

Global Gas & Lng Portfolio



€326 mln

Adjusted operating profit
vs. 2019: +68.9%

112 €/kcm

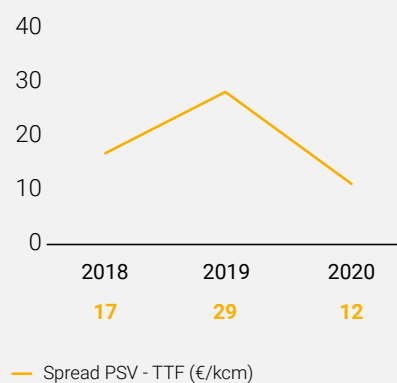
Average yearly gas price
in Italy
vs. 2019: -35%

37.30 bcm

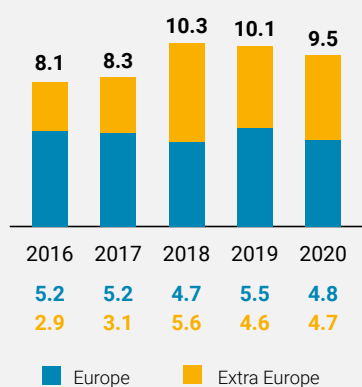
Average yearly gas sales in Italy
vs. 2019: -1.8% despite the
strong reduction of demand (-5%)

Restarted **Damietta**
liquefaction plant in
Egypt, with a **7.56 bcm**
annual capacity

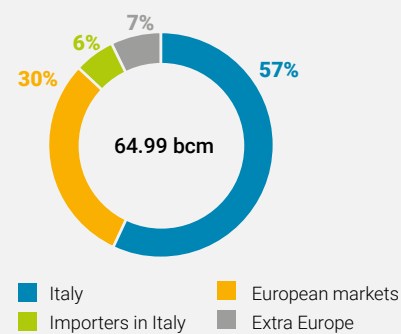
Hubs prices



LNG sales | bcm



Gas sales by area



KEY PERFORMANCE INDICATORS

		2020	2019	2018
TRIR (Total Recordable Injury Rate)	(total recordable injuries/worked hours) x 1,000,000	1.15	0.56	0.51
of which: employees		0.99	0.96	0.40
contractors		1.37	0.00	0.69
Natural gas sales ^(a)	(bcm)	64.99	72.85	76.60
Italy		37.30	37.98	39.17
Rest of Europe		23.00	26.72	29.17
of which: Importers in Italy		3.67	4.37	3.42
European markets		19.33	22.35	25.75
Rest of world		4.69	8.15	8.26
LNG sales ^(b)		9.5	10.1	10.3
Employees at year end	(number)	700	711	734
of which outside Italy		410	418	416
Direct GHG emissions (Scope 1)	(mmtonnes CO ₂ eq.)	0.36	0.25	0.62

(a) Data include intercompany sales.

(b) Refers to LNG sales of the GGP segment (included in worldwide gas sales).

Performance of the year

- In 2020, the total recordable injury rate (TRIR) of the workforce amounted to 1.15, due to two minor events.
- Direct GHG emissions (Scope 1) increased by 48% compared to 2019, due to a higher number of production restarts following the discontinued trend in gas demand and venting emissions for maintenance actions developed at Sergaz plants.
- Eni worldwide gas sales amounted to 64.99 bcm, down by 10.8% compared to 2019 (down by 7.86 bcm). Eni's sales in Italy (37.30 bcm) decreased by 1.8% compared to 2019 (37.98 bcm).
- LNG sales amounted to 9.5 bcm representing a decrease of 5.9% compared to 2019.

Restart of Damietta liquefaction plant

In February 2021, restarted LNG production at the Damietta liquefaction plant (Eni's interest 50%), coherently with a series of agreements finalized in March 2021 with the Arab Republic of Egypt (ARE) and the Spanish partner Naturgy for the resolution of all pending issues and restart the terminal, which was shut down in 2012. Thanks to these agreements, Eni will take over the contracts for the purchase of natural gas for the plant, receiving the corresponding liquefaction rights and will allow Eni to directly enter the Spanish gas market, strengthening its presence in the European gas.

The restart of the plant, with a capacity of 7.56 billion cubic meters per year, enables Eni to strengthen its strategic objectives in terms of growth of its LNG portfolio and presence in the Eastern Mediterranean region.

NATURAL GAS

SUPPLY OF NATURAL GAS

In 2020, Eni's consolidated subsidiaries supplied 62.16 bcm of natural gas, down by 8.26 bcm or by 11.7% from the full year 2019.

Gas volumes supplied outside Italy from consolidated subsidiaries (54.69 bcm), imported in Italy or sold outside Italy, represented approximately 88% of total supplies, decreased by 10.16 bcm or by 15.7% from the full year 2019. This mainly reflected lower volumes purchased in the Netherlands (down by 3.01 bcm), in Russia (down by 1.87 bcm), Algeria (down by 1.44 bcm), in Libya (down by 1.42 bcm), partly offset by higher purchases in Norway (up by 0.76 bcm). Supplies in Italy (7.47 bcm) increased by 34.1% from the full year 2019.

SUPPLY OF NATURAL GAS

	(bcm)	2020	2019	2018	Change	% Ch.
Italy		7.47	5.57	5.46	1.90	34.1
Russia		22.49	24.36	26.10	(1.87)	(7.7)
Algeria (including LNG)		5.22	6.66	12.02	(1.44)	(21.6)
Libya		4.44	5.86	4.55	(1.42)	(24.2)
Netherlands		1.11	4.12	3.95	(3.01)	(73.1)
Norway		7.19	6.43	6.75	0.76	11.8
United Kingdom		1.62	1.75	2.21	(0.13)	(7.4)
Indonesia (LNG)		1.15	1.58	3.06	(0.43)	(27.2)
Qatar (LNG)		2.47	2.79	2.56	(0.32)	(11.5)
Other supplies of natural gas		5.24	7.90	5.50	(2.66)	(33.7)
Other supplies of LNG		3.76	3.40	1.97	0.36	10.6
OUTSIDE ITALY		54.69	64.85	68.67	(10.16)	(15.7)
TOTAL SUPPLIES OF ENI'S CONSOLIDATED SUBSIDIARIES		62.16	70.42	74.13	(8.26)	(11.7)
Offtake from (input to) storage		0.52	0.08	0.08	0.44	..
Network losses, measurement differences and other changes		(0.03)	(0.22)	(0.18)	0.19	86.4
AVAILABLE FOR SALE BY ENI'S CONSOLIDATED SUBSIDIARIES		62.65	70.28	74.03	(7.63)	(10.9)
Available for sale by Eni's affiliates		2.34	2.57	2.57	(0.23)	(8.9)
TOTAL AVAILABLE FOR SALE		64.99	72.85	76.60	(7.86)	(10.8)

In 2020, main gas volumes from equity production derived from: (i) certain Eni fields located in the British and Norwegian sections of the North Sea (3 bcm); (ii) Italian gas fields (2.8 bcm); (iii) Libyan fields (1 bcm); (iv) Indonesia (0.6 bcm); and (v) the United States (0.3 bcm).

Supplied gas volumes from equity production were 7.7 bcm representing around 12% of total volumes available for sale.

The available for sale by Eni's affiliates amounted to 2.34 bcm (down by 8.9% compared to 2019) and mainly referred to supplied volumes from Oman, United States and Spain.

SALES

In a 2020 scenario characterized by a raising competitive pressure and lower gas demand (about down by 5% and 3% in Italy and in the European Union, respectively, compared to 2019), natural gas sales amounted to 64.99 bcm (including Eni's own consumption, Eni's share of sales made by equity-accounted entities), down by 7.86 bcm or 10.8% from the previous year due to the economic downturn caused by the COVID-19 pandemic, with lower volumes marketed to thermoelectric and industrial segments.

GAS SALES BY ENTITY

	(bcm)	2020	2019	2018	Change	% Ch.
Total sales of subsidiaries		62.58	70.17	73.68	(7.59)	(10.8)
Italy (including own consumption)		37.30	37.98	39.17	(0.68)	(1.8)
Rest of Europe		21.54	25.21	27.42	(3.67)	(14.6)
Outside Europe		3.74	6.98	7.09	(3.24)	(46.4)
Total sales of Eni's affiliates (net to Eni)		2.41	2.68	2.92	(0.27)	(10.1)
Rest of Europe		1.46	1.51	1.75	(0.05)	(3.3)
Outside Europe		0.95	1.17	1.17	(0.22)	(18.8)
WORLDWIDE GAS SALES		64.99	72.85	76.60	(7.86)	(10.8)

Sales in Italy (37.30 bcm) decreased by 1.8% from 2019 mainly driven by lower sales to thermoelectrical and industrial segments, partly offset by higher sales to hub. Sales to importers in Italy (3.67 bcm) decreased by 16% from 2019 due to the lower availability of Libyan gas.

Sales in the European markets amounted to 19.33 bcm, a decrease of 13.5% or 3.02 bcm from 2019. Sales in the Extra European markets of 4.69 bcm decreased by 3.46 bcm or 42.5% from the previous year, due to lower volumes in the United States and lower LNG sales in the Far East markets.

GAS SALES BY MARKET

	(bcm)	2020	2019	2018	Change	% Ch.
ITALY		37.30	37.98	39.17	(0.68)	(1.8)
Wholesalers		12.89	13.08	14.67	(0.19)	(1.5)
Italian gas exchange and spot markets		12.73	12.13	12.49	0.60	4.9
Industries		4.21	4.62	4.40	(0.41)	(8.9)
Power generation		1.34	1.90	1.50	(0.56)	(29.5)
Own consumption		6.13	6.25	6.11	(0.12)	(1.9)
INTERNATIONAL SALES		27.69	34.87	37.43	(7.18)	(20.6)
Rest of Europe		23.00	26.72	29.17	(3.72)	(13.9)
Importers in Italy		3.67	4.37	3.42	(0.70)	(16.0)
European markets:		19.33	22.35	25.75	(3.02)	(13.5)
<i>Iberian Peninsula</i>		3.94	4.22	4.65	(0.28)	(6.6)
<i>Germany/Austria</i>		0.35	2.19	1.93	(1.84)	(84.0)
<i>Benelux</i>		3.58	3.78	5.29	(0.20)	(5.3)
<i>United Kingdom</i>		1.62	1.75	2.22	(0.13)	(7.4)
<i>Turkey</i>		4.59	5.56	6.53	(0.97)	(17.4)
<i>France</i>		5.01	4.47	4.95	0.54	12.1
<i>Other</i>		0.24	0.38	0.18	(0.14)	(36.8)
Extra European markets		4.69	8.15	8.26	(3.46)	(42.5)
WORLDWIDE GAS SALES		64.99	72.85	76.60	(7.86)	(10.8)

LNG

LNG SALES

	(bcm)	2020	2019	2018	Change	% Ch.
Europe		4.8	5.5	4.7	(0.7)	(12.7)
Outside Europe		4.7	4.6	5.6	0.1	2.2
TOTAL LNG SALES		9.5	10.1	10.3	(0.6)	(5.9)

In 2020, LNG sales (9.5 bcm, included in the worldwide gas sales) decreased by 5.9% from 2019 and mainly concerned LNG from Qatar, Nigeria, Indonesia and Oman and marketed in Europe, China, Pakistan and Taiwan.

INTERNATIONAL TRANSPORT ACTIVITY

Eni, as shipper, has transport rights on a large European and North African networks for transporting natural gas in Italy and Europe, which link key consumption basins with the main producing areas (Russia, Algeria, the North Sea, including the Netherlands, Norway, and Libya).

The Company participates to both entities which operate the pipelines and entities which manage transport rights. The main international pipelines currently participated or operated by Eni are: i) the TTPC pipeline, 740-kilometer long which transports natural gas from Algeria; ii) the TMPC pipeline for the import of Algerian gas is 775-kilometer long; iii) the GreenStream pipeline for the import of Libyan gas (520-kilometer long); and iv) Eni holds an interest in the Blue Stream underwater pipeline linking the Russian coast to the Turkish coast of the Black Sea. These assets generate a steady operating profit thanks to the sale of transport rights mainly on a long-term basis.