



Eni as the key CCS developer in the UK

A decisive step forward for the development of the HyNet North West CCS project in which Eni is the operator of transport and storage activities.

London, 31 March 2023 - Eni, operator of the transport and storage of carbon dioxide for HyNet North West, announces the achievement of a great result which strengthens the company's position to become the first operator for Carbon Capture and Storage (CCS) projects in the UK.

The UK Department for Energy Security and Net Zero (DESNZ) has announced the first carbon capture projects that will access the £20bn in funding provided by the government for Track 1 initiatives, to accelerate the UK's industrial decarbonization. Five projects submitted as part of the HyNet North West cluster (out of 7) have been confirmed in the eight projects earmarked for funding, for which Eni will be responsible for the transportation and storage of carbon dioxide emissions. The other 3 selected projects (out of 14 submitted) belong to the East Coast Cluster on the East Coast of the UK.

With this decision, the United Kingdom confirms its position as one of the leading countries for the development of Carbon Capture and Storage CCS. CCS is a technological process that avoids the release of carbon dioxide emissions from industrial activities into the atmosphere. CCS plays a fundamental role in the decarbonization of "hard to abate" sectors, for which there are currently no equally effective solutions. For this reason, in its latest report in 2022, the Intergovernmental Panel on Climate Change (IPCC) defined CCS as "essential" to achieve global climate objectives. The International Energy Agency (IEA) estimates that CCS will contribute to reducing the 10% of total emissions to be reduced over the next 30 years, reaching a total of 6.2 billion tonnes captured in 2050.

The implementation of the projects selected from the HyNet consortium will contribute to the decarbonization of large emitting companies in the industrial hub of North West England and

North Wales, including the cement sector, "Waste to Energy" and in the production of hydrogen with a low carbon footprint. The volume of CO₂ that will be captured under the selected projects, equal to approximately 3 million tonnes per year, will then be gathered, transported and permanently stored by Eni in its own depleted gas fields off the coast of Liverpool Bay, which have a total storage capacity of about 200 million tonnes.

Thanks to the development of the HyNet CCS project, Eni will play a leading role in the decarbonization process of the United Kingdom which has identified the Capture, Transport and Storage of CO₂ as one of the fundamental tools for achieving the objectives in the fight against climate change.

The HyNet project will transform one of the UK's most energy-intensive industrial districts into the world's first low-carbon industrial cluster. The project is expected to start in the mid current decade with an injection rate of approximately 4.5 million per year in the first phase, and the capacity to reach approximately 10 million tonnes of CO₂ per year from 2030. The volume of CO₂ emissions avoided represents a significant share compared to the 20-30 million industrial emissions reduction target associated with CCS by the UK Government, and will also contribute 40% to the national target of producing 10GW of low carbon hydrogen. In addition to the benefits from an environmental standpoint, HyNet will promote a new impetus to the development of the region thanks to investments in projects and the creation of new jobs linked to the promotion of new production chains.

From an employment perspective, the project will preserve current levels and at the same time will favor the creation of around 56,000 new jobs in the period 2022-2030 in the Liverpool Bay area.

In addition to its work in Liverpool Bay, Eni recently submitted an application to the North Sea Transition Authority (NSTA) for a carbon dioxide storage license in the Hewett depleted gas field, which covers an area located in the southern British North Sea. Eni plans to develop a CCS project that will contribute to the decarbonization of the Bacton and Thames Estuary areas. The depleted and inactive Hewett gas field is an ideal site to permanently store CO₂ with a storage capacity of about 300 million tons of carbon dioxide over its lifespan.

Eni is proud to be supporting the strategy of the Department for Energy Security and Net Zero to decarbonize industry through the safe and proven method of CCS which can be

added to other important initiatives for the energy transition such as, for example, the project for the production of renewable energy from the Dogger Bank offshore wind farm.

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