
ENI 4Q 2025 Results

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Presentation

Speakers

Claudio Descalzi, CEO

Francesco Gattei, CT&FO

2025 was a year of exceptional progress at Eni. We developed and executed our distinctive strategy, in many cases exceeding our original targets. We will discuss in detail our updated Plan at the forthcoming Capital Markets Update in March. But I can say, at this point, that 2025 provides an excellent guide to what you should expect the future to hold for Eni.

Last year's results proved the value of our consistent strategy, strong operational and financial performance, timely project delivery to support growth, and diversified investment for the short and long term to generate further value for investors.

Specifically, looking in detail at the three main business pillars, the successes are compelling:

- First: **Global Natural Resources**. We started up 6 major projects, as planned. This supported an underlying production increase of 4%, well above our original Full Year guidance, and growth of above 7% over the 2022-2025 period, leading among our peers.

Project execution is a clear strength of ours, and both Agogo in Angola and Congo LNG are further examples of our leadership in time-to-market.

In addition, we took FIDs on 4 major new projects – 3 of which are operated –, driving a strong reserve replacement ratio of above 160% and meaning we currently have 500 kboed of production under development, securing our medium-term outlook. At the portfolio level, we have also established a new platform of growth by creating our largest business combination with PETRONAS in Indonesia and Malaysia, and we are progressing our Argentina LNG project with YPF and XRG.

Alongside, our continued exploration success underpins our longer-term outlook. We discovered 900 Mln boe of new resources in 2025, re-affirming our industry leading track-record, now over 10 Bln boe of resources discovered since 2014 at less than 1 \$/Boe, from multiple geographies and different geological plays.

Our focus on value as well as volumes is also emphasised by our continuing actions to valorize our resources through dual exploration – as we did in Indonesia, with the Business Combination –, and Cote d’Ivoire, and high-grade our portfolio through tail asset divestments.

GGP is a business we have comprehensively transformed in the past few years, and, notwithstanding a softer market, we delivered EBIT above 1 Bln € for a fourth consecutive year. Gas to Power was also a strong contributor in 2025, and, together, these results emphasise the work underway to capture more margin from our equity production.

- Second: our **Transition** activities. They generate material growth and value creation and are important in diversifying and strengthening Eni’s earnings.

In a year that was not remarkable for market improvement, we proved the robustness of our integrated business models, and we have been rewarded with strong earnings – 2 Bln € of EBITDA – and by the validation from the market, with a contribution of 5.8 Bln € from top private equity firms. These deals were completed at multiples around 3 times those of Eni stand-alone – implying over 23 Bln € of enterprise value for these new business lines.

We are locking-in further growth with both Plenitude and Enilive:

- Plenitude expanded its renewable capacity by more than 40% in 2025 and will add 10% to its customer base in 2026 on closing the agreed Acea Energia acquisition.
- Enilive has 3 new biorefineries under construction and 2 more have recently reached FID, together representing a further net 2 Mln tonnes of annual capacity.

- And third: **Industrial Transformation**. Changes in energy markets bring challenges that we are successfully mitigating, but also opportunities. In this context, we are advancing the transformation of our traditional refineries, and we have set out the decisive measures to address challenges in our Chemicals business, that are the same impacting the entire European industry.

In 2025 we accelerated these actions, closing the crackers at Brindisi and Priolo 3-to-6 months earlier than planned.

At the same time, we are transforming Versalis towards bio, circular and specialized products.

The strategic and operational progress achieved in 2025 translates into exceptional **financial delivery**. A robust financial position is critical in managing the cycle, preserving flexibility and delivering our strategy. Last year, CFFO at 12.5 Bln € was 1.5 Bln € ahead of Plan on a scenario adjusted basis.

Responding promptly to the more challenging scenario, we cut gross capex from a planned 9 Bln € to 8.5 Bln €, and we identified cash initiatives totalling 4 Bln € – raised from an initial 2 Bln € –, including delivering 0.5 Bln € of savings.

Net capex on a pro-forma basis was lower than 5 Bln €, versus our initial expectation of 6.5-7 Bln €, as we executed on more portfolio activity for better value. As a result, pro-forma gearing at year end was 14%, with net debt down almost 3 Bln € over the year. These outcomes gave us the opportunity to raise our share buyback by 20%, from 1.5 Bln € to 1.8 Bln €, achieving the unique combination in 2025 of both lowering debt and enhancing shareholder distributions. In Q4, pro forma adjusted EBIT was 2.9 Bln €, up 6% year on year despite the lower oil price and weaker dollar.

We reported excellent E&P results, with production up 7% year-on-year and 5% sequentially at 1.839 Mboed, underpinned by the positive impact of the 2025 start-ups. Full Year production of 1.728 Mboed was 2% above our guidance for the year.

GGP Q4 EBIT of 0.1 Bln € delivered on our raised Full Year guidance of more than 1 Bln € despite relatively low volatility markets.

Plenitude and Enilive together delivered 2 Bln € of pro forma adjusted EBITDA in the year and Enilive benefited from improved bio margins in the quarter, part offsetting seasonally lower marketing.

Refining returned to profit in the quarter albeit held back by relatively low utilization rates, while Chemicals continued to see a weak scenario offsetting the early benefits of the restructuring underway.

Q4 adjusted net profit was 1.2 Bln €, with a tax rate of 37%, as we adjusted to a Full Year rate of 44%, just below guidance. CFO in Q4 was 3 Bln €, representing excellent cash conversion again, helped by the material cash initiatives we undertook in the year. Full year cashflow at 12.5 Bln € was 1.5 Bln € above our full year guidance on a scenario adjusted basis.

Thanks to a release in working capital and our actions around the portfolio, we were able to fund our capex, shareholder distributions, and other commitments, and also to significantly reduce debt. Gross organic capex in the quarter was 2.6 Bln €, taking the full year figure to 8.5 Bln €, 0.5 Bln € less than our original Plan.

Valorizations and portfolio activities have raised around 10 Bln € over the past 2 years. In 2025 we completed more than 6.5 Bln € in valorization and portfolio activity, which meant that, adjusting to a proforma basis, net capex was lower than 5 Bln €, around 2 Bln € below our original Plan. But 2025 is not a one-off year. For 2026, we expect to limit our gross capex to around 7 Bln € and net capex at around 5 Bln €.

We reduced net debt over 2025 by almost 3 Bln €, bringing gearing to 15% at the year-end or 14% on a proforma basis. We can confirm that we expect proforma gearing in 2026 to remain at historically low levels, at between 10-15%.

On shareholder distribution details, we have to revert to the CMU in March. But we can confirm a well-funded, attractive and growing dividend is our first priority. In the last 5 years, we have raised the dividend by an average 5% per year, reflecting underlying growth and the reduction of shares in issue. At the same time, we have an additional tool of distribution via the buyback, that reflects our policy of sharing cash flow generation and upside. In 2025, for example, we raised the buyback by 20%, the third occasion in the past four years we have increased distributions.

In conclusion, 2025 was a clear outcome of Eni's strategy in action. Looking ahead, we will update on our Plans in March, but Strategy remains unchanged.

The choices we make in how we do business are driven by our industrial, technological and commercial strengths and by a business model that has proven to perform in strong and soft market conditions.

The **Upstream** will grow organically at a sector-leading rate, leveraging our exploration successes and our proven ability to fast track time to market, while managing cost and delivering the value from our business combinations and partnerships.

On the **Energy Transition**, we will deliver the programs outlined for Plenitude and Enilive while developing CCS, fusion, battery storage, and data centers for hyperscalers coupled with blue power, and exploring opportunities in critical minerals.

Portfolio activity will again be material in 2026, as we continue to pursue disciplined capital alignment and value disclosure.

In March we will share with you the details that underpin this outlook and which support continued, highly attractive, investor returns.

Now, with the rest of Eni's top management, I am ready to take your questions.

Q&A Session

Corporate Respondents

Claudio Descalzi, CEO

Francesco Gattei, CT&FO

Guido Brusco, DG Global Natural Resources

Adriano Alfani, CEO Versalis

Stefano Ballista, CEO Enilive

Q&A

ALEJANDRO VIGIL, SANTANDER: Congratulations for the results. I have two questions about the upstream business. Definitely, you will elaborate more on the Capital Markets Day, but I'm very interested in the outlook for this year, thanks to the contribution of the joint venture with Petronas, can you elaborate about potential increase in production driven by this joint venture? And the second question is about Kazakhstan. There is a lot of noise in the media, and I would like to know your view about the situation in the country. Thank you.

CLAUDIO DESCALZI: Okay. Thank you for the questions. I just give you a few words about Petronas and the outlook and Kazakhstan, then I will give Guido the opportunity to expand and elaborate on these two questions. I think that the JV with Petronas will be finalized by the end of the second quarter. And it's going to give a contribution clearly, yes. We cannot be precise now. I think that we can give you more details in March, but clearly is going to give a contribution in terms of production for 6 months. And as you know, we are going to have immediately a company that is producing about 300,000 barrels per day, but we have already projects that we're going to implement FID in the next years to reach 500,000 barrels per day. We already drilled in Indonesia, as you know, successful wells that we can tie in to the existing infrastructure. So we talk about reserves, not just resources.

Kazakhstan, I think that is a long story because in the last 15 years, every two or three years, we have had some renegotiation and some, I can say, dispute, but more discussions because we are friends. And as always happens between friends, we always find a solution. So I'm positive about the future. Now I think that Guido can take over and give you more details.

GUIDO BRUSCO: Thanks, Claudio. Barring from more details coming in the next CMU, of course, the growth of production next year will be driven by the projects we have recently started up. So we will see more production coming from Congo, from Norway, from Angola, from UAE and of course, from Indonesia. But as I said, more details will come in a few weeks. As far as Kazakhstan, of course, as you know, the Republic has advanced several arbitration claims regarding production performance, cost recovery, environmental matters, sulfur storage and the JV is defending. There is a broad claim here, which is in the arbitration court at the moment, and we do not expect a result before 2027/2028. However, we continue to confirm, as the operator is saying, that operations have been conducted in compliance with the law of Kazakhstan and that the operator had always possessed the required permits. And therefore, we are challenging these sulfur fines in all the courts.

JON RIGBY: Thanks, Alejandro. We can now pass over to Michele Della Vigna at Goldman Sachs.

MICHELE DELLA VIGNA, GOLDMAN SACHS: Congratulations on the results. I wanted to ask two questions. First, on your Capex guidance for 2026, 7 € billion. I was wondering if you could walk us through the bridge between the 8.5 € billion this year and the 7 € billion. Clearly, the deconsolidation of Indonesia plays a part, but could you give us a bit more detail?

And then secondly, the more we look at all of your discoveries and access in the last couple of years, it feels like you probably have the best pipeline of new projects you've ever had in your corporate history. How should we think about your priorities for FID in 2026, given the wealth of opportunities between Namibia, Indonesia, Cote d'Ivoire and all of your recent discoveries?

CLAUDIO DESCALZI: Okay. Thank you for the questions. So it's true, we said that we cut our Capex or we reduced our Capex from 8.5 € billion this year to 7 € billion. That is a reduction in terms of Capex optimization. We are not reducing the growth. We are not touching the growth of the company, but just we became more efficient because we have a strategy or we applied the strategy to be more efficient starting from the exploration. So exploring and going to the place where we have existing facilities. And then this year, we had a very excellent success. Also last year, we are moving at 1 billion or less than 1 billion resource discoveries in the right place where we have infrastructures. That means that we can continue to reduce Capex because we need less Capex to produce more, more production. That is a strategy that is not something that you can start overnight. It's something that we started in 2011, 2012, 2013. It's something that we built day by day because we never stopped exploration. We never stopped exploring. We never stopped developing. We never stopped going directly to the development and working as an upstreamer. So that is the reason why we can reduce our gross Capex. Then we have other points that maybe Guido can explain to you that are additional important levers that can explain why we can reduce Capex. Guido, you can explain.

GUIDO BRUSCO: Yes, Claudio. And I mean, just building on what you were saying about the advantaged barrels. The projects we have started up in the last 4, 5 years and the prospective projects, which you will have more visibility in the Capital Markets Update are projects with, first of all, low unit development cost. Second, they have longer plateau. So we can devote less Capex to maintain the production and fight the decline and more Capex for the growth at the same Capex level in a nutshell. As far as your question, Michele, about what will come next year. Of course, we have a great degree of optionality. We have a very large and diverse portfolio of projects. But clearly, next year, the projects that we will focus on more in terms of FIDs are Argentina, Ivory Coast, Cyprus, plus a few more geographies in Africa.

JON RIGBY: We're going to now move on to Biraj Borkhataria at RBC.

BIRAJ BORKHATARIA, RBC: Just to follow up on the Capex point and the number you guided today. How much of that year-on-year change is the Indonesia Capex coming out as you deconsolidate it? And is there anything you can say on the CFFO contribution that will be removed also when you deconsolidate that production? And then second question is just on Versalis. You've now closed down the crackers, but we haven't seen that sort of come through in the P&L. So do you still expect to be EBIT breakeven in 2027? And what should we expect for 2026?

CLAUDIO DESCALZI: Okay. Capex in Indonesia, I think that we can start working in Indonesia after the finalization of the business combination of the new company that we expect end of the second quarter. So I think in any case, the impact on Capex on Indonesia will not be very large this year because then

we have FID to take maybe in 2026, but mainly in 2027. As for Versalis, I think Adriano, CEO of Versalis, can give some answers, and shed some light on it.

ADRIANO ALFANI: Sure. Thank you for the question. We have seen some improvement in the second half of 2025 following the shutdown of the two crackers that, as we said before, we moved forward and we stopped earlier than what was the original plan. Unfortunately, the positive impact of the two major cracker shutdown, as you remember what we said in the previous call, you start to see it after 12, 18 months. So we've seen some positive impact, and this helped in order to mitigate the deteriorating scenario. We have seen improvement in the second half of 2025 compared to the second half of 2024, and we continue to see it also in the beginning of 2026. We are taking additional actions in order to mitigate the plan that is not coming as expected in terms of scenario. I'm pretty sure that you have seen so many shutdowns have been announced in the last 3 years, close to 160 shutdown announcements. And in the next Capital Markets Update, we are going to share the plan for the next 2, 3 years.

JON RIGBY: We're going to move to Lydia Rainforth at Barclays.

LYDIA RAINFORTH, BARCLAYS: Two questions, if I could, please. The first one, on the exploration side and building a little bit on Michele's question earlier, you've clearly been very, very successful in what you've done. Can you actually give us what the success rate is now? Are we looking at sort of 1 in 2, 4 out of 5 wells? I'm just trying to work out what that success rate is. And then secondly, just on AI, clearly, you've got a lot of computing power. I'm just wondering what you're seeing, if you're seeing any benefits at this point or what your plans are around that.

GUIDO BRUSCO: On exploration, last year, we've been very successful and success rate was exceptionally high. As you could also notice from the very low write-offs we basically wrote in our books. So it was really exceptionally high, very close to 100%, the success rate last year.

On the AI, as you may be aware, last year, we've opened a new business line on data center, coupled with the gas-fired plant. We have a plan with international partners to develop a data center in the North of Italy, close to Milan, up to 500 MW split in different phases. We have a first phase which will go from 80 to 100 MW and the second phase to 500 MW. And this is in an area which is underdeveloped and in a country like Italy, which has foreseen a demand of AI center by 2030 up to 1 [...]GW. We are forerunners in terms of application of technology and super computational capacity in our activity and the exploration success is one example of it. Of course, AI will also be applied on other segments of the business, in the upstream like production improvement, drilling and project improvement, rotating machine enhancement. So we expect a significant impact on the AI. Just to remind that in the industry, we have already one of the lowest downtime for the production facilities, which is less than 1%, while the average of the industry, WoodMac data is around 3.5%.

JON RIGBY: We're now going to move to Irene Himona at Bernstein.

IRENE HIMONA, BERNSTEIN: Congratulations on a strong year, especially in the upstream. Can you please say, firstly, what did you change exactly to high-grade production? What does that involve? Secondly, can you remind us what upstream tax rate we should expect in an environment of \$65 to \$70 Brent? And then finally, very quickly, looking at the 10 billion BOE of resource you have discovered since 2014, can you say roughly what the split is between gas and liquids, please?

GUIDO BRUSCO: On the question of the high grading, of course, in our portfolio, we are bringing onstream project with very high profitable cash flow per barrel. And we are divesting late-life assets. So the combination of these 2 elements. So the new projects and the late-life asset disposals are high-grading our portfolio. And you may have also seen that if we compare the free cash flow per barrel from 2024 to 2025, we have seen a 10% increase. On the tax rate...

CLAUDIO DESCALZI: Before talking about the tax rate. You remarked a very successful increase in our production. Absolutely what Guido said is true. So we have a different quality in terms of barrels, so higher cash flow per barrel, but also we have been successful in the last years in terms of time to market and budget. So we have been able to, not only respect our schedule, but in most of the case, we were faster. So that clearly impacted positively the production and the internal rate of return of all our projects. And we respected all the budgets. So that is something that maybe is not clear or explicit to all - to everybody, to investors, to all our community - but that is one key point of success in terms of results and the value of our volume. Tax rate.

FRANCESCO GATTEI: On the tax rate, as you have seen, there are fluctuations mainly related clearly to the composition. In this case, you mentioned the upstream tax rate. So, on the composition in terms of production contribution in different countries, on the exploration write-off and some additional one-off factors that could imply or determine certain effects. In the 2026, with a \$62 that is, for the time being, our assumption, the expectation is a tax rate that should be in the range of 45% to 50%. Clearly, if the price will improve, there will be a lower tax rate.

GUIDO BRUSCO: Just to complete, you made another question, the split between oil and gas of the discovery is 70% gas and 30% oil.

JON RIGBY: We are now going to move over to Josh Stone at UBS.

JOSH STONE, UBS: Two questions, please. One, I wanted to pick up on this Italian energy reform that got passed and whether you had a chance to estimate the initial impacts because it looks like it is quite complicated, there are lots of moving parts. It's connected to gas spreads, the ETS and tax. Maybe you could just talk about how you're thinking about that being a net positive or net negative and the different impacts on your different parts of the businesses, that would be useful.

And then the second question on the buyback. I know we've got to be patient for the actual number, but I was hoping you can maybe share just your thought process here and the importance you put on

buybacks after the re-rating of your stock. And am I right in saying that when you set this buyback, you'll be using the \$62 oil price deck for 2026?

FRANCESCO GATTEI: About the energy bill that you were referring to, in Italy, clearly the impact is slightly negative, but quite marginal because you have to consider that as Eni, we are not just a supplier and a producer, but we are also an important industrial player in the country with different activities spanning from the refineries, chemicals, bio-refineries and also certain upstream activity, clearly. So, you have to consider that the overall effect is mitigated by this double exposure. So, it's absolutely, let's say, marginal towards the overall performance of Eni.

In terms of buyback, I was mentioning before, the reference is \$62 for the expectation for this year in terms of pricing, we have to confirm at the next Capital Markets Day. Clearly, you know what the structure of our distribution policy is. When we set up a buyback that is clearly the variable component of our distribution, this is a floor. And historically, we proved that this is the floor because we raised the floor 3 times in 4 years. And the scope is substantially to share the upside that will emerge both in the performance and the scenario with our investors. We will provide all the details in the Capital Markets Day at the end of March.

JON RIGBY: We're going to move to Matt Lofting at JPMorgan.

MATTHEW LOFTING, JP MORGAN: Congratulations on the strength of execution throughout 2025. Just 2 quick questions from my side. First, coming back to the net debt and gearing targets. You mentioned Asia and the JV earlier. I wondered whether there were any other accounting effects in those targets, including any allowance for a possible deconsolidation of Plenitude, which I know has been sort of talked about in the past.

And then secondly, Eni is obviously one of the companies in the industry that has retained a presence in Venezuela. Do you have any thoughts at this point on the near and longer-term upside that could sit there for you in the country and how you'd sort of think about ranking that within the range of portfolio opportunities that you have from a capital allocation and risk-reward perspective?

CLAUDIO DESCALZI: Thank you. Francesco looks after gearing, and I look after Venezuela.

FRANCESCO GATTEI: Okay. Clearly, about the gearing target that we provided you, let's say, is an effect of a number of actions and levers. As we said before, there is a strong operational performance, cash flow improvement, Capex efficiency. And clearly, the satellite model that helps to, let's say, transform this potential contribution in terms of growth into stand-alone companies or entities that will be able by themselves to provide their debt. We are studying different solutions. You were referring to Plenitude, but clearly, we are working on different concepts and potentially this could be one of them, but it's something that will be eventually disclosed at the proper time.

CLAUDIO DESCALZI: Venezuela, what I can say that, for sure, is an upside for us, an upside from several points of view, not just 1, 2, maybe 3 different kind of upside. The first one is that through the General

License 50 that has been issued a few days before, 1 week I think, we can recover our gas. So Venezuela can pay, using crude oil, the gas that we deliver to the domestic market. So that is already a big upside. Before we had been stuck for almost 1 year and that created a buildup of our outstanding. So now that is done.

Then there is a second upside. We have blocks, we have oil. We are in one of the best blocks in the Orinoco belt. We are also offshore with Corocoro. And that possible additional development can be used to recover the past costs or the past outstanding that's around 3 € billion. And that is another upside. So for sure, we are working with some American companies to see if we can create a joint venture to develop these fields that are producing. But clearly, they can grow our production quite quickly, and that is a possible upside.

And the third upside is gas. Gas is something that is needed. You have to consider that U.S. has to increase or deliver additional 20 bcm or more than 20 bcm in 1 year, less than 1 year because with the sanction on the LNG gas and Russian gas, we need to compensate these 20 bcm. So they have to increase. But U.S. need also gas in domestic market. So the gas discovery of about 20 Tcf in Perla with additional prospects that are really located in the right position, not just to deliver domestic gas, but also to export to Europe is a third opportunity. And clearly, these are in line with what President Trump wants. I mean, develop the oil and gas in Venezuela, for Venezuela first, but also to create a different kind of environment in the region. So I see that very positively.

JON RIGBY: So we'll move to Martijn Rats at Morgan Stanley. Martijn?

MARTIJN RATS, MORGAN STANLEY: Yes. To be honest, most of my questions have largely been asked, but I've got one left. There have been a couple of articles saying that you're interested in sort of revitalizing some of the oil trading business within ENI and including some partnerships with some other firms. I was wondering if you could provide some color around that issue, what your thoughts are in that area.

GUIDO BRUSCO: We've started a journey to improve our trading and extract more value from this segment of the business. And first of all, we've created one single organization. So we have put under one umbrella all the trading arms of the company, all along the value chain to extract all the margins. That's number one. Number two, we have changed also some of our approaches to the risk. We are becoming a little bit less risk-averse. And number three, we are, of course, looking at different ways to do business. And in doing that, of course, we have started a dialogue with some international trading players in recent months.

JON RIGBY: We are going to move to Massimo Bonisoli at Equita.

MASSIMO BONISOLI, EQUITA: Good afternoon, thank you for taking my two questions. One on Capex. Net M&A was around 4 € billion in 2025, roughly 2 € billion above the initial guidance with 2 € billion target also for 2026, does this implicitly rise your opportunities over the 4-year plan? So I'm curious to

understand if you have more options in your portfolio than 1 year ago? And the second question on biofuels. How do you see biofuels trading environment evolving in 2026, particularly in terms of margins and market balance between supply and demand? Thank you.

FRANCESCO GATTEI: Thank you, Massimo. About the net Capex and the portfolio effect, as you can see, we continue to upgrade our portfolio to leverage on our capability to execute and to explore and to have success for the dual exploration model, to valorize as we have done so far, the business line that will be recognized as valuable through the transition. So, there is a large list of opportunities. As you remember, last year, we declared there was a risked amount and the result at the end in term of value and the higher effect is the fact that clearly, we had a positive result at the end.

So in terms of this year's effect of 2 € billion, you can also already appreciate that we completed in early January the first disposal. It was the Ivory Coast top-up. And this is something that is already on our, let's say, results. And we are moving to additional progress or activity related in particular, you know to Indonesia, 10% is a program that is ongoing, and some other additional elements. We continue to work, and you should expect, as we had last year, eventually upside because we generally de-risk our overall portfolio program.

STEFANO BALLISTA: On biofuel, thanks for the question, Massimo. Biofuel, we see the development is absolutely constructive. We estimate biofuel demand in 2026 above 20 Mton. This year, was around 16 Mton, so a significant step-up. It's going to be driven mainly by Europe and US. Main reason for this demand growth is twofold. In Europe is the well-known Renewable Energy Directive 3. We quoted the Germany example even in previous call. I just want to add that on top of getting extra GHG reduction target and the ban of double counting, they are even asking to allow site investigation in countries, foreign countries, that are providing flows to Germany in order to be that flow accountable. And this is actually a positive evolvment for the supply-demand balance. So this is another good news. Talking about US, actually, just yesterday, the EPA said that within the end of March, they want to finalize the new renewable volume target. Expectation is to have a significant increase between 35% and 40%. We are seeing this already on the RIN prices. RIN prices improved by 40% from the beginning of the year. And this happened without an improvement in terms of RIN generation. So this means that in order to cope with the new EPA target, we need to have RIN generation improvement, and this is going to drive economic margins improvement itself. Last comment, this year, we saw a reduction, a destocking of the RIN banking. It's about 0.5 billion destocking. And this is a turning point that reverts the trends that we saw previous year when the RIN banking actually got exactly in the opposite direction with an increase of 2 billion. We expect this trend to definitely move forward and to rebalance the supply-demand overall.

JON RIGBY: We're going to move now to Mark Wilson at Jefferies. Mark, if you're online.

MARK WILSON, JEFFERIES: Okay. Thank you, good afternoon. You said earlier how the strategic path that has got you where you are in upstream is not one that you can start overnight, the exploration, the infrastructure, as you say, you've never stopped. Now you've also spoke to AI impacting exploration.

And on the last call, you spoke to the technical hedge that floating LNG is giving you. My question is that it's impossible to have this kind of delivery alone. So I'd like to ask which third-party areas other than the ones already spoken to, across your upstream partners or indeed oilfield service contractors, where has the greatest improvement been to assist your delivery? Is it drilling, reservoir characteristic, E&C cycle time, shipyards? Is it something else? That would be my question.

CLAUDIO DESCALZI: Thank you for the question. It's very interesting. No, first of all, we are never alone in life. I have a lot of colleagues with me in Eni, but we are not alone in terms of strategy. When other companies are outsourcing, we are in-sourcing, that means that we kept in our company all the main competencies. That started in the 2000 and so 2011, 2012, we decided to in-source. So we didn't follow the mainstream, that says reduce cost and make your contractors as the main contractors, they do everything in turnkey. Now we want to take our hand in each project.

And that means that in the last, I think, 16, 17 years, we put our competencies and we increased our competencies in all the different segments of our business. I talked about E&P, not only. We increased the R&D investment. We opened up 7 R&D centers. We increased our R&D people to 1.200. And we have in our hands technology in drilling, reservoir or seismic and development, and we made a revolution in our time to market, we are the best we can say in time to market. We are not alone, but we are alone in terms of the choices we have made in the last 15 years. So I think that is the main reason. I don't know if Guido shares this point or he would like to say something else I hope not

GUIDO BRUSCO: It couldn't be better said.

JON RIGBY: We're going to move to Paul Redman at BNP Paribas. Paul?

PAUL REDMAN, EXANE BNP PARIBAS: Hi, thank you very much for your time. Just 2, please. First was you achieved 4 € billion of cash initiatives benefits in 2025. I wanted to ask how much of that is roll or could roll over into 2026? And secondly, I know people have asked but kind of -- and it is early, seeing you've got a Capital Markets Day in a few weeks' time. But I wanted to ask about how you think about allocating to shareholders. You currently allocate based on a percent of cash flow from operations, but you've clearly paid above that percentage. And I think part of that has been driven by acceleration of divestments. So, I wanted - and this year, you're guiding 2 € billion of divestments - I wanted to ask if you still believe that percentage of cash flow from operations is the appropriate way to allocate cash flow to shareholders.

FRANCESCO GATTEI: First of all, about the cash initiatives, you have seen that we executed, I think that there is a lot of evidence through the results that we achieved that we started with 2 € billion, we raised to 3 € billion and then 4 € billion, and we performed. Most of that are one-off factors, that it doesn't mean that they will be reverted, but actually will be rolling. So we are executing our cash management in a different way than before, optimizing the time to market of these cash needs, and there were a lot of opportunities. We continue to study because I believe that generally in managing a huge amount of cash in a company as Eni, there is still a lot of pockets or upsides that have to be discovered. It is a sort

of treasury hunt that we look for. So we do expect something but probably we have to wait a bit, 3 weeks for additional disclosure.

On the cash flow from operation reference, the idea of having cash flow from operation as a starting point for distribution is because we want to put the shareholders at the top of our priorities. So the first line of cash flow is the cash flow from operation, pre-working capital. And clearly, there are all the other factors that come later. So the free cash flow could be another way to distribute. Clearly, you have to change the percentage because you are speaking about different absolute figures. But at the end of the day, the logic of having cash flow from operation is giving the reference in terms of priority versus the distribution line. We will see, again, in the next Capital Markets Day, what will be the announcement and what will be eventually the percentage that we allocate.

JON RIGBY: And we're going to go to the last question. We found Alastair. Al, you around. Al at Citigroup.

ALASTAIR R. SYME, CITI: Yes, thank you. So the question I had was, there's been a lot of commentary in Italy and across the European Union about the European carbon scheme, the ETS. And you have a foot in several camps here, you're a carbon emitter, you're a power generator, you've got a CCS business. So can you give us a sense of where you think the political discussion is and what, if any, changes you would like to see? And if I could poke in a second question. Do you have any update on the well you're drilling offshore, Libya?

GUIDO BRUSCO: Libya offshore, we are currently drilling one exploration well, and we'll announce results when they become available off course.

CLAUDIO DESCALZI: I think that we are very ready to talk about drilling, reservoir, explorations. But on ETS, honestly, we cannot give you a lot of lights, it's the tax we pay. I don't know. Honestly, there is a big debate today because in Europe, the industry is suffering a lot. It's not growing. On the contrary, they are squeezing the industry in Europe with all the different kind of taxes and green deals that impacted negatively all the kinds of industries. ETS is one of these taxes. And Europe is the only region that applies these taxes at a very high level. So when we talk about competition with the rest of the world, it's not easy to compete when the others are not really applying the same kind of rules. So that's what I can say, but I do not want to enter into any political debate. It's not our business. I prefer to increase production and get good results for my company instead of crying about taxes I'm paying. Thank you.

ALASTAIR R. SYME, CITI: Claudio, can I ask, does it make you think differently about putting capital on the CCS business given that there is a potential that the legislation could change?

CLAUDIO DESCALZI: No, I think that change has been already made, there have been changes in taxonomy and they have been accepted at least. At the moment, in the Netherlands, especially in U.K. and now in Italy, so we have at least 3 countries where the CCS can be developed. In U.K., they made a big, I think, effort for the future. And for that reason, the investment has started and also the project has been sanctioned. In the Netherlands, I think that is going to follow. And Italy, we are very close to

having a new law, but we have a huge amount of potential to be explored and we have established the company. We have already got interest from investors, and we have already an investor with us in the company. So I'm positive and Europe after years, now, has accepted this important tool to reduce CO2 emissions. And clearly, the CCS is the counterpart of the ETS because the CC, so the capture now has not matched yet, but now with the ETS that is close to €90 or between €80 and €90 per ton, I think that the CCS based on the existing assets, not on new development, is very good from an economic point of view. It's very positive.

JON RIGBY: Thanks, Claudio. Thanks AI. That brings us to the end of the call. Thank you very much for your attention, both today and throughout 2025. And we look forward to speaking to you all in greater detail on the new strategy and plan or the strategy and the new plan on the 19th of March. So we'll see you all then. Thank you very much.