Remuneration Report 2012

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

AFRICA
Algeria, Angola, Congo, Côte d'Ivoire, Democratic Republic of Congo, Egypt, Equatorial Guinea, Gabon, Ghana, Libya, Mali, Mauritania, Morocco, Mozambique, Nigeria, Togo, Tunisia

ASIA AND OCEANIA
Australia, Azerbaijan, China, India, Indonesia, Iran, Iraq, Kazakhstan, Kuwait, Malaysia, Myanmar, Oman, Pakistan, Papua-New Guinea, Philippines, Qatar, Russia, Saudi Arabia, Singapore, Sirya, Taiwan, Thailand, Timor Leste, Turkmenistan, the United Arab Emirates, Vietnam, Yemen

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

Remuneration Report

2012

approved by the Board of Directors on March 15, 2012

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

Letter from the Chairman of the Compensation Committee

Mario Resca
Chairman
of the Compensation
Committee

As Chairman of the Compensation Committee, I am particularly pleased to present the first Eni Remuneration Report. The report closes 2011 which was a particularly intense year in terms of Committee activities and which, at the same time, opened a new horizon of dialogue with shareholders and investors on the issue of remuneration of directors and management.

One of the main events in 2011 with which the Committee was involved, and which I would like to highlight, was the renewal of the Company bodies. This also led to the partial renewal of this Committee and we welcomed the new directors Gatto, Petri, and Profumo, who are committed to contributing significantly to the common discussion through their professionalism and expertise gained from the experience they've acquired in their respective fields.

In the first part of the year, the Committee focused on verifying the Company's 2010 performance in order to implement the 2011 variable incentive plans. The 2011 performance objectives, connected to the 2012 variable incentive plans, were also defined as well as the remuneration issues raised by the renewal of the company bodies. Considering the reference scenario, proposals regarding remuneration of the new Directors were defined on the basis of the principle of continuity with the previous mandate. During the second half of the year, the Committee monitored developments in the regulatory and corporate government frameworks and proposed that the Board adopt the most recent Corporate Governance Code recommendations regarding remuneration, with which Eni practices were, in fact, already compliant.

The Report describes in detail the relevant governance profiles for defining and implementing the Remuneration Policy, the aims and general principles which inspire Eni's approach to remuneration of Directors and management, the Policy guidelines adopted for 2012, and the remuneration decisions taken in 2011, all in full compliance with the goals of transparency pursuant to regulations and having the objective of ensuring the utmost clarity and effectiveness in communications both to the market and to shareholders, in accordance with Eni standards.

The Committee appreciates how important the issue of remuneration is to shareholders, investors, and stakeholders in general, and has endeavoured to achieve an appropriate balance between the need to attract and retain those individuals best able to manage the Company successfully, the objective of sustainable growth as per the Strategic Plan, and the promotion of the principles of diversity, equal opportunity, recognising the knowledge and skills of individuals, equality and non-discrimination as asserted in the Code of Ethics and which have always been part of Eni's corporate culture.

March 1, 2012

Chairman
of the Compensation Committee

Foreword

This Report, approved by the Board of Directors on March 15, 2012, following a proposal by the Compensation Committee, in accordance with the applicable legal and regulatory duties[1], defines and illustrates:

- in the first section, the 2012 Policy adopted by Eni SpA (hereafter "Eni" or the "Company") for remuneration of Directors, Chief Operating Officers of Eni's Divisions and other Managers with strategic responsibilities[2], specifying the aims pursued, the bodies involved, and the procedures used to adopt and implement the Policy; the general principles and guidelines defined in the Eni Policy are also important in determining the remuneration policies in companies directly or indirectly controlled by Eni[3];
- in the second section, the compensation paid in 2011 to Eni Directors, Statutory Auditors, Chief Operating Officers and other Managers with strategic responsibilities.

The Report also illustrates the shareholdings held by Directors, Statutory Auditors, Chief Operating Officers and other Managers with strategic responsibilities[4].

The Policy described in the first section of this Report is consistent with the recommendations on remuneration as set forth in the latest edition, dated December 2011, of the Corporate Governance Code promoted by Borsa Italiana SpA (hereafter the "Corporate Governance Code"), whose recommendations were adopted in a resolution by the Board of Directors on December 15, 2011[5].

The text of this Report is sent to Borsa Italiana and is made available to the public at the Company's registered headquarters and on the Company website[6] no later than twenty-one days before the date of the Shareholders' Meeting scheduled to approve the 2011 financial statements and to resolve, with a non-binding resolution, on the first section of said Report, in accordance with current regulations[7].

The informational documents relative to the existing compensation plans based on financial instruments can be viewed in the "Governance" section of the Company website[8].

(1) Art.123-ter of Italian Legislative Decree no. 58/98 and art. 84-quater of CONSOB Issuers' Regulations (Resolution no. 11971/99, as amended).
(2) Those persons who have the power and responsibility, directly or indirectly, for planning, directing and controlling Eni fall under the definition of "managers with strategic responsibilities", pursuant to article 65, paragraph 1-quater of the Issuers' Regulations. Eni managers with strategic responsibilities, other than Directors and Statutory Auditors, are those who sit on the Management Committee and, in any case, those who report directly to the Chief Executive Officer.
(3) Determination of the remuneration policies of subsidiaries occurs in respect of the principle of their management autonomy, in particular for listed companies and for those in the gas and electricity sector subject to unbundling, as well as in accordance with the provisions of local and sector regulations.
(4) See article 84-quater, fourth paragraph, of the CONSOB Issuers' Regulations.
(5) See the press release of the same date, available in the "Media" section of the Company website (www.eni.com).
(6) The text is published in the "Corporate Governance" and "Investor Relations" sections of the Company website.
(7) Art.123-ter of Italian Legislative Decree no. 58/98, sixth paragraph.
(8) At the address: http://www.eni.com/en_IT/governance/remuneration/long-term-incentive-schemes/long-term-incentive-schemes.shtml.

Section I - Remuneration Policy 2012

Governance of the remuneration process

Involved bodies and parties

The Policy regarding the remuneration of members of the Eni Board of Directors is defined in accordance with regulatory and statutory provisions, according to which:
- the Shareholders' Meeting determines the compensation of the Chairman and of the members of the Board of Directors at the time they are appointed and for the entire duration of their mandate;
- the Board of Directors determines the remuneration of the Directors with powers or who participate in Board Committees, after considering the opinion of the Board of Statutory Auditors.

In line with Eni's governance model[9], the Board is also responsible for:
- defining the Company's objectives and approving the results for the performance plans which are linked to determining the variable remuneration of Directors;
- approving the general criteria for remuneration of Managers with strategic responsibilities;
- defining the remuneration structure for the Officer in charge of Internal Control, in line with the Company's remuneration policies and after considering the opinion of the Internal Control Committee.

Adhering to the recommendations in the Corporate Governance Code, the Board of Directors is supported by a Committee of non-executive and independent directors (the Compensation Committee) which makes proposals and provides advice on remuneration issues.

Eni Compensation Committee

Composition, appointments, and tasks

The Compensation Committee, established by the Board of Directors in 1996, consists of four independent, non-executive Directors, in line with the latest recommendations in the Corporate Governance Code. The Regulations do allow, however, for the Committee to be composed of non-executive Directors where the majority is independent and the Chairman is selected from the independent Directors. At least one Committee member possess adequate knowledge and experience of finance or remuneration policies, as assessed by the Board at the time of their appointment.
Since June 11, 2008 until the renewal of the Company bodies which occurred at the Shareholders' Meeting on May 5, 2011, the Committee consisted of the following non-executive Directors, all of whom are independent: Mario Resca, serving as Chairman, Alberto Clô, Paolo Andrea Colombo, and Francesco Taranto.
With reference to the new Board mandate, the Board of Directors, at its meeting of May 6, 2011, nominated the following non-executive Directors to the Committee, all of whom are independent, pursuant to law and the Borsa Italiana's Corporate Governance Code: Mario Resca, serving as Chairman, Carlo Cesare Gatto, Roberto Petri, and Alessandro Profumo.
The Chief Corporate Operations Officer or, on his behalf, the Executive Vice President Compensation & Benefits, shall act as the Secretary to the Committee.
The composition and appointment, tasks and the operating methods of the Committee are governed by a specific regulation[10] which were approved by the Board of Directors on June 1, 2011. They were subsequently amended on December 15, 2011 to incorporate the recommendations in the Corporate Governance Code of March 2010, as modified in December 2011.
The Committee, in addition to providing consulting and advisory services to the Board of Directors:
- submits to the Board of Directors the Remuneration Report and in particular the Remuneration Policy of Directors and Managers with strategic responsibilities, to be presented to the Shareholders' Meeting called to approve the year's financial statements, pursuant to applicable law;
- periodically evaluates the adequacy, overall consistency and the actual implementation of the adopted Policy, formulating proposals to the Board of Directors on the subject;
- presents proposals for the remuneration of the Chairman and of the Chief Executive Officer, with reference to the various forms of compensation and benefits;
- presents proposals for the remuneration of the members of the Committees of Directors established by the Board;
- examines the indications of the Chief Executive Officer and presents proposals for general criteria for the compensation of Managers with strategic responsibilities, annual and long-term incentive plans, including equity-based plans, the definition of performance objectives and the assessment of Company results of performance plans related to the determination of the variable part of the remuneration of Directors with delegated powers and to the implementation of incentive plans;
- monitors the execution of the resolutions of the Board;
- reports to the Board, at least once every six months, on the activities carried out.

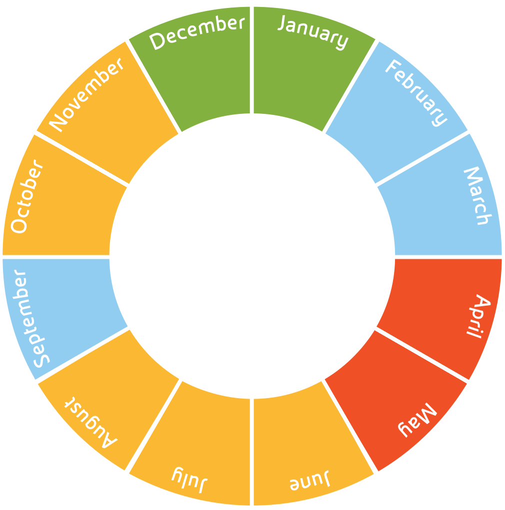
In exercising these functions, the Committee issues the opinions required by the procedure regarding operations with related parties, in accordance with the terms specified in the procedure itself.
For the proper execution of its analysis and reporting functions, the Compensation Committee makes use of the relevant Company structures and may also make use of, through the said structures, the assistance of external consultants who are not in situations that would compromise the independence of their judgment.
The Chairman of the Board of Statutory Auditors, or a Statutory Auditor appointed by the former, is invited to participate in Committee meetings; other Statutory Auditors may also attend the

(9) For more information about the Eni governance system, please refer to the "Corporate Governance Report" published in the "Governance" section of the Company's website.
(10) The regulations for the Compensation Committee are available in the "Governance" section of the Company's website, at the following address: http://www.eni.com/en_IT/governance/board-of-directors/bod-committees/committees.shtml.

meetings when the topics of the Committee's agenda need to be deliberated by the Board of Directors after consultation with the Board of Statutory Auditors.

Activity cycle for the Compensation Committee
The activities of the Committee are carried out through implementation of an annual schedule, which envisages the following stages:
- verify the adequacy, overall consistency and the actual implementation of the Policy adopted in the previous year, in relation to the results achieved and the remuneration benchmarks provided by highly-specialised providers;
- define proposals for the Policy for the following year and proposals relative to the performance objectives connected to the short and long-term incentive plans;
- present proposals for implementing the existing variable incentive system, both short and long-term, through verifying the results achieved in relation to the performance objectives;
- prepare the Remuneration Report to be presented, on an annual basis, and after having been approved by the Board of Directors, to the Shareholders' Meeting.

Cycle of the Compensation Committee's Work



December-January
- Periodical review of the Policies adopted in the previous year
- Remuneration Report definition

February-March
- Remuneration Policy proposals
- Variable incentive Plans results assessment and setting of new targets
- Implementation of the variable incentive Plans for Directors
- Implementations of the Deffered Monetary Incentive Plan (DMI)

April-May
- Remuneration Report submission to the Annual General Meeting of Shareholders

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

Activities scheduled and carried out
During 2011, the Compensation Committee (in both its previous and current composition) met 6 times, with a 95% attendance rate by its members.
In the first part of the year, the Committee focused on verifying the Company's 2010 performance and on defining the 2011 performance objectives for the variable incentive plans, and on the remuneration issues raised by the renewal of the Company bodies.
During the second half of the year, developments in the regulatory and corporate governance frameworks were monitored, partly in order to adopt the recommendations in the Corporate Governance Code regarding remuneration with the consequent proposal by the Committee to update the Regulations in particular with regards to the composition and responsibilities of the said Committee.

Main issues dealt with in 2011

February
- Verification of the 2010 results and definition of 2011 performance objectives for the existing variable incentive plans;
- Implementation of the variable incentive plans for Directors;
- Implementation of the Deferred Monetary Incentive Plan for the Chief Executive Officer and other managerial resources;

April
- Consideration of extraordinary awards in favour of the Chairman and the Chief Executive Officer;

May
- Presented proposals regarding the remuneration of Directors with delegated powers in the new Board mandate;
- Presented proposals regarding the remuneration of non-executive Directors who participate in Board Committees in the new Board mandate;
- Definition of the general criteria for the 2011 remuneration policy for Managers with strategic responsibilities;

September
- Implementation of the Long-Term Monetary Incentive Plan for the Chief Executive Officer and critical managerial resources;

December
- Analysis of the evolution in the legal framework on remuneration issues;
- Presented proposals regarding adoption the Corporate Governance Code recommendations on remuneration issues and the consequent updates to the Committee Regulations.

For 2012, the Committee has scheduled three meetings. At the date this Report was approved, two meetings had already been held to discuss the periodic evaluation of the remuneration policies implemented in 2011 as part of defining the 2012 policy proposals. Particular attention was given to defining the Long-Term Incentive Plans characteristics, as well as the preparation of this Report for approval by the Board of Directors.
The Committee reports, through its Chairman, on how it performed its role at the Shareholders' Meeting called to approve the year's financial statements, in accordance with its Regulations and with the Corporate Governance Code.

The aim is to establish an appropriate channel for dialogue with shareholders and investors.
Further information regarding remuneration of Directors and management is available under the "Governance" section of the Company website.

Remuneration Policy 2012 approval process

The Compensation Committee, in exercising its responsibilities, has defined the structure and the contents of the Remuneration policy for the purposes of preparing this Report. Meetings were held on December 15, 2011, February 6 and March 1, 2012, in accordance with the latest recommendations in the Corporate Governance Code, including the provision regarding safeguarding the acquired rights deriving from contracts stipulated or regulations approved before March 31, 2010.
In establishing its opinions, the Committee considered the resolutions approved regarding the renewal of the company bodies:

- Shareholders' Meeting resolution of May 5, 2011 regarding the remuneration of the Chairman of the Board of Directors and the Directors;
- Board resolutions of June 1, 2011 regarding the remuneration of Directors with delegated powers, remuneration of non-executive Directors who participate in Board Committees, general criteria for remuneration of Chief Operating Officers of Eni's Divisions and other Managers with strategic responsibilities.

The above-mentioned activities were carried out following an evaluation of the regulatory framework with regard to remuneration, as well as the practices encountered when preparing the Remuneration Report within the national and international context.
The Eni 2012 Remuneration Policy relative to Directors, Chief Operating Officers, and other Managers with strategic responsibilities, was then approved by the Board of Directors at their meeting of March 15, 2012[11], following a proposal by the Compensation Committee, at the same time that this Report was approved.
Implementing the remuneration policies defined, in accordance with the instructions from the Board of Directors, is done by the delegated bodies with assistance from the relevant Company departments.

Purpose and general principles of the Remuneration Policy

Purpose

The Eni Remuneration Policy is defined in accordance with the governance model adopted by the Company and with the recommendations in the Corporate Governance Code. The Policy aims to attract and retain high-profile, professional, managerial individuals and to align the interests of management with the objective of creating value for shareholders over the medium-long term.
In the context of the Policy adopted, the variable component is particularly important since it links compensation with achieving economic/financial, business development and operating targets defined to ensure the sustainability of results, in line with the Company's Strategic Plan.
In particular, Eni's Remuneration Policy contributes to achieving the Company's mission, values, and strategies, through: i) promoting actions and conduct that mirror the Company's culture, respecting the principles of diversity, equal opportunity, recognising the knowledge and skills of individuals, fairness and non-discrimination as described in the Eni Policy "Our People"[12]; ii) recognising the responsibilities assigned, the results achieved, and the quality of the professional contribution given, taking into account the reference context and remuneration markets.

General principles

The remuneration of Directors, Chief Operating Officers, and other Managers with strategic responsibilities is defined in line with the following principles and criteria:

- the remuneration structure must attract, retain, and motivate individuals with high-level professional qualities;
- the compensation of non-executive Directors must be commensurate with the commitment requested in relation to their participation on Board Committees, differentiating the compensation of the Chairman with respect to the members of each Committee, in consideration of the role assigned which requires coordination of work and communication with the Company Bodies and Company Departments; without prejudice to resolutions made by the Shareholders' Meeting, non-executive Directors are not recipients of share-based incentive plans;
- the remuneration structure for Directors with delegated powers, Chief Operating Officers, and other Managers with strategic responsibilities, must be suitably balanced between a fixed component, appropriate to the power and/or responsibilities assigned, and a variable component, defined with maximum limits and aimed at tying remuneration to performance;
- the overall remuneration must be consistent with respect to the applicable reference market for similar roles or for positions at a comparable level of responsibility and complexity, in the context of those companies comparable to Eni, through specific remuneration benchmarks carried out with the assistance of international remuneration information providers;
- the variable remuneration of executive roles must be

(11) When accepting the recommendations regarding remuneration in Borsa Italiana's Corporate Governance Code on December 15, 2011, the Board of Directors resolved to move the approval of the Remuneration Policy to March 2012, together with the approval of this Report, considering that the first section of this Report deals with illustrating the Remuneration Policy adopted and that, on the date of the aforementioned Board resolution, the Consob provisions specifying the content of the Report, in implementation of article 123-ter cited above, had not yet been issued definitively.
(12) Policy approved by the Board of Directors on July 28, 2010.

divided into a short-term component and a medium-long term component, characterised by deferring incentives appropriately by establishing a vesting period of at least three years;
- the long-term variable component must be of significant import for executive roles and those characterised by great influence on company results with a perspective of sustainability of results and creation of value for shareholders over the medium-long term;
- the objectives connected to variable remuneration must be predetermined, measurable and defined to ensure remuneration of performance over both the short and medium-long term, through:
  i. identifying objectives for the short-term incentive plan on the basis of a balanced scorecard that values business and individual performance, in relation to the specific objectives for the area of responsibility, and that is in line, with regards to those with internal audit responsibilities, with the responsibilities assigned to them;
  ii. identifying the objectives for the long-term incentive plans using methods that allow the company performance to be evaluated both in absolute terms, with reference to the capacity to generate growing and sustainable income levels, as well as in relative terms with respect to the peer group, with reference to the capacity to generate performance levels superior to that of the main international competitors.
- the assigned performance objectives must be evaluated net of the effects of exogenous variables[13] in order to recognise the effective individual contribution in achieving the assigned performance objectives;
- benefits consistent with remuneration practices in the reference market and in line with local regulations to complete and assess the overall remuneration package; benefits must take into account the roles/responsibilities assigned, favouring social security and insurance components;
- any possible additional payments upon the termination of employment and/or the mandate and non-competition agreements for executive roles with a "limited time" aspect, or for roles at greater risk of "poaching" by competitors, must be in line with the remuneration received and the performance achieved.

Remuneration Policy 2012 guidelines

The guidelines for the 2012 Remuneration Policy for Directors reflect the resolutions approved by the Board of Directors on June 1, 2011, following the renewal of the company bodies, and reflect the principle of continuity in the remuneration structure. For Chief Operating Officers of Eni's Divisions and other Managers with strategic responsibilities, the 2012 Remuneration Policy will implement the same remuneration tools used for 2011, in particular the short and long term incentive plans that are strictly in line with those of the Chief Executive Officer. This will better orientate and align managerial actions to the objectives defined in the annual performance plans and the Company's Strategic Plan.
The 2012 Remuneration Policy guidelines were defined in line with the purpose and general principles mentioned above. The Compensation Committee considers them to be consistent with the applicable reference markets, also considering the periodic evaluation carried out by the Committee on the implementation of the 2011 Remuneration Policy.

Chairman of the Board of Directors

Remuneration for the role is established by the Shareholders' Meeting
The Shareholders' Meeting of May 5, 2011 set the remuneration of the Chairman of the Board of Directors at a fixed gross annual compensation of €265,000, unchanged with respect to the previous mandate. As for the other Directors, the Shareholders' Meeting determined an annual variable incentive connected to the performance of the "Total Shareholders' Return" (TSR) of Eni, with respect to the other seven largest international oil companies in terms of capitalisation (Exxon, Chevron, Conoco, Shell, British Petroleum, Total, and Statoil). The incentive of €80,000 is paid, unchanged with respect to the previous mandate, if Eni, for the year in question, is ranked first or second. An incentive of €40,000 is paid for being ranked third of fourth. In other cases, the incentive is not paid.

Remuneration for delegated powers
On June 1, 2011, the Board of Directors defined additional remuneration for the powers delegated to the Chairman in conformity with the Articles of Association. A fixed gross annual component of €500,000, unchanged from the previous mandate, was established. This is in addition to a variable annual component with a target incentive level (performance=100) and a maximum level (performance=130), equal to 60% and 78% respectively of the fixed remuneration established for the powers, to be calculated based on the economic/financial and operational results achieved by Eni during the year prior to that of the payment. These objectives, also in line with the framework envisaged for the Chief Executive Officer, focus on the economic/financial performance and the operational/industrial performance of the Company, as well as the implementation of the strategic and sustainability guidelines defined in the 2012-2015 four-year Plan.

Treatment established in the event of termination of office or employment
No specific treatment is envisaged upon the termination of

(13) Exogenous variables are those events that, due to their nature, are not under the control of the managers, such as, for example, oil and gas prices, the €/$ exchange rate, etc.

the office of the Chairman nor agreements that envisage indemnities in the case of early termination of the mandate. The Committee does, however, reserves itself the faculty to propose to the Board the possible payment of an indemnity, upon completion of the mandate, defined in line with the compensation received and with the achievement of performance which resulted of particular relevance for to Eni.

Benefits
Forms of insurance-related benefit are envisaged for the Chairman.

Non-executive directors

Shareholder established remuneration
The Shareholders' Meeting of May 5, 2011 defined remuneration of the Directors for the 2011-2014 mandate, envisaging a fixed gross annual compensation for the mandate equal to €115,000, unchanged with respect to the previous mandate. In addition, the Shareholders' Meeting determined an annual variable compensation connected to performance relative to "Total Shareholders' Return" (TSR) of Eni, with respect to the other seven largest international oil companies in terms of capitalisation (Exxon, Chevron, Conoco, Shell, British Petroleum, Total, and Statoil). The incentive of €20,000 is paid, unchanged with respect to the previous mandate, if Eni, for the year in question, is ranked first or second. An incentive of €10,000 is paid for being ranked third of fourth. In other cases, the incentive is not paid.

Remuneration for participation in Board Committees
For non-executive and/or independent Directors who participate in Board Committees, a payment of an additional annual remuneration has been confirmed:
- for the Internal Control Committee, compensation of €45,000 for the Chairman and €35,000 for other members is envisaged, as increased with respect to the previous mandate given the more significant role played by the Committee in supervising company risk;
- for the Compensation Committee and the Oil-Gas Energy Committee compensation is confirmed as €30,000 for the Chairman and €20,000 for other members, as already envisaged in the previous mandate;
- for participation on the Nomination Committee, established in July 2011, no compensation is envisaged.

Where someone participates in more than one Committee (with the exception of the Nomination Committee), compensation is reduced by 10%.

Treatment established in the event of termination of office or employment
No specific treatment is envisaged upon the termination of office of the non-executive Directors nor agreements that envisage indemnities in the case of early termination of the mandate.

Chief Executive Officer and General Manager

The remuneration structure for the Chief Executive Officer and General Manager for the current mandate was approved by the Board of Directors on June 1, 2011, with reference to his delegated powers; such remuneration incorporates both the compensation determined by the Shareholders' Meeting of May 5, 2011 for Directors, as well as the compensation that would possibly be due for participating in the Board of Directors of Eni subsidiaries or associated companies.

Fixed remuneration
Fixed remuneration is set at an annual gross amount of €1,430,000: €430,000 for the role of Chief Executive Officer and €1,000,000 for the role of General Manager. These amounts are unchanged with respect to the previous mandate, in consideration of the continuity of the powers granted.
In addition, like all other Eni senior managers ("dirigenti"), the General Manager is also entitled to receive the indemnities due for travel, in Italy and abroad in line with the applicable provisions in the relevant national collective labour agreement for senior managers and in additional Company agreements.

Short-term variable incentives
The annual variable incentive plan envisages compensation tied to a target incentive level (performance=100) and a maximum level (performance=130), set at 110% and 155% respectively of the total fixed remuneration, based on the economic/financial performance and operational results achieved by Eni in the previous year. These objectives focus on Eni's economic/financial performance, its operational/industrial performance, and on the implementation of the strategic and sustainability guidelines defined in the 2012-2015 four-year Plan.
The Committee reserves itself the faculty to propose extraordinary forms of recognition for the Chief Executive Officer and General Manager in the case of achievement transactions of particularly strategic importance for Eni in terms of reinforcing its competitive position over the medium-long term.

Long-term variable incentives
The long-term variable component consists of two distinct plans:
- Deferred Monetary Incentive Plan (DMI) defined for managers of the Company, with three annual awards, starting in 2012. This is based on Company performance measured in terms of EBITDA[14], the parameter generally used in the Oil & Gas sector as an indicator of performance and in line with Eni's growth/consolidation strategy for the Company's current placement in business areas.
  The base incentive payable is determined by the results achieved by the Company in the year previous to the assignment, for a target and a maximum value equal to 55% and 71.5% respectively of total fixed remuneration. The incentive, payable after a three-year vesting period, is based on the results achieved in each of the three years after the year of award as a percentage between zero and 170% of the awarded value.

(14) Earnings before interest, tax, depreciation and amortisation.

EBITDA 2011 results, for the purposes of 2012 award and 2012 EBITDA objective, were determined by the Board of Directors on March 15, 2012, based on a proposal by the Compensation Committee and in line with the Strategic Plan. Should the current office not be renewed, the payment of each incentive awarded will occur at the natural expiry of the relative vesting period, in accordance with the performance conditions defined in the Plan.

- Long-Term Monetary Incentive Plan (LTMI), replaced the previous stock option plan with three annual awards, starting in 2011, in the target amount corresponding to the value of the previous stock option plan, to be carried out by a specialised external company, in accordance with the methods and criteria established by the Board. For 2012, the incentive to be paid at the end of the three-year vesting period is determined as a percentage between zero and 130% of the assigned value, in relation to the results achieved in terms of the variation of the Adjusted Net Profit + Depletion Depreciation & Amortisation (DD&A) parameter recorded in the three-year period, in relative terms, with respect to other major international oil companies, based on capitalisation. The peer group in question consists of the following companies: Exxon, Shell, British Petroleum, Chevron, Conoco Phillips, and Total.
  Should the current office not be renewed, the payment of each incentive awarded will occur at the natural expiry of the relative vesting period, in accordance with the performance conditions defined in the Plan. Studies regarding possible changes to the current Performance conditions of the Plan are in course in order to consider the specific structure of the Eni business portfolio with respect to that of the peer group in question.

Treatment established in the event of termination of office or employment

The following is envisaged for the Chief Executive Officer and General Manager in accordance with practices in the reference market and unchanged from the previous mandate, also considering the acquired rights deriving from the employment relationship, established before March 31, 2010, and due to which, in accordance with the Corporate Governance Code, the recommendations pursuant to criteria 6.C.1, letter f) of the same code results not applicable:

- upon termination of the employment relationship, either on expiry or due to early termination of the current mandate, an indemnity is envisaged in addition to the severance pay due upon termination of employment and in lieu of any obligations regarding prior notice. The indemnity is defined as a fixed component of €3,200,000 and a variable component based on the value of the annual monetary incentive calculated with respect to the average of Company performance in the three year period 2011-2013. The indemnity will not be due should the termination of the employment relationship meet the requirements of due cause, be the result of death or be the result of resignation from office for reasons other than an essential reduction in the powers currently attributed;
- at the end of the mandate, a treatment will be recognised which, in relation to the fixed remuneration and the 50% of the maximum variable remuneration earned for just the administrative role, will guarantee a social security contribution and severance pay equal to that paid by Eni for the management employment relationship;
- in relation to the obligation assumed by the Chief Executive Officer and General Manager not to carry out any type of activity that could be in competition with that performed by Eni for a period of a year after the termination of the employment relationship, in Italy, Europe and North America, the payment of a €2,219,000 is envisaged.

The Committee reserves the power to propose to the Board, upon the conclusion of the mandate, a possible increase to the amounts due upon termination of office, in the case that, over the course of the three-year period, notable results were achieved.

Benefits

For the Chief Executive Officer and General Manager, unchanged from the previous mandate and the policy enacted in 2011, insurance-related benefits are envisaged and, in particular, in respect of that envisaged in the national collective labour agreement and the additional company agreements for Eni senior managers, enrolment in the complementary retirement plan (FOPDIRE[15]) as well as in the additional health plan (FISDE[16]) are envisaged, together with the use of a company car.

Chief Operating Officers of Eni's Divisions and other Managers with strategic responsibilities

Fixed remuneration

Fixed remuneration is based on the role and the responsibilities assigned, considering the average compensation levels among large national companies for similar roles, responsibility and complexity. Remunerations may be updated periodically in the context of the annual salary review that involves all managerial staff. The 2012 guidelines, in consideration of the reference context and current market trends, envisage selective criteria, while maintaining appropriate levels for competitiveness and motivation. In particular, the actions proposed regard:
(i) actions to update the fixed amount of people who fulfil roles that have seen an increase in responsibility or who fall below the average for the reference market; (ii) one-time extraordinary interventions connected to having achieved results or having completed projects or particular importance during the year.
In addition, like all other Eni senior managers, the Chief Operating Officers of Eni's Divisions and other Managers with strategic responsibilities are entitled to receive the indemnities due for travel, in Italy and abroad in line with the applicable provisions in the relevant national collective labour agreement for senior managers and in additional Company agreements.

Short-term variable incentives

The annual variable incentive plan envisages compensation tied to the performance of Eni, the business area, as well as the individual. It is based on a scale from 70-130 with a differentiated

(15) Defined contribution retirement plan with individual capitalisation, www.fopdire.it.
(16) Plan which disburses reimbursement of health expenses for working and retired directors and their families, www.fisde-eni.it.

target incentive level (performance=100) based on the role up to a maximum of 60% of the fixed remuneration.
The objectives for each business area, determined on the basis of those assigned to the Chief Executive Officer, focus on the economic/financial, operational and industrial performance, on internal efficiency, and issues of sustainability. With regards to Managers with strategic responsibilities, the variable incentive is connected to company results and to a series of individual objectives assigned in relation to the role's area of responsibility and in line with that envisaged in the Company's performance plan.

Long-term variable incentives
Chief Operating Officers of Eni's Divisions and other Managers with strategic responsibilities, in line with that envisaged for the Chief Executive Officer and General Manager, participate in the Long-Term Incentive Plans approved by the Board of Directors on March 15, 2012, with the following characteristics:
- Deferred Monetary Incentive Plan (DMI) with three annual awards, starting in 2012, and based on Company performance measured in terms of EBITDA. The Plan has the same performance conditions and characteristics as that for the Chief Executive Officer and General Manager, described above. For Chief Operating Officers of Eni's Divisions and other Managers with strategic responsibilities, the base incentive to be awarded at target level is differentiated by role up to a maximum of 40% of the fixed remuneration. The incentive to be paid at the end of the three-year period in question is determined as a percentage between zero and 170% of the value awarded, in relation to the results achieved;
- Long-Term Monetary Incentive Plan (LTMI), envisaged for critical managerial staff. This Plan has the same performance conditions and characteristics as that for the Chief Executive Officer and General Manager, described above. For Chief Operating Officers of Eni's Divisions and other Managers with strategic responsibilities, the base incentive to be awarded at target level is differentiated by role up to a maximum of 50% of the fixed remuneration. The incentive to be paid at the end of the three-year period in question is determined as a percentage between zero and 130% of the value awarded, in relation to the results achieved. Studies regarding possible changes to the current Performance conditions of the Plan are in course in order to consider the specific structure of the Eni business portfolio with respect to that of the peer group in question.

Both Plans provide for clauses aimed at promoting employee retention, envisaging, in the case of consensual contract resolution, or transfer or loss of control on the part of Eni of the company of which the individual in question is an employee during the course of the vesting period, that the employee in question maintains the right to the incentive decreased by the period between the award of the base incentive and the occurrence of said events, or no payment in the case of unilateral termination.

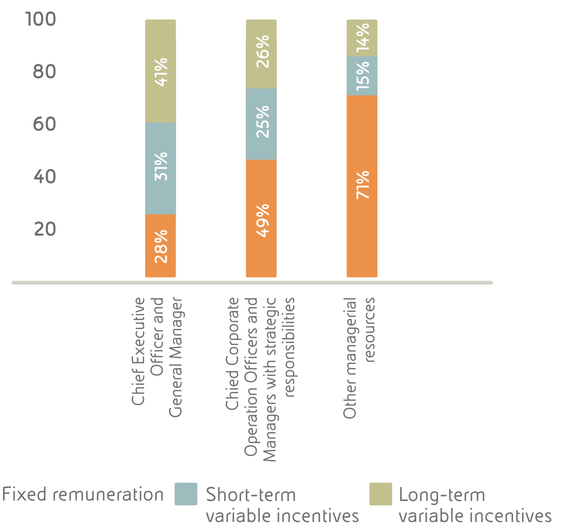
Treatment established in the event of termination of office or employmen
For Chief Operating Officers of Eni's Divisions and other Managers with strategic responsibilities, the employment termination treatment established in the relevant national collective labour agreement is provided, together with any other additional severance indemnity agreed on an individual basis upon termination, according to the criteria established by Eni for cases of facilitated resolution or early retirement and/or specific compensation for cases in which it is necessary to stipulate non-competition agreements.

Benefits
For the Chief Operating Officers of Eni's Divisions and other Managers with strategic responsibilities, unchanged from the policy enacted in 2011, insurance-related benefits are envisaged and, in particular, in respect of that envisaged in the national collective labour agreement and the additional company agreements for Eni senior manager, enrolment in the complementary retirement plan (FOPDIRE) as well as in the additional health plan (FISDE) are envisaged, together with the use of a company car.

Market references and pay-mix

The remuneration references used for the various roles, are indicated as follows: i) for the Chairman and non-executive Directors, references relative to similar roles in the largest national listed companies by capitalisation; ii) for the Chief Executive Officer and General Manager, references relative to similar roles in the largest national and European listed companies by capitalisation and in the main international companies in the Oil sector; iii) for Chief Operating Officers of Eni's Divisions and Managers with strategic responsibilities, references relative to roles with the same level of responsibility and managerial complexity at large national industrial companies.
The 2012 remuneration policy guidelines lead to a remuneration mix in line with the managerial role held, with greater weight on the variable component, in particular in the long-term, for roles characterised by greater impact on company results, in accordance with that highlighted in the pay-mix diagram below, calculated by considering the value of short and long-term incentives in the case of target results.

Pay-mix



Section II – Compensation and other information

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

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Publications
Financial Statement pursuant to rule 154-ter paragraph 1
of Legislative Decree No. 58/1998
Annual Report
Annual Report on Form 20-F
for the Securities and Exchange Commission
Fact Book (in Italian and English)
Eni in 2011 (in English)
Interim Consolidated Report as of June 30 pursuant
to rule 154-ter paragraph 2 of Legislative Decree No. 58/1998
Corporate Governance Report pursuant to rule 123-bis
of Legislative Decree No. 58/1998 (in Italian and English)
Remuneration Report pursuant to rule 123-ter
of Legislative Decree No. 58/1998 (in Italian and English)

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