the Company, the Board proposes to set the Directors' term of office at three financial years, this term expiring on the date that the Shareholders' Meeting is convened to approve the financial statements for the year ended December 31, 2019.

Dear Shareholders,

You are invited to approve the following resolution:

“to set the term of the office of the Directors to be appointed to three financial years, this term expiring on the date of the Shareholders' Meeting called to approve Eni's financial statements for the year ended December 31, 2019.”

ITEM 5
APPOINTMENT OF THE DIRECTORS

Dear Shareholders,

Pursuant to Article 17.3 of the By-laws, the Board of Directors is appointed by the Shareholders' Meeting on the basis of the slates presented by the Shareholders (and, if necessary, by the Board of Directors), on which the candidates shall be listed in numerical order.

The slates presented by Shareholders must be filed in the manner indicated in the notice calling the Meeting at least twenty-five days prior to the date of the Shareholders' Meeting at single call, i.e. by March 19, 2017, automatically extended to March 20, 2017 (the first subsequent business day).

Each Shareholder may, severally or jointly, submit and vote on a single slate only. Controlling persons, subsidiaries and companies under common control may not submit or participate in the submission of other slates, nor can they vote on them, either directly or through nominees or trustees. As used herein, subsidiaries are those companies referred to in Article 93 of the T.U.F. Each candidate may stand on a single slate, on penalty of disqualification. Only those Shareholders who, severally or jointly, represent at least 0.5% of the share capital are entitled to submit a slate, as established by Consob Resolution No. 19856 of January 25, 2017. Ownership of the minimum holding needed to submit slates is determined with regard to the shares registered to the Shareholder on the date on which the slates are filed with the Company. Related statement provided by the intermediary authorized may be submitted after the filing, provided that submission takes place by the deadline set for the publication of the slates by the Company (i.e. by 6:00 p.m. (CET) on March 23, 2017).

Article 17.3 of the By-laws contains specific provisions on the composition of the slates aimed at ensuring compliance with the rules on gender balance on company Boards, pursuant to Law No. 120 of July 12, 2011. Under the law at least one-third of the Director positions to be appointed, rounded up, i.e. three², must be filled by the less-represented gender.

² If the Shareholders' Meeting sets the number of Directors at nine.

Therefore pursuant to Article 17.3 of the By-laws, slates submitted by Shareholders for the Board of Directors that contain three or more candidates must include at least one member of the less-represented gender among the candidates indicated.

The law provides that the number of members of the less-represented gender must be at least three², therefore the slates competing to appoint the majority of the members of the Board of Directors must include at least two candidates of the less-represented gender.

Together with the filing of each slate, on penalty of inadmissibility, the following documents shall also be filed:

- statements of each candidate accepting his/her nomination;
- the curriculum vitae of each candidate containing adequate personal and professional information;
- statement of each candidate affirming that he/she meets the requirement of independence set forth by Article 148, paragraph 3, of the T.U.F.³, as well as of the absence of any grounds making him/her ineligible or incompatible for such position and that he/she satisfies the integrity requirements;
- the identity of the Shareholders who have presented such slates and the overall percentage of ownership of Eni share capital held.

According to Consob Communication No. DEM/9017893 of February 26, 2009, Shareholders other than those who severally or jointly hold a controlling or majority shareholding, should file, along with their slates:

- a statement certifying the absence of direct or indirect relationships with Shareholders who individually or jointly hold a controlling or relative majority interest, pursuant to Articles 147-*ter*, paragraph three, of the T.U.F. and 144-*quinquies* of the Consob Issuers' Regulation;

or

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

The slates, together with the abovementioned information, will be made available at the Company's registered office, on the Company's website and through Borsa Italiana at least twenty-one days prior to the date set for the Shareholders' Meeting in single call, i.e. by March 23, 2017.

At least one Director, if there are no more than five directors, or at least three Directors, if there are more than five, shall satisfy the independence requirements established for the members of the board of statutory auditors of listed companies in Article 148, paragraph 3, of the T.U.F., referenced by Article 147-*ter* of the T.U.F..

Shareholders are invited to also take into account the independence requirements and the number of independent directors recommended by Article 3 of the Corporate Governance Code.

The independent candidates shall be expressly indicated in each slate.

All candidates shall also meet the integrity requirement applicable to the statutory auditors of listed companies under Article 148, paragraph 4, of the T.U.F., which also applies to directors pursuant to Article 147-*quinquies*, paragraph 1, of the T.U.F..

Furthermore, pursuant to Article 2, letter c) of the Prime Minister's Order of May 25, 2012, the members of the management or control body, as well as those who hold management positions in Cassa Depositi e Prestiti S.p.A., Snam S.p.A. and their subsidiaries, are prohibited from holding a seat on the management body in Eni S.p.A and

³ It is also recommended that the statements contain the statement on whether they meet the independence requirements pursuant to Article 3 of the Corporate Governance Code.

its subsidiaries, nor maintain any direct or indirect relationship, of either a professional or financial nature, with these companies.

Finally, the Italian Corporate Governance Code advises Shareholders, in submitting their slates and subsequently appointing directors, to consider, in light of the BoD advice expressed by the Board on the issue, the professional qualifications, experience, including managerial experience, and types of candidates, in respect of the size of the issuer, the complexity of its activities and the specific characteristics of the business sector in which it operates, as well as the size of the Board of Directors. In this regard, the BoD advice expressed by the current Board of Directors has been published and is attached to this Report.

Directors shall be elected in the following manner in accordance with Article 17.3 of the By-laws:

a) seven-tenths of the Directors to be elected shall be drawn from the slate that receives the most votes of the Shareholders in the order in which they appear on the slate, rounded off in the event of a decimal number to the next lowest whole number;

b) the remaining Directors shall be drawn from the other slates. Said slates shall not be connected in any way, directly or indirectly, to the Shareholders who have submitted or voted the slate that receives the largest number of votes. For this purpose, the votes received by each slate shall be divided by one or two or three depending upon the number of directors to be elected. The quotients, or points, thus obtained shall be assigned progressively to candidates of each slate in the order given in the slates themselves. The candidates of all the slates shall be ranked by the points assigned in single list in descending order. Those who receive the most points shall be elected. In the event that more than one candidate receives the same number of points, the candidate elected shall be the person from the slate that has not hitherto had a Director elected or that has elected the least number of directors. In the event that none of the slates has yet had a Director elected or that all of them have had the same number of directors elected, the candidate among all such slates who has received the highest number of votes shall be elected. In the event of equal slate votes and equal points, the entire Shareholders' Meeting shall vote again and the candidate elected shall be the person who receives a simple majority of the votes;

c) if the minimum number of independent Directors required under these By-laws has not been elected following the above procedure, the points to be assigned to the candidates drawn from the slates shall be calculated by dividing the number of votes received by each slate by the ordinal number of each of these candidates; the candidates who do not meet the requirements of independence with the fewest points from among the candidates drawn from all of the slates shall be replaced, starting from the last, by the independent candidates, from the same slate as the replaced candidate (following the order in which they are listed), otherwise by persons meeting the independence requirements appointed in accordance with the procedure set out in letter d). In cases where candidates from different lists have received the same number of points, the candidate from the slate from which the largest number of directors has been drawn or, subordinately, the candidate drawn from the slate receiving the lowest number of votes, or, in the event of a tie vote, the candidate that receives the fewest votes of the Shareholders' Meeting in a run-off election, shall be replaced;

c-bis) if the application of the procedure set out in letters a) and b) does not permit compliance with the gender-balance rules, the points to attribute to each candidate drawn from the slate shall be calculated by dividing the number of votes received by each slate by the ordinal number of each of these candidates; the candidate of the over-represented gender with the fewest points from among the candidates drawn from all of the slates shall be replaced, without prejudice to the compliance with the required minimum

number of independent directors, by the member of the less-represented gender who may be listed (with the next highest ordinal number) on the same slate as the candidate to be replaced, otherwise by a person to be appointed following the procedure set out in letter d). In cases where candidates from different lists have received the same minimum number of points, the candidate from the slate from which the largest number of directors has been drawn or, subordinately, the candidate drawn from the slate receiving the fewest number of votes, or, in the event of a tie vote, the candidate that receives the fewest votes of the Shareholders' Meeting in a run-off election, shall be replaced;

d) to appoint Directors who for any reason were not appointed pursuant to the above procedures, the Shareholders' Meeting shall resolve, with the majorities required by law, to ensure that the composition of the Board of Directors complies with applicable law and the By-laws.

With regard to the foregoing proposal of the Board of Directors, in accordance with Article 17.3 of the By-laws, the Shareholders' Meeting is charged with appointing the Directors on the basis of the slates presented by those eligible to do so.

The outgoing Board of Directors elects to not exercise its right to submit its own slate of candidates.

Dear Shareholders,

You are invited to vote for one of the slates that will be submitted by the Shareholders on this item on the agenda.

ITEM 6

APPOINTMENT OF THE CHAIRMAN OF THE BOARD OF DIRECTORS

Dear Shareholders,

Pursuant to Article 18.1 of the By-laws, the Chairman of the Board of Directors is appointed by the Shareholders' Meeting from among those Directors with voting rights, or if the Shareholders' Meeting has not done so, the Chairman is appointed by the Board of Directors.

The Board proposes that the Shareholders' Meeting appoint one of the Directors nominated by the Shareholders pursuant to item 5 on the agenda as Chairman of the Board of Directors, upon the proposal of the Shareholders.

In this regard, the BoD advice referred to under item 5 on the agenda also includes information on the position of the Chairman of the Board of Directors.

It is recommended that proposals be submitted well in advance, as recommended by the Corporate Governance Code, which Eni has adopted.

Dear Shareholders,

You are invited to nominate and elect one of the Directors previously nominated pursuant to item 5 on the agenda as Chairman of the Board of Directors.

ITEM 7

DETERMINATION OF THE REMUNERATION OF THE CHAIRMAN OF THE BOARD OF DIRECTORS AND OF THE DIRECTORS

Dear Shareholders,

Pursuant to Article 26.1 of the By-laws, the Shareholders' Meeting determines the remuneration of the Chairman and the members of the Board of Directors.

The same article provides that, if the Shareholders' Meeting does not set the remuneration, the most recently approved remuneration shall remain valid until decided otherwise by the Shareholders' Meeting.

The Shareholder' Meeting held on May 25, 2006 authorised the Board of Directors to extend to Eni S.p.A.'s Directors and Statutory Auditors the D&O insurance policy for Eni S.p.A. managers, with a maximum coverage of 200 million US dollars and a yearly premium of 2 million US dollars respectively.

The policy also remains in effect for the new Boards to be appointed. The related maximum amount of coverage entirely devoted to management, Directors and Statuary Auditors of the Company amounts to 200 million US dollars with a premium of around 1.9 million US dollars.

The outgoing Board of Directors has not presented a proposal on this item on the agenda.

It is recommended that proposals be submitted well in advance, as recommended by the Corporate Governance Code, which Eni has adopted.

Dear Shareholders,

You are invited to submit your proposals on this item on the agenda and approve one of them.

ITEM 8

APPOINTMENT OF THE STATUTORY AUDITORS

Dear Shareholders,

The Shareholders' Meeting has been called to appoint the members of the Board of Statutory Auditors, as the term of office of the current Board, appointed by the Shareholders' Meeting on May 8, 2014, is coming to an end.

Pursuant to Article 28.1 of the By-laws, the Board of Statutory Auditors is comprised of five standing members and two alternate members.

Pursuant to Article 28.2 of the By-laws, the Shareholders' Meeting is called to appoint the Board of Statutory Auditors on the basis of the slates presented by the Shareholders, in which the candidates are listed in numerical order in a number no greater than the number of members of the body to be appointed.

The candidates for Statutory Auditor shall meet the independence requirement under Article 148, paragraph 3, of the T.U.F., as well as the integrity and experience

requirements set forth in the Decree of the Minister of Justice No. 162 of March 30, 2000, taking into account the fields and sectors closely connected with the business of the Company, as set out in Article 28.1 of the By-laws. The fields closely connected with the business of the Company are: commercial law, business economics and corporate finance. The sectors closely connected with the business of the Company are engineering and geology.

In addition, note that under Article 19, paragraph 3, of Legislative Decree no. 39 of January 27, 2010, as amended by Legislative Decree no. 135 of July 17, 2016, the members of the Board of Statutory Auditors, which serves as the Internal Control and Audit Committee as required by that legislation, are as a whole competent in the sector in which the audited entity operates.

The Statutory Auditors shall also comply with the limits on appointment to positions with other companies as set by Consob in Article 144-*terdecies* of the Issuers' Regulation.

Furthermore, pursuant to art. 2, letter c) of the Prime Minister's Order of May 25, 2012, the members of the management or control body, as well as those who hold management positions in Cassa Depositi e Prestiti S.p.A., Snam S.p.A. and their subsidiaries, are prohibited from holding a seat on the control body positions in Eni S.p.A. and its subsidiaries, , nor entertain any direct or indirect relationship, professional or financial nature with these companies.

Shareholders are advised to also take due account of the independence requirements set forth in Article 8 of the Corporate Governance Code.

The submission, filing and publication procedures for the appointment of Directors on the basis of slates (described above), shall also apply to the Statutory Auditors, as well as the applicable Consob regulations.

Only those Shareholders who, severally or jointly, represent at least 0.5% of the share capital are entitled to submit a slate, as established by Consob Resolution No. 19856 of January 25, 2017.

The slates presented by Shareholders must be filed at the Company's registered office at least twenty-five days prior to the date of the Shareholders' Meeting at single call, i.e. by March 19, 2017, automatically extended to March 20, 2017 (the first subsequent business day).

Pursuant to Article 144-*sexies*, paragraph 5, of the Issuers Regulation, if as of the deadline for the filing of slates only one slate, or only slates presented by Shareholders who are affiliated pursuant to the provisions of Article 144-*quinquies* of the Issuers Regulation, have been submitted, slates may be submitted until the third day following the termination of the period indicated above (i.e. until March 23, 2017 by 6:00 (CET) p.m.). Compliance with said deadline is necessary in order to enable the Company to publish the slates submitted by the shareholders by the deadline provided for by Article 144-*octies* of the Issuers Regulation, which is also March 23, 2017). In this case, the slates may be submitted by Shareholders who, severally or jointly, own at least 0.25% of the share capital.

Article 28.2 of the By-laws contains specific provisions on the composition of the slates aimed at ensuring compliance with the rules on gender balance on company boards, pursuant to Law No. 120 of July 12, 2011. Under the law at least one-third of the Statutory Auditor positions to be appointed, i.e. two, must be filled by the less-represented gender.

Shareholders who wish to submit a slate with a number of candidates, including standing and alternate members, equal to or more than three should include, in the section of standing Statutory Auditors, at least one candidate of a different gender, since by law the number of representatives of the less-represented gender must be at least equal to two. If

two candidates are indicated in the section for alternate auditors, they must be of different genders.

Together with each slate, the following documents shall also be filed:

- the identity of the Shareholders who have presented such slates and the overall percentage ownership of Eni share capital held;
- statements of each candidate accepting his/her nomination;
- the curriculum vitae of each candidate containing personal and professional information, as well as a statement of each candidate affirming that he/she meets the requirements established by the law and the By-laws⁴ and that he/she is in compliance with the limits on the number of other positions held established by the Issuers' Regulation;
- a declaration from Shareholders other than those who, jointly or otherwise, possess a controlling or relative majority shareholding, certifying the absence of any relationships of affiliation with the latter pursuant to Article 144-*quinquies* of the Issuers' Regulation.

In accordance with Consob Communication No. DEM/9017893 of February 26, 2009, Shareholders other than those who severally or jointly hold a controlling or majority shareholding should file the following information:

- any existing relationships, if significant, with Shareholders who severally or jointly hold a controlling or majority shareholding. Specifically, it is recommended that at least those relationships indicated under point 2 of the Consob Communication be listed. Alternatively, the lack of significant relationships should be indicated;
- the reasons why these relationships do not give rise to the relationships of association referred to in Article 148, paragraph 2, of the T.U.F. and Article 144-*quinquies* of the Issuers' Regulation.

In order for the Shareholders' Meeting to be aware of the administration and control positions in other companies held by the Statutory Auditors at the time of appointment and prior to acceptance of the position, pursuant to Article 2400, final paragraph, of the Italian Civil Code, candidates are requested to provide appropriate information on this in the curriculum vitae submitted and are advised to update this information through the date of the Shareholders' Meeting.

The slates, together with the abovementioned information, will be made available at the Company's registered office, on the Company's website and at Borsa Italiana at least twenty-one days prior to the date set for the Shareholders' Meeting on single call, i.e. by March 23, 2017.

Slates shall be divided into two sections: the first containing candidates for appointment as standing Statutory Auditors and the second containing candidates for appointment as alternate Statutory Auditors. At least the first candidate in each section must be entered in the register of auditors and have carried out statutory audit activities for no less than three years.

Three standing Statutory Auditors and one alternate Statutory Auditor shall be drawn from the slate that receives the majority of votes. The other two standing Statutory Auditors and the other alternate Statutory Auditor shall be appointed using the procedures set out in Article 17.3, letter b) of the By-laws or using the procedures set out in Article

⁴ It is also recommended that the statements contain the statement on whether they meet the independence requirements pursuant to Article 8 of the Corporate Governance Code.

17.3, letter d) of the By-laws. Said procedures shall be applied separately to each section of the other slates.

Where the application of the procedure referred to above does not permit compliance with the gender-balance rules for standing Statutory Auditors, the points to attribute to each candidate drawn from the standing Statutory Auditor sections of the various slates shall be calculated by dividing the number of votes received by each slate by the ordinal number of each of these candidates; the candidate of the over-represented gender with the fewest points from among the candidates drawn from all of the slates shall be replaced by the member of the less-represented gender who may be listed (with the next highest ordinal number) in the standing Statutory Auditor section on the same slate as the candidate to be replaced or, subordinately, in the alternate Statutory Auditor section of the same slate as the candidate to be replaced (in such case, the latter shall take the position of the alternate candidate that replaces him/her). If this does not permit compliance with the gender-balance rules, he/she shall be replaced by a person chosen by the Shareholders' Meeting with the majority required by law, so as to ensure that the membership of the Board of Statutory Auditors complies with the law and the By-laws. In cases where candidates from different lists have received the same number of points, the candidate from the slate from which the largest number of Statutory Auditors has been drawn or, subordinately, the candidate drawn from the slate receiving the fewest number of votes, or, in the event of a tie vote, the candidate that receives the fewest votes of the Shareholders' Meeting in a run-off election, shall be replaced.

The Statutory Auditors are appointed for a three-year term, ending, in any event, on the date of the Shareholders' Meeting called to approve the financial statements for the year ended December 31, 2019.

Dear Shareholders,

You are invited to vote one of the slates that will be submitted by the Shareholders and published as provided for in the By-laws.

ITEM 9

APPOINTMENT OF THE CHAIRMAN OF THE BOARD OF STATUTORY AUDITORS

Dear Shareholders,

As provide by Article 148, paragraph 2-bis, of the TUF, You are invited to appoint as Chairman of the Board of Statutory Auditors one of the standing Auditors elected by the minority.

ITEM 10

DETERMINATION OF THE REMUNERATION OF THE CHAIRMAN OF THE BOARD OF STATUTORY AUDITORS AND OF THE STANDING STATUTORY AUDITORS

Dear Shareholders,

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

The Shareholder' Meeting held on May 25, 2006 authorised the Board of Directors to extend to Eni S.p.A.'s Directors and Statutory Auditors the D&O insurance policy for Eni

S.p.A. managers, with a maximum coverage of 200 million US dollars and a yearly premium of 2 million US dollars.

The policy remains effective also for the new Boards to be appointed. The related aggregate maximum amount of coverage entirely dedicated to management, Directors and Statutory Auditors of the Company amounts to 200 million US dollars with a premium of around 1.9 million US dollars.

The Corporate Governance Code for listed companies, which Eni S.p.A. has adopted, recommends, in Article 8.C.3., that "*The remuneration of auditors shall be proportionate to the commitment required from each of them, to the importance of his/her role as well as to the size and business sector of the company.*"

The outgoing Board of Directors has not presented a proposal on this item on the agenda. It is recommended that proposals be submitted well in advance, as recommended by the Corporate Governance Code which Eni adheres.

* * *

INFORMATION REGARDING THE ATTENDANCE FEE OF THE MAGISTRATE OF THE COURT OF AUDITORS CHARGED WITH MONITORING THE FINANCIAL MANAGEMENT OF ENI

Pursuant to the applicable law (Law no. 259 of March 21, 1958), as confirmed by Decision no. 466/1993 of the Italian Constitutional Court, the Court of Auditors monitors the financial management of Eni as an entity to which the Italian State normally contributes.

In order for the Court of Auditors to exercise such control, a Magistrate of the Court of Auditors attends the meetings of the Board of Directors, the Control and Risk Committee and the Board of Statutory Auditors of Eni, without entitlement to vote.

At present, the Magistrate receives an attendance fee of 1,000 euro for attending meetings of the Board of Directors, the Board of Statutory Auditors and of the Board Committees, in addition to reimbursement of expenses incurred in connection with his duties.

In line with the applicable law, the Board of Director that will be appointed shall deliberate on the attendance fee of the Magistrate of the Courts of Auditors.

* * *

Dear Shareholders,

You are invited to submit your proposals on this item on the agenda and approve one of them.

ITEM 11

LONG TERM INCENTIVE PLAN 2017-2019 AND DISPOSAL OF ENI TREASURY SHARES TO SERVE THE PLAN

Dear Shareholders,

The Board of Directors of Eni S.p.A., in relation to the expiration of the Long-Term Monetary Incentive Plan (2014-2016) approved at the Shareholders' Meeting of May 8, 2014, has resolved to submit the adoption of a new share-based Long-Term Incentive

Plan (2017-2019) (the “Plan”) to the Shareholders’ Meeting for approval, prepared on the basis of a proposal of the Compensation Committee, comprised entirely of independent, non-executive directors, as a tool to incentivize and promote the loyalty of the Company’s most critical managers.

In line with international best practice, the Plan ensures the achievement of the following objectives:

- strengthening the culture of business risk management from the perspective of shareholders by adopting shares as an incentive;
- further aligning performance conditions with the long-term expectations of shareholders, using:
 - a performance assessment of the Company’s Total Shareholder Return over a three-year period compared with that of the Reference Stock Market Index, with a comparison with the respective performance of the main international competitors (Peer Group);
 - a further enhancement of the capacity to create value over the long term, giving greater weight to the Net Present Value of proven reserves, assessed in comparison with the Peer Group;
 - expanding the reference Peer Group with greater adherence to Eni’s competitive context and characteristics, with a more challenging minimum incentive threshold, positioned at the median level.

For each annual award, the Plan provides for a three-year Vesting Period in line with industry best practice at international level.

The Plan beneficiaries (the “Beneficiaries”) are the Company’s Chief Executive Officer to be appointed by the Shareholders’ Meeting at the next election of the Board; the Managers with Strategic Responsibilities of Eni S.p.A., as well as other “Senior Managers deemed Critical for the Business”, who will be specifically identified during the annual implementation of the Plan from among the managers of Eni S.p.A. and its subsidiaries - with the exception of those listed on regulated markets and companies controlled by these - occupying positions that are most directly responsible for business performance or that are of strategic interest and who, at the date of the award, are employees of and/or in service with Eni and its subsidiaries (currently 330 managers).

The description of the Plan targets and characteristics are set out in more detail in the Informative Document prepared by the Board of Directors pursuant to Article 114-*bis* of the Consolidated Law on Financial Information (T.U.F.) and Article 84-*bis* of the Issuers Regulation, made available along with this report and to which reference is made.

For the implementation of the Plan, the Board of Directors has resolved to ask the Shareholders’ Meeting to be authorised to grant free of charge, in accordance with the terms and conditions described in the attached Informative Document, up to a maximum of 11 million of Eni treasury shares to the Beneficiaries of the Plan. The use of treasury shares (which currently total about 33 million) avoids the need to buy additional shares and the consequent financial outlay. The maximum number of shares for the plan was estimated by assuming the achievement of the maximum level of performance and using, as a reference, the lowest Eni share price recorded during the 2014-2016 period.

Dear Shareholders,

You are invited to approve the following resolutions:

“Pursuant to and for the purposes of Article 114-bis of the Consolidated Law on Financial Intermediation and of Art. 2357-ter of the Italian Civil Code,

- to approve the Long-Term Incentive Plan 2017-2019, under the terms and conditions set forth in the Informative Document made available along with this Explanatory Report, granting the Board of Directors all the powers needed to implement the Plan, including through persons delegated for this purpose, resolving: i) the annual award of Eni Shares to the Chief Executive Officer; ii) the approval of the Regulation for each annual award; iii) the identification of the Beneficiaries on the basis of the defined criteria; iv) and any other terms and conditions for implementation provided they do not conflict with this resolutions.*
- to authorize the Board to dispose of up to 11 (eleven) million treasury shares to serve the implementation of the Plan.”*

ITEM 12

REMUNERATION REPORT (SECTION I): POLICY ON REMUNERATION

Dear Shareholders,

The Remuneration Report has been prepared on the basis of Article 123-ter of the T.U.F. and of Article 84-quater of the Issuers' Regulation.

Pursuant to Article 123-ter, paragraph 6, of the T.U.F., the Shareholders' Meeting shall resolve in favour or against the first section of the Remuneration Report regarding the Company's policy on the remuneration of Board Directors and others managers with strategic responsibilities and the procedures used to adopt and implement this policy. The resolution is not binding.

Please refer to the Remuneration Report approved by the Board of Directors, which will be published accordance with the time limits and procedures required by law, as well on the Company's website .

Dear Shareholders,

You are invited to resolve

“in favour of the first section of the Remuneration Report regarding the Company's policy on the remuneration of Board Directors and other managers with strategic responsibilities and the procedures used to adopt and implement this policy”.

The Chairman of the Board of Directors

EMMA MARCEGAGLIA



Eni's Board of Directors advice to shareholders on the size and composition of the new Board

In accordance with the recommendations of the Italian Corporate Governance Code, Eni's Board of Directors, received the opinion of the Nomination Committee and considered the results of the Board review, developed a position on the future size and composition of the Board to be presented to the shareholders prior to the Shareholders' Meeting called for 13 April 2017 to appoint Eni's corporate bodies.

The Board of Statutory Auditors concurred with the assessment of the Board.

Size of the Board of Directors

The Board of Directors considers the current number of directors, equal to nine, to be appropriate. It is the maximum established in Eni's By-laws.

Composition of the Board of Directors

The composition needs to take account of Eni's current and future needs, as well as the necessity of maintaining a major presence for independent Directors, with a level of diversity, including in terms of gender and seniority, that takes account of the regulatory requirements applying to the upcoming term of office.

The mix of skills on the Board should be well-balanced and reinforced by an understanding of Eni's business and the experience gained in the current term of office, given the complexity of the business and the need to complete the transformation begun by the current Board.

If the number of Board members should be increased or the composition changed, it would be possible to further enhance the skill mix with:

- experience in leading management positions, preferably in the industrial sector, even if not specifically in the Oil & Gas industry;
- international management expertise gained in complex multinationals;
- skills in change management, M&A and development to accompany Eni's transformation strategy,

bearing always in mind the significant time and commitment required of a new Board member to fully assimilate the complexity of Eni and its diversified businesses.

Key characteristics of each Director:

- team oriented;
- well-balanced in seeking consensus;
- aptness for the position;
- capable of managing conflicts constructively;
- capable of working effectively with management;
- willingness, taking account of other professional commitments, to serve on Eni's Board Committees.



To ensure that Directors can devote the necessary time to preparing for and participating in Board and Committees meetings, the future Board could set additional criteria with reference to the maximum number of other positions that Eni Directors may hold, considering commitments with internal Board Committees or other companies.

The Chairman

in addition to the qualifications applying to each Director, the Chairman should also possess:

- authority and standing in independently representing all Shareholders;
- experience on chairing Boards of listed companies;
- previous experience as a non-executive Director with a company of comparable complexity to Eni;
- impeccable international credibility and standing.

The Chief Executive Officer

in addition to the qualifications applying to each Director, in the light of the Eni transformation strategy for the Company's future, the CEO should also possess:

- experience as a Chief Executive Officer or other senior management position with listed companies of comparable complexity to Eni;
- a high level of credibility and authority in Eni's key international markets;
- specific know-how in Eni's key business sectors;
- a track record of success in managing a large operating company (and not just a parent/holding company);
- a track record of success in managing relations with complex stakeholders (local and international) in the key markets and geographical areas in which Eni operates.

Account should be taken of the need for the Chairman and the Chief Executive Officer to maintain a constructive relationship with complementary skills in order to ensure the effective operation of the Board and, more generally, the governance of the Company.

Committees

It would be advisable to retain the current duties and size of the existing Committees, while rotating a number of members, even if the Board should remain unchanged, in order to diversify the contribution of those members and enhance dialogue, with a special focus on the Control and Risk Committee in view of the commitment required to the Committee and its members.

INFORMATIVE DOCUMENT

PREPARED IN ACCORDANCE WITH ART. 114-BIS OF ITALIAN LEGISLATIVE DECREE NO. 58 OF 24TH FEBRUARY 1998 (CONSOLIDATED LAW ON FINANCE - TUF) AND ART. 84-BIS OF REGULATION ADOPTED BY CONSOB WITH RESOLUTION NO. 11971 OF 14th MAY 1999 AS SUBSEQUENTLY AMENDED (ISSUERS' REGULATION)

LONG-TERM INCENTIVE PLAN 2017 – 2019

Introduction

This Informative Document, prepared in accordance with Art. 84-bis (Annex 3A, Scheme No. 7) of the Issuers' Regulation, has been prepared by Eni SpA ("Eni") to provide information to its shareholders and to the market on the proposed adoption of the Long-Term Monetary Incentive Plan 2017-2019 (the "Plan"), approved by the Board of Directors of Eni on 28th February 2017, which will be submitted for approval in accordance with Art. 114-bis of the Consolidated Law on Finance to the Ordinary Shareholders' Meeting convened on 13th April 2017, in single call (the "Shareholders' Meeting").

The Plan provides for the granting of "Eni Shares" free of charge determined on the basis of company performance objectives.

This Plan applies to Eni and its subsidiaries, excluding those with shares listed on regulated markets and companies controlled by them, and it is considered to be of "major significance" under Art. 84-bis, paragraph 2, of the Issuers' Regulation since it is intended for the persons referred to in Art. 114-bis of the Consolidated Law on Finance, and more specifically:

- i) for the Chief Executive Officer of Eni who will be appointed by the Board of Directors following the Shareholders' Meeting;
- ii) for the managers of Eni and its subsidiaries who fall under "Senior Managers deemed Critical for the Business", identified from among those occupying positions that are most directly responsible for business performance or that are of strategic interest and who, at the date of the award, are employees of and/or in service with Eni SpA and its subsidiaries, including Eni Managers with Strategic Responsibilities.

This Informative Document is available to the public at the registered office of Eni in Piazzale E. Mattei 1, Rome, in the "Governance" section of the Eni website (www.eni.com) and using the methods specified by Art. 84-bis of the Issuers' Regulation.

Definitions

A description of the meanings of certain terms used in the Informative Document is given below:

<i>Eni/Company</i>	Eni SpA (with registered office in Piazzale E. Mattei 1, Rome).
<i>Chief Executive Officer</i>	The Chief Executive Officer of Eni.
<i>Beneficiaries</i>	The addressees of the Plan.
<i>Managers with Strategic Responsibilities</i>	In accordance with Art. 65, paragraph 1- <i>quater</i> of the Issuers' Regulation, the managers of Eni who have the power and

	responsibility, directly or indirectly, for planning, directing and controlling Eni. With reference to Eni, they are the managers who sit on the Management Committee and, in any case, those who report directly to the Chief Executive Officer.
<i>Senior Managers deemed Critical for the Business</i>	The managers of Eni and its subsidiaries identified during the annual implementation of the Plan from among those occupying positions that are most directly responsible for business performance or that are of strategic interest and who, at the date of the award, are employees and/or in service at Eni and its subsidiaries, including Eni Managers with Strategic Responsibilities.
<i>Board of Directors</i>	The Board of Directors of Eni.
<i>Management Committee</i>	The Management Committee of Eni, having an advisory and supporting role for the activities of the Chief Executive Officer.
<i>Compensation Committee</i>	The Eni committee, composed entirely of non-executive and independent directors, whose composition, appointment, tasks and operating methods are governed by a special Regulation approved by the Board of Directors, having an advisory and consultative role in matters relating to remuneration.
<i>Subsidiaries</i>	Entities controlled by Eni in accordance with Art. 93 of the Consolidated Law on Finance. For the purposes of the Plan, this excludes Subsidiaries whose shares are listed on regulated markets and the companies they control.
<i>Awarded Shares</i>	Number of Eni Shares communicated to Beneficiaries at the beginning of the Vesting Period as grantable at the end of the same Vesting Period, in accordance with the performance and retention conditions laid down by the Plan Regulation. The number of awarded Eni Shares is conventionally defined in terms of a target performance level.
<i>Award Price of Eni Shares</i>	Price calculated as an average of the daily official prices of the Eni Share (source: Bloomberg). The period is between: <ul style="list-style-type: none"> ▪ the last trading day of the month before the date of the Board of Directors meeting to annually approve the Plan Regulation and the award to the Chief Executive Officer; and ▪ the first trading day of the 4th month before the date of the Board of Directors meeting referred to above.
<i>Granted Shares</i>	Number of Eni Shares granted free of charge to the Beneficiaries at the end of the predetermined period (Vesting Period) depending on the target number of Eni Shares awarded at the beginning of the Vesting Period and the actual performance levels achieved, in accordance with the terms and conditions of the Plan Regulation.
<i>Vesting Period</i>	Three-year period between the time when the shares are awarded and the time that the shares can be granted free of charge.
<i>Performance Period</i>	Three-year period for measuring performance, in accordance with the defined criteria, from 1st January of the year of award to 31st December of the year before granting.
<i>Peer Group</i>	The group of ten companies used to compare business performance with Eni, in accordance with the established performance parameters, consisting of the international oil companies that are Eni competitors, namely: ExxonMobil, Chevron, BP, Royal Dutch Shell, Total, ConocoPhillips, Statoil, Apache, Marathon Oil and Anadarko.
<i>Regulation</i>	The document, approved annually by the Board of Directors, that governs the conditions of each annual award of the Plan.

<i>Total Shareholder Return (TSR)</i>	Indicator that measures the overall performance of a share as the sum of capital gains and reinvested dividends.
<i>Reference Stock Market Index</i>	Index representing the Stock Market on which the company's Shares are traded, chosen with respect to the panel of companies belonging to the Peer Group (e.g. for Eni the index is the FTSE MIB). The list of companies in the Peer Group and their respective Reference Stock Market Indices are given below: <ul style="list-style-type: none"> - Eni: FTSE MIB Index of the Borsa Italiana Stock Exchange - ExxonMobil, Chevron, ConocoPhillips, Apache, Anadarko, Marathon Oil: Standard & Poor's 500 Index of the New York Stock Exchange - BP: FTSE 100 Index of the London Stock Exchange - Royal Dutch Shell: AEX Index of the Amsterdam Stock Exchange - Total: CAC 40 Index of the Paris Stock Exchange - Statoil: OBX Index of the Oslo Stock Exchange
<i>TSR of the Reference Stock Market Index</i>	TSR of the Reference Stock Market Index calculated using the same methods employed for the TSR of Eni Shares and those of the companies in the Peer Group.
<i>Correlation Index (ρ)</i>	Measure of the linear relationship between (i) the daily returns of reference prices of a share and (ii) the daily returns of the quotations of the corresponding Reference Stock Market Index, calculated in the period between the first day of the month before the beginning of the Performance Period and the last day of the Performance Period. It's a value between -1 and +1.
<i>Net Present Value of Proven Reserves (NPV)</i>	Indicator that represents the present value of the future cash flows of proven hydrocarbon reserves, net of future production and development costs and related taxes.
<i>Eni Shares</i>	Ordinary shares issued by Eni, listed on the Electronic Stock Market of Borsa Italiana.

1. The addressees

1.1 Indication of the name of the addressees who are members of the board of directors or management board of the financial instrument issuer, of the companies controlling the issuer and the companies directly or indirectly controlled by it

The Plan applies to the Chief Executive Officer who will be appointed by the Board of Directors following the Shareholders' Meeting.

If any of the Beneficiaries described in paragraph 1.2 below are persons who, under current regulations, must be identified by name, also in relation to the position of Director possibly held in a Subsidiary, the Company will provide the market with the relevant information at the time of the notifications provided for by Art. 84-*bis*, paragraph 5 of the Issuers' Regulation.

1.2 The categories of employees or collaborators of the financial instrument issuer and companies controlling or controlled by this issuer

The managers of Eni and its Subsidiaries identified as Senior Managers deemed Critical for the Business at the time of the annual implementation of the Plan (currently 330 managers).

1.3 Name of the parties benefitting from the plan belonging to the following groups:

a) General Managers of the financial instrument issuer

The Plan also applies to any General Managers appointed by Eni's Board of Directors.

b) other Managers with Strategic Responsibilities of the financial instrument issuer not classed as a "small", in accordance with Article 3, paragraph 1, letter f) of Regulation no. 17221 of 12 March 2010, if they have, during the course of the year, received total compensation (obtained by adding the monetary compensation to the financial instrument-based compensation) in excess of the highest total compensation attributed to the members of the board of directors or management board, and to the general managers of the financial instrument issuer

Not applicable.

None of Eni's Managers with Strategic Responsibilities have received total compensation during the course of the year in excess of the highest total compensation attributed to the members of the Board of Directors.

c) natural persons controlling the share issuer, who are employees or who collaborate with the share issuer

Not applicable.

1.4 Description and numerical indication, broken down according to category:

a) Managers with Strategic Responsibilities other than those specified under letter b) of paragraph 1.3

Managers with Strategic Responsibilities of Eni currently number 18.

b) in the case of "small" companies, in accordance with Article 3, paragraph 1, letter f) of Regulation No. 17221 of 12 March 2010, the indication for the aggregate of all Managers with Strategic Responsibilities of the financial instrument issuer

Not applicable.

c) any other categories of employees or collaborators for which different characteristics are envisaged for the Plan (e.g. Managers, middle management, employees, etc.).

Not applicable.

2. **The reasons behind the adoption of the Plan**

2.1 Objectives to be achieved by means of the attribution of the Plan

The Long-Term Monetary Incentive Plan 2014-2016 has expired and a new share-based Plan has been introduced as a tool to incentivize and promote the loyalty of the Company's most critical management personnel, ensuring achievement, in line with international best practice, of the following objectives:

- strengthening the culture of business risk management from the perspective of shareholders by adopting shares as an incentive;

- further aligning performance conditions with the long-term expectations of shareholders, using:
 - a performance assessment of the Company's Total Shareholder Return over a three-year period compared with that of the Reference Stock Market Index, with a comparison with their respective performance of the main international competitors (Peer Group);
 - a further enhancement of the capacity to create value over the long term, giving greater weight to the Net Present Value of proven reserves, again assessed in comparison with the peer group;
 - expanding the reference Peer Group with greater adherence to Eni's competitive context and characteristics, with a more challenging minimum incentive threshold, positioned at the median level.

For each annual award, the Plan provides for a three-year Vesting Period in line with industry best practice at the international level.

2.2 Key variables, including in the form of performance indicators, considered in order to attribute the financial instrument based plans

The incentive levels are defined as a percentage of fixed remuneration, in accordance with the following principles of the remuneration policy adopted by Eni:

- compensation package for management suitably balanced between: (i) a fixed component consistent with the powers and/or responsibilities assigned, in addition to being sufficient to remunerate service if the variable component is not paid, and (ii) a variable component defined within maximum limits and designed to link remuneration to actual performance, taking account of the risk profiles of the business;
- consistency of the total remuneration with the market levels applicable for similar positions or roles with a similar level of responsibility and complexity, based on panels of companies that are comparable to Eni;
- variable remuneration of executive positions that have a greater influence on business performance characterized by a significant percentage of long-term incentive components, through appropriate deferment over a period of at least three years, in line with the long-term nature of Eni's business and with the associated risk profile.

The performance indicators are given in paragraph 4.5 below.

2.3 Elements underlying the determination of the entity of the financial instrument based compensation, namely the criteria with which to determine it

See paragraph 2.2 and 4.5.

2.3.1 More detailed information

The value of the Eni Shares awarded for each beneficiary at target level differ in accordance with the level of responsibility/criticality of the role, up to a maximum of 150% of fixed remuneration, which is the component of annual remuneration whose payment is guaranteed.

The link with performance conditions is covered in paragraph 4.5.

2.4 The reasons underlying any decision to attribute financial instrument based compensation plans not issued by the financial instrument issuer

Not applicable.

2.5 Evaluations with regards to significant tax and accounting implications which have affected the definition of the plans

The structure of the Plan has not been affected by applicable tax regulations or accounting considerations.

2.6 Any support of the plan by the special Fund to encourage workers to participate in businesses, pursuant to Article 4, paragraph 112 of Italian Law no. 350 of 24 December 2003

Not applicable.

3. Approval procedure and timing for the granting of instruments

3.1 Scope of powers and functions delegated by the shareholders' meeting to the board of directors in order to implement the Plan

The Eni Board of Directors Meeting on 28th February 2017 resolved, based on a proposal by the Compensation Committee of 22th February 2017 and with the abstention of the Chief Executive Officer, to submit the Plan to the Shareholders' Meeting for approval.

Following the approval of the Shareholders' Meeting, the Board of Directors will implement the Plan, including through persons delegated for this purpose, resolving: i) the annual award of Eni Shares to the Chief Executive Officer; ii) the approval of the Regulation of each annual award; iii) the identification of the Beneficiaries on the basis of defined criteria; iv) and any other terms and conditions for implementation to the extent they do not conflict with the resolutions of the Shareholders' Meeting.

3.2 Indication of the parties appointed to administrate the plan and their function and competence

Administration of the Plan is entrusted to the competent Eni functions.

3.3 Any procedures in place for the review of plans, including in relation to any alteration of the basic objectives

There are no procedures for amending the Plan.

3.4 Description of the methods by which to determine the availability and grant the financial instruments on which the Plan is based

The Plan provides for the granting of Eni Shares free of charge after three years from their award depending on the achievement of predefined performance conditions.

3.5 The role played by each director in determining the characteristics of said Plan, any situations of conflict of interest arising concerning the relevant directors

In line with the recommendations of the Corporate Governance Code for Listed Companies,

which Eni has adopted, the conditions of the Plan have been defined based on a proposal by the Compensation Committee. The proposal to submit the Plan to the Shareholders' Meeting, in accordance with Art. 114-bis of the Consolidated Law on Finance, was then approved by the Board of Directors, with the abstention of the Chief Executive Officer, after obtaining the favourable opinion of the Board of Statutory Auditors in accordance with Art. 2389, paragraph 3, of the Italian Civil Code.

The Plan, in relation to its Beneficiaries, constitutes a related party transaction subject to the approval of the Shareholders' Meeting in accordance with Art. 114-bis of the Consolidated Law on Finance, therefore the specific procedures defined by Consob resolution No. 17221 of 12.3.2010 ("Regulation on related party transactions") are not applied, in accordance with the provisions of art. 9 of the Management System Guideline "Transactions with the interests of Directors and statutory auditors and transactions with related parties" adopted by Eni.

3.6 Date of the decision taken by the competent body to propose the approval of the plan to the shareholders' meeting and any proposal of a remunerations committee, where existing

On 28th February 2017, the Board of Directors, based on a proposal by the Compensation Committee of 22th February 2017, resolved to submit the Plan to the Shareholders' Meeting.

3.7 Date of the decision taken by the competent body with regards to the granting of instruments and the potential proposal to said body by a remunerations committee, where existing

The Plan's implementation is resolved annually by the Board of Directors based on the proposal by the Compensation Committee, by the end of October for the award of Eni Shares by the end of November. Eni Shares are granted by the end of November of the year following the end of the three-year performance period, after the results are approved by the Board of Directors, subject to verification and approval by the Compensation Committee.

3.8 The market price, recorded on said dates, for the financial instruments on which the plans are based, if traded on regulated markets

The official Eni Share price at 28th February 2017 (the date of approval by the Board of Directors to submit the proposed Plan to the Shareholders' Meeting): € 14.5595.

3.9 In the case of plans based on financial instruments traded on regulated markets, in what terms and how the issuer considers, when identifying the timing of the granting of instruments in implementation of the plan, the possible timing coincidence of:

- i) said granting or any decisions taken in this regard by the remunerations committee; and
- ii) the diffusion of any significant information in accordance with Art. 114, paragraph 1 of the Consolidated Law on Finance: for example, if such information is: a) not already public and able to positively affect marketing listings, or b) already public and able to negatively affect market listings.

The Plan and its terms and conditions are previously approved with the ex-ante determination of the timing and the criteria for determining the number of Eni Shares to be granted without the possibility of exercising discretionary powers.

The number of Eni Shares to award to each beneficiary is calculated based on a set percentage of fixed remuneration (linked to the level of the position held) and with regard to the Award

Price of Eni Share. The length of the period (4 months) considered for calculating the Award Price of Eni Shares rules out the possibility that the award can be significantly affected by the possible dissemination of relevant information within the meaning of article 114, paragraph 1, of the Consolidated Law on Finance.

The granting of Eni Shares free of charge to each beneficiary takes place by the end of November of the year after the one in which the three-year performance period ends, (from 1st January of the award year to 31st December of the 3rd year), based on the Shares awarded and the performance results approved by the Board of Directors, subject to verification and approval of the Compensation Committee.

Beneficiaries are required to comply with the provisions of insider dealing legislation and applicable regulations, in particular with reference to the disposition of the shares involved in any granting after the verification of the achievement of the performance objectives.

4. The characteristics of the instruments awarded

4.1 Description of the ways in which the compensation plans based on financial instruments are structured

The Plan provides for three annual awards of Eni Shares free of charge that may be granted after three years. The amount of the grant of Eni Shares is linked with the performance conditions achieved according to the specified parameters and other conditions.

For the purposes of the grant of Eni Shares to the Beneficiaries, Eni Shares already held as treasury shares will be used, allocated to serve the Plan subject to a specific resolution of the Shareholders' Meeting.

4.2 Indication of the period of effective plan implementation also with reference to any different cycles envisaged

The Plan provides for three annual awards for the period 2017-2019. Each award is subject to a Vesting Period of three years and consequently the period of implementation of the Plan runs from 2017 to 2022, as described in the scheme below.

1) 2017 Award	Performance period and vesting			2020 Granting of shares free of charge
	2017	2018	2019	
2) 2018 Award	Performance period and vesting			2021 Granting of shares free of charge
	2018	2019	2020	
3) 2019 Award	Performance period and vesting			2022 Granting of shares free of charge
	2019	2020	2021	

4.3 Plan expiration

The Plan will expire in 2022, at the end of the Vesting Period for the last award in 2019.

4.4 Maximum number of financial instruments, also in the form of options, granted each tax year in relation to the entities identified or the specified categories

The number of Eni Shares to award will be calculated based on a set percentage of the fixed remuneration, which is the component of the annual remuneration whose payment is guaranteed, and on the Award Price of Eni Share.

The number of Eni Shares to be granted will be defined as a percentage of those awarded, as specified in paragraph 4.5 below.

4.5 Methods and clauses for the implementation of the plan, specifying if the effective attribution of the instruments is subject to conditions being met or given results being achieved, including performance-related; a description of said conditions and results

The performance conditions of the Plan are verified annually and at the end of each Performance Period after a careful process of verifying the results actually achieved by the Compensation Committee, supporting the resolutions of the Board of Directors.

The performance conditions of the Plan are linked to the following parameters:

1. Difference between the Total Shareholder Return (TSR) of Eni Shares and the TSR of the FTSE Mib Index of Borsa Italiana Stock Exchange, adjusted with the Correlation Index, compared with similar differences for each company of the Peer Group, as shown in the following formula (weighted at 50%):

$$TSR_A - TSR_I * \rho_{A,I}$$

Where:

TSR_A: TSR of Eni or one of the companies in the Peer Group

TSR_I: TSR of the Reference Stock Market Index of the Company for TSR_A was calculated

$\rho_{A,I}$: Correlation Index

2. Percentage variation of the Net Present Value of Proven Reserves (NPV) compared with the analogous variation of each company in the Peer Group (weighted at 50%).

The TSR is calculated for all the companies in the performance period over three years in US dollars (USD), as the ratio between the 2 following terms:

1. the difference (i) between the average reference price of the shares in the four months before the end of the performance period (in the case of dividends distributed during the Performance Period and in the four months before this, the share prices are adjusted by considering the dividends reinvested in the same share) and (ii) the average reference price of the shares in the four months before the start of the Performance Period (in the case of dividends distributed in the four months for calculating the average, the share prices are adjusted by considering the dividends reinvested in the same share);
2. the average reference price of the shares in the four months before the start of the Performance Period (in the case of dividends distributed during the four months for calculating the average, the share prices are adjusted by considering the dividends reinvested in the same share).

For companies whose reference share prices are not originally expressed in USD (Eni, BP, Total, Royal Dutch Shell and Statoil), the above averages are calculated by converting to USD the daily reference prices of the shares and any dividends using the Bloomberg daily exchange rate (London close).

The TSR of each Reference Stock Market Index is calculated using the same methods employed for the TSR of Eni and of the companies in the Peer Group, including conversions to USD if necessary. Therefore, the Correlation Index is calculated considering the prices of the shares of the companies and the quotations of their Reference Stock Market Index appropriately converted to USD if necessary.

The Net Present Value represents the present value of the future cash flows of proven hydrocarbon reserves, net of future production and development costs and related taxes. It is calculated in accordance with the rules of FASB Extractive Activities - Oil & Gas (topic 932) and therefore allows a consistent comparison of data between the oil companies.

Calculation of the key elements of this indicator includes:

- for proven reserves (developed and undeveloped), the valuation at the average price of the calculation year, which is held constant for future years unless contractual variations have already been defined;
- for production and development costs, the valuation in constant terms (not inflated);
- the application of a standardized discount rate of 10%.

The Net Present Value will be normalized excluding the impact of divestment and acquisition operations in order to track the company’s organic growth. Data are published in 10-K and 20-F Forms filed by oil companies with the US Securities and Exchange Commission (SEC). The results achieved for that parameter will be measured on an annual basis, with the final result equal to the average of the Annual Performances in the Performance Period.

At the end of each Vesting Period the final multiplier for the grant is determined as the weighted average of the partial multipliers of each parameter, which is then applied to the number of Awarded Shares in order to determine the number of Shares to grant. Each partial multiplier may range between 0 and 180% (100% target), with a threshold of 80% for the median ranking, as shown below.

Ranking										
1st	2nd	3rd	4th	5th	6th	7th	8th	9th	10th	11 ^o
Multiplier										
180%	160%	140%	120%	100%	80%	0%	0%	0%	0%	0%

Median Ranking

No Eni Shares are granted if the Final Multiplier is lower than 26.6%.

The Plan provides for the adoption of clawback mechanisms, through specific Clawback Policy approved by the Board of Directors and based on the proposal by the Compensation Committee. This Policy provides, for the variable component of remuneration, if already paid and/or awarded, 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, 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/granted) must take place, once appropriate verification has been completed, within three years of payment/granting (or award) in cases of error, and within five years in cases of deliberate intent to defraud.

4.6 Indication of any restrictions of availability affecting the instruments attributed or the instruments from the year of the options, with specific reference to the terms within which the subsequent transfer to the company or third parties is permitted or prohibited

In order to further enhance alignment with the interests of shareholders over the long term, the Plan states that, at the end of the Vesting Period, 50% of the Eni Shares granted are subject to a lock-up period, i.e. the Eni Shares cannot be transferred and/or sold, by managers employed, for 1 year after the grant date.

4.7 Description of any termination conditions in relation to the attribution of plans in the event that the addressees should carry out *hedging* operations that enable the neutralisation of any prohibitions of the sale of the financial instruments granted, also in the form of options, or financial instruments arising from the exercise of these options

Not applicable.

4.8 Description of the effects determined by the termination of employment

The Regulation of the Plan provides as follows:

- in the cases of consensual termination of the Beneficiary's employment relationship, or the loss of control by Eni of the Subsidiary of which the Beneficiary is an employee, or the transfer of the company (or of the business unit) of which the Beneficiary is an employee to a non-subsidiary, occurring by the date on which the Board of Directors establishes the final percentage for the grant, the cash value of a predefined percentage of the number of Awarded Shares, based on the Award Price, will be paid to the Beneficiary in proportion to the period between the award and the occurrence of the above events, as well as in relation to the results possibly recorded during this period;
- in the case of the Beneficiary's death, the heirs retain the right to receive the entire amount of the Awarded Shares at the Award Price;
- in the cases of unilateral termination of the employment relationship, if the event occurs during the Vesting Period, there is no payment/granting of the Shares.

If the Chief Executive Officer is not reappointed at the end of the mandate, the granting of Eni Shares of each award will still take place at the natural expiry of the Plan, in accordance with the performance conditions defined in the Plan. In other cases, the Plan Regulation will apply.

4.9 Indication of any other causes for the cancellation of the plans

There are no causes for the cancellation of the Plan.

4.10 Reasons in relation to the potential provision for “redemption” by the Company of the financial instruments covered by the plans, arranged in accordance with Art. 2357 *et seq.* of the Italian Civil Code; the beneficiaries of the redemption, specifying if it is only intended for specific categories of employees; the effects of the termination of employment on said redemption

Not applicable.

4.11 Any loans or other benefits intended to be granted for the purchase of shares in accordance with Art. 2358 of the Italian Civil Code

Not applicable.

4.12 Indication of assessments of the forecast burden for the company on the date of the related granting, as can be determined on the basis of the terms and conditions already defined, for the total amount and in relation to each plan instrument

In the case of achieving the maximum performance level (180%) during the Vesting Period of each award, in execution of the Plan, will be assigned a maximum of 11 million Eni Shares for all three grants, taking into account, among other things, the minimum prices of Eni share for the period 2014-2016. The corresponding cost to the Company of the implementation of the Plan, depending on the number of Eni Shares actually assigned and on the Award Price of Eni Shares, is currently not determinable and will be communicated in accordance with art. 84-bis of the Issuers' Regulation.

4.13 Indication of any dilution effects on the capital determined by the compensation plans

There is no impact on the amount of the share capital, as the Eni shares allocated to serve the Plan will be composed exclusively of Eni treasury shares already held, subject to specific authorization of the Shareholder's Meeting.

The grant to Beneficiaries of Eni treasury shares will dilute the voting rights of the other Eni shareholders. Currently the voting rights attaching to Eni's treasury shares are suspended in accordance with art. 2357-ter, paragraph 2, of the Italian Civil Code; once assigned to the Beneficiaries, these Eni Shares will give voting rights to their owners. The grant of Eni Shares to Beneficiaries can give rise to a maximum dilution of voting rights of 0.3%. For example, a package of shares representative of 1% of voting rights before granting would be diluted maximally at 0.997%.

4.14 Any limits envisaged for the exercise of voting rights and the attribution of economic rights

Eni Shares granted at the end of the Vesting Period will enjoy ordinary rights since no limits to the exercise of voting rights or economic rights for these shares are envisaged, except as provided in paragraph 4.6.

4.15 If shares are not traded on regulated markets, all information that will help fully assess the value that can be assigned to them

Not applicable

4.16 - 4.22 Not applicable.

4.23 Criteria for the adjustments necessary following extraordinary capital operations and other operations entailing the change in the number of underlying instruments (capital increases, extraordinary dividends, groupings and splitting of the underlying shares, mergers and spin-offs, conversions into other share categories, etc.)

Eni's Board of Directors, where the conditions exist, may adapt the terms and conditions of the Plan as a result of the following operations:

- a) grouping or splitting of shares representing Eni's capital stock;
- b) increase of Eni's capital stock free of charge;
- c) increase of Eni's capital stock against payment, also through the issue of shares with warrants attached, bonds convertible into Eni shares and bonds with warrants to subscribe Eni shares; the sale of treasury shares that are not at the service of Share Incentive Plans is equated with a capital stock increase;
- d) reduction of Eni's capital stock;
- e) distribution of extraordinary dividends with withdrawals from Eni reserves;
- f) merger, if this entails changes to Eni's capital stock;
- g) spin-off of Eni;
- h) granting of assets in the Eni portfolio to shareholders;
- i) public purchase offers or public purchase and exchange offers involving Eni shares.

4.24 Share Issuers will add the attached table 1 to the Informative Document

The table containing information on the Plan will be provided, in accordance with Art. 84-*bis* of the Issuers' Regulation, at the time the Shares are awarded during the implementation of the Plan to be approved by Eni's Board of Directors.