



Glossary

The glossary of Oil & Gas terms is available on Eni's web page at the address eni.com. Below is a selection of the most frequently used terms.

2nd and 3rd generation feedstock. Are feedstocks not in competition with the food supply chain as the first generation feedstock (vegetable oils). Second generation are mostly agricultural non-food and agro/urban waste (such as animal fats, used cooking oils and agricultural waste) and the third generation feedstocks are non-agricultural high innovation feedstocks (deriving from algae or waste).

Actual GHG emission. GHG emissions (expressed as CO₂eq.) emitted in the past or present and accounted for in the emission inventory.

Adaptation to climate change. Process of adjustment of ecological, social or economic systems in response to actual or expected climate impacts, aimed to reduce the vulnerability of communities, regions or activities to climate change.

Asset integrity. The ability of an asset to function effectively and accurately, while safeguarding the well-being of personnel and equipment throughout the asset's lifecycle, from its design phase to its decommissioning.

Average reserve life index. Ratio between the amount of reserves at the end of the year and total production for the year.

Barrel/bbl. Volume unit corresponding to 159 liters. A barrel of oil corresponds to about 0.137 metric tonnes.

Boe (Barrel of Oil Equivalent). Is used as a standard unit measure for oil and natural gas. Effective January 1st, 2023, Eni has updated the conversion rate of gas produced to 5,232 cubic feet of gas equals 1 barrel of oil.

B2C. Business to Consumer refers to all business relationships between the company and the end customer who purchase gas, electricity or other products and services provided by Plenitude for personal or domestic, business or commercial use.

Carbon credits. Permits or certificates generated on a voluntarily basis through an emission reduction or carbon removal project. One carbon credit corresponds to one metric ton of CO₂ equivalent.

Carbon dioxide Capture, Utilization and Storage (CCUS). Reservoir technologies applied to carbon capture and storage (CCS), typically used for large emission sources such as power plant or industrial facilities that use fossil fuels or biomass. Captured CO₂ can be used directly on-site or, alternatively, compressed and transported via pipeline, ship, rail or truck to be used in various applications, or injected into confined geological formations, such as depleted oil and gas fields or saline aquifers.

Carbon Neutrality at 2050. A pillar of Eni's business model defining its decarbonization pathway for processes and energy products by 2050, through the use of available and emerging technological solutions. According to the IPCC definition, Carbon Neutrality describes the condition in which the anthropogenic carbon dioxide (CO₂) emissions associated with a subject are balanced by anthropogenic CO₂ removals. The subject can be an entity, such as a country, an organization, a district or a commodity, or an activity such as a service or an event. Carbon Neutrality is often assessed over the full life cycle, including indirect (Scope 3) emissions, but can also be limited to emissions and removals, over a specified period, for which the subject has direct control, as determined by the relevant scheme.

Climate. Statistical description in terms of average and variability of relevant meteorological variables (e.g. temperature, precipitation, winds, etc.), calculated over a period of at least 30 years.

Climate change. A change in the state of the climate that can be identified by changes in the mean and/or the variability of its properties and that persists for an extended period, typically decades or longer. Climate change may be due to natural internal processes or from external forcings, such as modulations of solar cycles, volcanic eruptions and persistent anthropogenic changes in the composition of the atmosphere or land use (source: IPCC glossary).

Climate change mitigation. Actions or activities that limit GHG emissions (e.g. due to production, energy use or land use change) and/or reduce their concentration in the atmosphere (e.g. carbon sequestration through land use or other mechanisms).

Climate emission scenarios. A plausible representation of the future development of emissions of substances that are radiatively active (e.g. greenhouse gases – GHGs – and aerosols), based on a coherent and internally consistent set of assumptions about the driving forces (such as demographic and socio-economic development, technological change, energy and land use) and their key relationships. Concentration scenarios, derived from emission scenarios, are often used as input for climate models to compute climate projections (source: IPCC glossary).

Climate-related Physical Risks (acute and chronic). Risk resulting from climate change that can be event-driven (acute) or from longer-term shifts (chronic) in climate patterns. Acute physical risks arise from particular hazards, especially weather-related events such as storms, floods, fires or heat waves. Chronic physical risks arise from longer-term changes in the climate, such as temperature changes, and their effects on rising sea levels, reduced water availability, biodiversity loss, and changes in land and soil productivity (source: ESRS).



Conversion. Refinery process allowing the transformation of heavy fractions into lighter fractions. Conversion processes are cracking, visbreaking, coking, the gasification of refinery residues, etc. The ratio of overall treatment capacity of these plants and that of primary crude fractioning plants is the conversion rate of a refinery. Flexible refineries have higher rates and higher profitability.

Decarbonization plan. An integral component of the Company's strategic plan, defining net GHG emissions-reduction targets, levers and allocated resources, with a view to transitioning towards a lower carbon economy, contributing to limiting global warming to 1.5°C and achieving Eni's Carbon Neutrality by 2050. Eni's decarbonization plan differs from the CSRD transition plan definition (ESRS E1-1), as it is based on entity-specific decarbonization targets.

Elastomers (or Rubber). Polymers, either natural or synthetic, which, unlike plastic, when stress is applied, return, to a certain degree, to their original shape, once the stress ceases to be applied. The main synthetic elastomers are polybutadiene (BR), styrene-butadiene rubber (SBR), ethylenepropylene rubber (EPR), thermoplastic rubber (TPR) and nitrilic rubber (NBR).

Emissions of NO_x (Nitrogen Oxides). Total direct emissions of nitrogen oxides deriving from combustion processes in air. They include NO_x emissions from flaring activities, sulphur recovery processes, FCC regeneration, etc. They include NO and NO₂ emissions and exclude N₂O emissions.

Emissions of SO_x (Sulphur Oxides). Total direct emissions of sulfur oxides including SO₂ and SO₃ emissions. Main sources are combustion plants, diesel engines (including maritime engines), gas flaring (if the gas contains H₂S), sulphur recovery processes, FCC regeneration, etc.

Energy scenarios. Provide a framework for exploring future energy outlooks, including different combinations of technology options and their implications. Many scenarios in the literature illustrate how energy system developments may influence the dynamics across different industrial sectors globally. Among the most recognized energy scenarios are those of the International Energy Agency (IEA), which annually publishes scenarios in the World Energy Outlook (WEO), based on detailed sectoral energy demand forecasts, built on demographic and economic variables of the coming decades, according to two approaches. a) Forecasting, producing energy consumption trajectories based on demographic/economic inputs and existing or likely future policies/declared ambitions (STEPS - Stated Policies Scenario and CPS - Current Policies Scenario); b) Backcasting, identifying pathways compatible with one or more predefined targets including the deployment of technologies even those still in a demonstration stage, the assumptions of rapid shifts in consumer behaviour and an acceleration in end-use energy efficiency (NZE - Net Zero Emissions scenario).

Energy transition. Transition from the use of energy sources with a high carbon footprint to low-emission energy sources, part of the broader transition to sustainable economies through the use of renewable and nuclear energy, the adoption of energy saving and sustainable development techniques (Carbon neutrality toolkit, UNECE).

Eni carbon efficiency index. Ratio between GHG emissions (Scope 1 and Scope 2 in tonnes CO₂eq.) of the main industrial activities operated by Eni divided by the productions (converted by homogeneity into barrels of oil equivalent using Eni's average conversion factors) of the single businesses of reference.

Environmental and Social Management Plan. Action plans relating to the mitigation and control actions envisaged by the ESHIA on environmental and social issues.

Environmental Golden Rules. Guidelines that aim to protect and conserve the environment by directing the behavior of people and companies towards sustainable and environmentally friendly practices (e.g. through the reduction/reuse and recycling of waste, energy saving, protection of bio).

Environmental Social and Health Impact Assessment (ESHIA). Environmental, social and health impact assessment studies implemented before starting any type of operational project.

Greenhouse Gases (GHG). Gases in the atmosphere, transparent to solar radiation, that trap infrared radiation emitted by the earth's surface. The greenhouse gases relevant within Eni's activities are carbon dioxide (CO₂), methane (CH₄) and nitrous oxide (N₂O). GHG emissions are commonly reported in CO₂ equivalent (CO₂eq.) according to Global Warming Potential values in line with IPCC AR6, 6th Assessment Report.

Grievance. A complaint or complaint raised by an individual or group of individuals arising from actual or perceived impacts caused by the organization's operational activities.

Hard to abate. Refers to those industrial and heavy transport sectors with high CO₂ emissions that are particularly complex to decarbonise due to technological, physical and market factors (source: Irena).



Health Impact Assessment (HIA). Structured process to assess potential health implications within policy proposals, programmes or projects, identifying potentially adverse effects. It suggests ways to minimize them, maximizing health benefits, and can be applied to a wide range of industries by influencing decisions at various levels of planning.

Human Rights Defender. A person who, individually or with others, acts peacefully to promote or protect human rights on behalf of individuals or groups.

Human Rights Impact Assessment (HRIA) o Human Rights Risk Analysis (HRRRA). Methodologies aimed at identifying, analyzing, evaluating and managing the negative effects that the implementation of an industrial project or other business activities may have on the enjoyment of the human rights of certain types of stakeholders (so-called rights-holders), such as workers and community members.

HVO. Hydrotreated Vegetable Oil, a diesel biofuel produced mainly from waste raw materials, vegetable residues and a residual part of vegetable oils.

Infilling wells. Infilling wells are wells drilled in a producing area in order to improve the recovery of hydrocarbons from the field and to maintain and/or increase production levels.

Inherent risk. Inherent risk in the absence of managerial actions to manage it.

LNG. Liquefied Natural Gas obtained through the cooling of natural gas to minus 160°C at normal pressure. The gas is liquefied to allow transportation from the place of extraction to the sites at which it is transformed and consumed. One ton of LNG corresponds to 1,400 cubic meters of gas.

Lower carbon (Eni) solutions/products. Represent a diversified portfolio that aims to contribute to the decarbonization of the energy system. This portfolio includes innovations in renewable energy sources, sustainable biofuels, advanced CO₂ capture and storage (CCS) technologies, hydrogen production and nuclear energy.

LPG. Liquefied Petroleum Gas, a mix of light petroleum fractions, gaseous at normal pressure and easily liquefied at room temperature through limited compression.

Mineral Potential (potentially recoverable hydrocarbon volumes). Estimated recoverable volumes which cannot be defined as reserves due to a number of reasons, such as the temporary lack of viable markets, a possible commercial recovery dependent on the development of new technologies, or for their location in accumulations yet to be developed or where evaluation of known accumulations is still at an early stage.

Mitigation hierarchy. An international best practice for managing risks and potential environmental impacts, through a sequence of actions: (i) prevent and avoid impacts; (ii) minimise impact where unavoidable; (iii) restore and (iv) offset residual impacts.

Natural Climate Solutions (NCS). Nature-based solutions for climate change mitigation. They rely on nature's ability to remove and store carbon from the atmosphere. Among other benefits, they help protect habitats, promote biodiversity, and support sustainable development for local communities.

Natural gas liquids. Liquid or liquefied hydrocarbons recovered from natural gas through separation equipment or natural gas treatment plants. Propane, normal-butane and isobutane, isopentane and pentane plus, that used to be defined natural gasoline, are natural gas liquids.

Net zero target (entity-specific). They are set of targets defined by Eni with the goal of achieving net zero GHG emissions, net of the use of carbon credits. According to the IPCC definition, at a global scales, the term carbon neutrality and net zero CO₂ are equivalent. At sub-global scales, net zero CO₂ emissions is generally applied to emissions and removals under direct control or territorial responsibility of the reporting entity, while carbon neutrality generally includes emissions and removals within and beyond the direct control or territorial responsibility of the reporting entity.

Oil spill. Spill from primary or secondary containment into the environment of oil or petroleum derivatives from refining or petroleum waste occurring during operational activity or as a result of acts of sabotage, theft and vandalism. It should be noted that the events reported in this document are only those that have resulted in spills greater than 1 barrel.

Olefins (or Alkenes). Hydrocarbons that are particularly active chemically, used for this reason as raw materials in the synthesis of intermediate products and of polymers.

Over/underlifting. Agreements stipulated between partners regulate the right of each to its share in the production of a set period of time. Amounts different from the agreed ones determine temporary over/underlifting situations.

Plasmix. The collective name for the different plastics that currently have no use in the market of recycling and can be used as a feedstock in the new circular economy businesses of Eni.

Potential GHG emissions. GHG emissions (expressed as CO₂eq.) estimated on the basis of Eni's Strategic Plan.

Production Sharing Agreement (PSA). Contract in use in African, Middle Eastern, Far Eastern and Latin American Countries, among others, regulating relationships between states and oil companies with regard to the exploration and production of hydrocarbons. The mineral right is awarded to the national oil company jointly with the foreign oil company that has an exclusive right to perform exploration, development and production activities and can enter into agreements with other local or international entities. In this type of contract,



the national oil company assigns to the international contractor the task of performing exploration and production with the contractor's equipment and financial resources. Exploration risks are borne by the contractor and production is divided into two portions: "cost oil" is used to recover costs borne by the contractor and "profit oil" is divided between the contractor and the national company according to variable schemes and represents the profit deriving from exploration and production. Further terms and conditions of these contracts may vary from Country to Country.

Project Affected People. These are the individual owners of land or onshore activities (farmers, managers of tourism or entrepreneurial activities) and offshore (fishermen) who suffer economic or physical displacement due to an Eni project.

Proved reserves. Proved oil and gas reserves are those quantities of oil and gas, which, by analysis of geoscience and engineering data, can be estimated with reasonable certainty to be economically producible from a given date forward, from known reservoirs, and under existing economic conditions. The project to extract the hydrocarbons must have commenced or the operator must be reasonably certain that it will commence the project within a reasonable time.

Renewable Installed Capacity. Is measured as the maximum generating capacity of Eni's share of power plants that use renewable energy sources (wind, solar and wave, and any other non-fossil fuel source of generation deriving from natural resources, excluding, from the avoidance of doubt, nuclear energy) to produce electricity. The capacity is considered "installed" once the power plants are in operation or the mechanical completion phase has been reached. The mechanical completion represents the final construction stage excluding the grid connection.

Reserves. Quantities of oil and gas and related substances anticipated to be economically producible, as of a given date, by application of development projects to known accumulations. In addition, there must exist, or there must be a reasonable expectation that will exist, the legal right to produce or a revenue interest in the production, installed means of delivering oil and gas or related substances to market, and all permits and financing required to implement the project. Reserves can be: (i) developed reserves quantities of oil and gas anticipated to be through installed extraction equipment and infrastructure operational at the time of the reserves estimate; (ii) undeveloped reserves: oil and gas expected to be recovered from new wells, facilities and operating methods.

Residual GHG emissions. GHG emissions that remain after taking all possible actions to implement emissions reductions (source: ISO Net Zero Guidelines).

Residual risk. Risk that remains after taking reduction actions.

Salient Human Right Issue. The set of issues considered most significant, on which the management model and activities to respect for human rights are concentrated, divided into the following clusters: (i) workers' rights (direct and value chain); (ii) community rights (including security); (iii) Customer Rights.

Scope 1 GHG Emissions. Direct greenhouse gas emissions from Company's operations, generated from sources owned or controlled by the Company.

Scope 2 GHG Emissions. Indirect greenhouse gas emissions from the generation of electricity, steam and heat purchased from third-parties and consumed by assets owned or controlled by the Company.

Scope 3 GHG Emissions. Indirect GHG emissions associated with the value chain of Eni's products.

Ship-or-pay. Clause included in natural gas transportation contracts according to which the customer for which the transportation is carried out is bound to pay for the transportation of the gas also in case the gas is not transported.

Soft and Hard Law. "Soft law" refers to self-regulatory instruments that differ from traditional legislative acts adopted through formal law-making processes ("hard law"), and are characterised by the absence of direct binding effect, while still influencing behaviours and practices.

Stop work authority. Principle aimed at promoting virtuous and conscious behavior that guarantees the protection of all workers for which every collaborator, in any site, has the authority to stop an activity when he detects dangerous behavior or condition.

Take-or-pay. Clause included in natural gas purchase contracts according to which the purchaser is bound to pay the contractual price or a fraction of such price for a minimum quantity of the gas set in the contract also in case it is not collected by the customer. The customer has the option of collecting the gas paid and not delivered at a price equal to the residual fraction of the price set in the contract in subsequent contract years.

Target. In general terms, a target is a specific and measurable result, generally defined in the strategic plan, with specific deadlines, a reference year, key performance indicators used to assess progress, which support the achievement of objectives in line with the company's policies. Eni identifies specific targets in its corporate strategies (business, sustainability and decarbonization).

Transition risks. Risks that result from a misalignment between an organisation's or investor's strategy and management and the changing regulatory, policy or societal landscape in which it operates. Developments aimed at halting or reversing damage to the climate or to nature, such as government measures, technological breakthroughs, market changes, litigation and changing consumer preferences can all create or change transition risks (source: ESRS).



UN SDGs. The Sustainable Development Goals (SDGs) are the blueprint to achieve a better and more sustainable future for all by 2030. Adopted by all United Nations Member States in 2015, they address the global challenges the world is facing, including those related to poverty, inequality, climate change, environmental degradation, peace and justice. For further detail see the website <https://unsdg.un.org>.

Upstream/downstream. The term upstream refers to all hydrocarbon exploration and production activities. The term mid-downstream includes all activities inherent to oil industry subsequent to exploration and production. Process crude oil and oil-based feedstock for the production of fuels, lubricants and chemicals, as well as the supply, trading and transportation of energy commodities. It also includes the marketing business of refined and chemical products.

Upstream GHG Emission Intensity. Ratio between 100% Scope 1 GHG emissions from upstream operated assets and 100% gross operated production (expressed in barrel of oil equivalent).

Water stress areas. Areas with a baseline value of "water stress" >40%; water stress is calculated as the ratio of water withdrawn to recharge capacity in a given basin.

Whistleblowing Reports. Any Communication received by Eni concerning conduct – related to Eni's People or to all those who operate or have operated in Italy and abroad in the name of or on behalf of or in the interest of Eni – that is in violation of laws and regulations, provisions of the Authorities, Code of Ethics, Model 231 or Compliance Models for foreign subsidiaries and internal regulations, in compliance with the locally applicable implementing legislation of Directive (EU) 2019/1937.

Wholesale sales. Domestic sales of refined products to wholesalers/distributors (mainly gasoil), public administrations and end consumers, such as industrial plants, power stations (fuel oil), airlines (jet fuel), transport companies, big buildings and households. They do not include distribution through the service station network, marine bunkering, sales to oil and petrochemical companies, importers and international organizations.

Work-over. Intervention on a well for performing significant maintenance and substitution of basic equipment for the collection and transport to the surface of liquids contained in a field.



ABBREVIATIONS

/d	per day	ktoe	thousand tonnes of oil equivalent
/y	per year	ktonnes or kt	thousand tonnes
bbbl	billion barrels	mm or M	million
bbbl	barrels	mmbbl	million barrels
bboe	billion barrels of oil equivalent	mmboe	million barrels of oil equivalent
bcf	billion cubic feet	mmcm	million cubic meters
bcm	billion cubic meters	mmfc	million cubic feet
bln liters	billion liters	mmtonnes	million tonnes
bln tonnes	billion tonnes	MTPA	Million Tonnes Per Annum
boe	barrels of oil equivalent	NGL	Natural Gas Liquids
cm or m³	cubic meter	No.	Number
GWh	Gigawatt hour	PCA	Production Concession Agreement
LNG	Liquefield Natural Gas	ppm	parts per million
LPG	Liquefield Petroleum Gas	PSA	Production Sharing Agreement
kbbbl	thousand barrels	Tep	Ton of equivalent petroleum
kboe	thousand barrels of oil equivalent	ton or t	tonnes
km	kilometers	TWh	Terawatt hour