



HyNet North West

Eni UK leads HyNet consortium to Cluster Sequencing success

HyNet confirmed as Track one Candidate in Cluster Sequencing Announcement

London, 19 October 2021 - Eni UK, on behalf of the HyNet Consortium Cluster, is delighted to announce that its submission to the Cluster Sequencing process has been accepted as a Track 1 project. This acceptance will allow Eni UK and the supporting entities of HyNet to proceed as one of the first UK industrial clusters to apply carbon capture and storage (CCS), to materially reduce carbon emissions in the UK.

The result of the Cluster Sequencing process will allow HyNet companies to build on the significant amount of momentum gained in recent months, enabling project partners to further invest to substantially reduce carbon emissions in North West England and North Wales over the next 25 years.

More specifically, the announcement will now allow Eni UK, in cooperation with the UK Government, to finalise terms within a regulated business model to deliver infrastructure for the Transport and Storage of CO₂ by 2025. This will include the completion of arrangements with companies wishing to use Eni UK's infrastructure to capture their CO₂ emissions for safe and permanent storage.

The HyNet development scenario for Industrial Decarbonisation includes Hydrogen production and subsequent distribution to industry for fuel switching, through the development of a regional hydrogen market within a dedicated supply network. It will also incorporate the direct capture of emissions from industries where fuel switching is not an option. Through its dedicated affiliate, Liverpool Bay CCS Limited, Eni UK will develop and operate both the onshore and offshore transportation and storage of

CO₂, providing a service for emitters to transport and permanently store CO₂ offshore in the Company's depleted Liverpool Bay gas fields.

Commenting on the decision to give HyNet North West Track 1 status, Secretary of State, Rt Hon Kwasi Kwarteng MP said: "This firmly puts the UK as the world leader in clean energy. The ability of HyNet to transform the North West, safeguarding jobs, creating new ones and positioning the region at the forefront of green innovation is hugely exciting. The project has been unique from the start in the breadth of businesses involved with it, from glass manufacturers, to cereal producers. I look forward to watching how the project progresses and to seeing the contribution it makes in helping the UK meet its ambitious climate targets."

Eni's CEO, Claudio Descalzi, commented: "The UK Government has recognised the importance of the contribution that the HyNet project can make to the decarbonisation of pivotal activities in the country. This decision demonstrates once again that carbon capture, use and storage technology is an important solution that is safe, effective and immediately available to reduce emissions from sectors that have no technological alternatives and accelerate their energy transition. We must be pragmatic to address the challenges that face us ahead: starting immediately and powerfully with the tools we currently have to decarbonise traditional sources today, while investing heavily in technology to develop and improve new sources for the future."

David Parkin, PEL director, added: "We are delighted that HyNet has been selected to progress within Track 1 of the industrial decarbonisation Cluster Sequencing process. HyNet is led by the demand from organisations and stakeholders across the North West of England and North Wales, who all want to reduce carbon emissions to Net Zero. From as soon as 2025, the project will enable our manufacturing sector across the region to decarbonise, as well as providing the opportunity to transition the way we travel and how we heat our homes. HyNet brings huge economic benefits, safeguarding existing jobs across the region and creating around 6,000 new employment opportunities to support the levelling up of the UK.

The project partners are ready to deliver and, as one of the first industrial decarbonisation clusters, we will play a big part in shaping the country's hydrogen economy, positioning the UK as a global leader in the sector.

We are looking forward to working closely with Government and the other clusters to deliver and grow the infrastructure as rapidly as possible, both in breadth and depth, over the coming years.”

Organisations contributing to the HyNet Cluster Sequence Submission included: Eni UK, Progressive Energy, CF Fertilisers, Essar Oil UK, Hanson Cement, Viridor, Ince BioEnergy, Fulcrum Bioenergy, University of Chester, Peel NRE, Cadent, INOVYN, Uniper, Tarmac, Lhoist and Breedon.

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