



Snam unveils 2025-2029 Strategic Plan and commits 12.4 billion euros to build a pan-European multi-molecule infrastructure, advancing energy security and the transition to Net Zero

Investments

- Total investments (2025-2029): 12.4 billion euros (13.4 billion euros gross of grants), broken down into 10.9 billion euros to strengthen transport, storage and LNG infrastructure and 1.5 billion euros to scale up energy transition businesses
- 41% of net investments aligned with the European Taxonomy and 58% with the UN Sustainable Development Goals (SDGs)

Main financial targets by 2029

- RAB (Regulatory Asset Base): average annual growth of 6.4%
- Adjusted EBITDA: average annual increase of 5% reflecting new investments, regulatory changes and contributions from energy transition businesses
- Adjusted net income: average annual growth of 4.5% (4% in the previous plan), underpinned by improved performance, including the Associates
- Dividend policy: annual increase raised to 4% (vs. minimum 3% in the previous plan) with a maximum payout ratio of 80%
- Sustainable finance: 90% of total funding by 2029

Key strategic levers

- Transformative innovation with 400 million euros invested in proven and explorative innovation to boost asset efficiency and flexibility while enabling the multi-molecule management
- All-round sustainability with ambitious targets: 40% reduction in Scope 1&2, 30% reduction in Scope 3 by 2030, Net Zero for all emissions by 2050, net positive impact on biodiversity in 2027

Vision to 2034

- 27 billion euros of investments over the next 10 years to drive energy system security and flexibility, support energy transition, develop the SouthH2 Corridor, and scale up the Ravenna CCS project.

TARGETS	2024E ¹ -2029
RAB	6.4% CAGR ²
Adjusted EBITDA	5% CAGR
Adjusted net income	4.5% CAGR
EPS Adj. ³	4.6% CAGR
Dividend policy	+3% in 2024 and +4% annually to 2029 with max 80% payout ⁴

¹ Expected

² Compound Annual Growth Rate

³ Net profit adjusted for hybrid instrument financial expenses (45million euros per year)

⁴ Calculated as Total Dividend on Adj. Net Income.



San Donato Milanese (Milan), January 22nd, 2025 – Snam’s Board of Directors, chaired by Monica de Virgiliis, has approved the company’s 2025-2029 Strategic Plan. CEO Stefano Venier will present this Plan roadmap, which outlines investments, financial targets and innovation initiatives to the financial community, later today.

“The energy landscape is at a pivotal moment, where growing uncertainties and price volatility require resilient energy systems capable of withstanding geopolitical shocks while enabling the transition to Net Zero in a sustainable and affordable way”, said Stefano Venier, CEO of Snam. “We will invest 12.4 billion euros into a pan-European infrastructure capable of managing both traditional and decarbonised molecules. This includes natural gas, biomethane, hydrogen and CO₂, ensuring security and sustainability while meeting evolving energy demands. We will achieve our ambition while delivering value to all our stakeholders, leveraging sustainability and innovation”.

Snam’s investments under this plan are the largest in the company’s history and build on initiatives initially launched in response to the energy crisis in 2022. Over recent years, the company has tripled LNG capacity and increased storage flexibility. The pending acquisition of Edison Stoccaggio assets, expected to be finalised by Q1 2025, and the completion of the Adriatic Line by 2027 will all contribute to building a resilient, flexible, and sustainable energy system in Italy and Europe, consolidating Snam’s leadership across the mid-stream value chain.

Despite the challenges posed by rising interest rates and related debt costs, Snam has delivered strong financial performance. Over the last two years⁵, EBITDA has grown by 23% and net profit by 6%. Moreover, Scope 1&2 emissions were reduced by around 25% (2024E vs 2022), even amid reshuffled gas flows which proved to be more energy intensive. These achievements highlight the company’s adaptability and commitment to operational excellence and sustainability.

Innovation and sustainability continue to be Snam’s strategic enablers, driving the company’s ambition to become a leading pan-European, multi-molecule energy player. The 2025-2029 Strategic Plan includes a **25% increase in energy transition investments**, reflecting progress in key initiatives such as the Ravenna CCS project and South2 Corridor. Additional focus will be placed on full deployment of biomethane plant reconversions and energy efficiency solutions.

⁵ 2024E vs 2022



Key pillars of the 2025-2029 Strategic Plan

Snam's **2025-2029 Strategic Plan** outlines a total investment of **12.4 billion euros** (net of approximately 1 billion euros in public grants), representing an 8% increase compared to the previous plan. The plan **focuses on two key areas**:

- **Investment in gas infrastructure** across the entire mid-stream value chain;
- **Investment in the energy transition businesses.**

Sizeable part of the investment, **10.9 billion euros** (compared to 10.3 billion euros in the previous plan⁶), **is dedicated to the sustainable development of gas infrastructure**:

- **8.0 billion euros** are allocated to transport-related projects (from 7.4 billion in the previous plan), including the completion of the Adriatic Line, the replacement of about 850 km of pipelines with hydrogen-ready standards, three dual-fuel compression stations and biomethane plant connection projects;
- **2.0 billion euros** (from 1.4 billion in the previous plan) for the expansion and upgrading of storage sites, the installation of three dual-fuel compression stations and the investments related to Edison Stoccaggio assets, whose acquisition is expected to be finalised in Q1 2025, pending Antitrust approval;
- **0.9 billion euros** (from 1.5 billion in the previous plan) are allocated to commissioning the Ravenna FSRU and small-scale infrastructures construction at Panigaglia and Pignataro.

Investments in the energy transition businesses amount to 1.5 billion euros (up from 1.2 billion euros in the previous plan), broken down as follows:

- **Carbon Capture and Storage: 500 million euros (900 million euros gross of grants)**
CCS is gaining traction as one of the most effective technologies to decarbonise energy-intensive and high carbon-emitting industrial sectors. About 500 million euros will be invested over the period **to develop the domestic CO₂ transport and the storage infrastructure in Ravenna** in partnership with Eni. The project is positioned as a cornerstone in decarbonising Italy's hard-to-abate industries. It aims to develop the largest offshore open-access multimodal CO₂ hub in the Mediterranean area with a full life estimated capacity of up to 500 million tons. Injection activities have started last August and show great performance. Over the coming years,

⁶ 2023-2027



Phase 2 will expand capacity to industrial scale by 2028-2032 to reach up to 4 Mtons of CO₂ per year, aligning with Italy's National Energy & Climate Plan. The net investment will be broken down into approximately 200 million euros for CO₂ injection and storage, and 300 million euros for the domestic CO₂ network. The final investment decision will be taken by the end of 2026, subject to adequate returns and supportive regulatory and legislative frameworks. The project aims to generate revenues towards the end of the Plan.

- **Hydrogen Backbone: 380 million euros (400 million euros gross of grants)**

Snam plans to invest 380 million euros in the Italian segment of the SouthH2 Corridor, a hydrogen-dedicated pipeline. The project has been included in the EU's Projects of Common Interest (PCI) and Global Gateway Lists. The Italian segment of the SouthH2 Corridor will span 2,300 km and operations are anticipated to start by the early 2030s.

It involves three other European Transmission System Operators: Austria's TAG and GCA and Germany's bayernets, leveraging on the collaboration with SeaCorridor for the connection with North Africa. It has gained endorsements from institutions and companies across the entire value chain. As one of the key hydrogen corridors to Germany and currently the most advanced in hydrogen development in Europe, this project is deemed the most cost-efficient thanks to extensive repurposing of existing backbones (between 60% and 70%).

- **Biomethane: 270 million euros (350 million euros gross of grants)**

Snam is progressing in its dual role: promoting and optimising biomethane plants network integration as mandated by the regulator, while establishing a sizeable production platform with approximately 40MW of biomethane and biogas plants operational at the end of 2024 through its subsidiary Bioenerys. **The investment will be dedicated to capacity expansion and conversion to 78 MW by 2027**, leveraging existing incentive framework. The platform focuses on agricultural feedstock development and on waste feedstock optimization, with a leading presence in Northern Italy and selective facilities in other regions. The plan anticipates deconsolidating this business by the end of 2027, in accordance with ARERA compliance request.

- **Energy efficiency: 250 million euros**

In the energy efficiency business, Snam operates through its B Corp subsidiary Renovit, in which it holds a 60% stake, a top 5 operator. Over the past years, Renovit has generated around 2 billion euros in deep renovation



projects by leveraging tax incentives, and 0.8 billion euros of the so-called Superecobonus tax credits will be run down by 2027. Looking ahead, the plan involves investing approximately 250 million euros to shift the **business portfolio towards industrial clients and public administration**, exploiting Snam's extensive national presence. The objective is to increase the overall backlog from 1.4 billion to 2.7 billion euros through long-term energy performance contracts (average duration of 11 years).

Promoting a pan-European multi-molecule interconnected system

Snam is leading the evolution towards a multi-molecule energy system, leveraging its associates **across key European energy corridors**.

As Italy's primary import route, SeaCorridor plays a crucial role in Europe's energy security leveraging on Snam's infrastructure and Northern export capacity. It serves as the starting point of the upcoming SouthH2 Corridor, connecting North Africa to Southern Germany via networks operated by Snam, its associates TAG and GCA, and bayernets.

TAP and Desfa supply gas from the Eastern route to Italy, the Balkans area, and Central and Eastern Europe, enhancing the European energy security following the curtailment of Russian gas imports.

Launched in early 2024, with the support of several operators including Desfa, the South-East European Hydrogen Corridor Initiative⁷ aims to establish a hydrogen supply route from South-Eastern Europe to Germany. This route could eventually be further connected to the SouthH2 Corridor by crossing the Adriatic Sea.

Teréga plays a key role in the H2med project, which will connect the hydrogen networks of the Iberian Peninsula to Northwest Europe.

Snam Group also holds a leading position in multi-molecule storage, leveraging the expertise of its associates: Teréga and Desfa are currently engaged in CCS projects; dCarbonX is developing a portfolio of offshore subsurface energy storage assets (natural gas and hydrogen) in Ireland and UK; and Storegga is primarily concentrating on CCS in UK (Scotland) and USA.

The leadership across these projects and corridors allows for better visibility and the capitalisation of technical, financial and institutional expertise. This supports the associates' growth while offering a broader perspective onto a dynamic interconnected pan-European energy market.

⁷ SEEHyC



Snam stands to benefit from increased visibility and contribution from its associates, which is projected to grow by approximately 40% over the plan horizon, rising from 300 million euros expected in 2024 to approximately 420 million euros by 2029. Key drivers are TAG's return to profitability following the removal of volume risks from 2025, TAP's expansion to 1.2 bcm/year by 2026, and growth of Italian associates.

Snam has largely maintained the strategic clustering of its associates into three categories: Value-enhancers include industrial assets positioned along key energy corridors, business-enablers comprise associated companies without direct physical connections to Snam's assets, and opportunistic-assets include investments with the potential to generate significant value.

Two strategic levers supporting the plan: innovation and sustainability

Innovation

Snam's dual-track innovation strategy leverages both proven and explorative innovation to enhance operational excellence and drive decarbonised energy solutions.

Over the 2025-2029 period, Snam will invest 338 million euros in proven innovation and an additional 62 million euros in explorative innovation initiatives. These funds will be directed toward advanced digitalization, application of Artificial Intelligence, cutting-edge technologies to support the development of decarbonised molecules.

Since 2018, the SnamTEC program has been instrumental in enhancing asset performance, resilience and operational safety by integrating new technologies and tools into core operations.

Furthermore, both existing and emerging technologies to accommodate various molecules in its infrastructure will be deployed. By implementing and testing zero or low-carbon technologies across industrial, energy, and transport sectors, Snam actively contributes to system decarbonisation.

In the first half of 2025, Snam will unveil its first Innovation Plan detailing its innovation strategy, ecosystem, key projects, collaborations, and a ten-year technology roadmap.



Sustainability

The sustainability strategy adopts a comprehensive approach fully aligning with its corporate goals and operational activities.

In recent years, some remarkable milestones have been achieved:

- a 62% reduction in methane emissions from 2015 levels, surpassing UNEP Protocol targets, and earning the Gold Standard from the Oil and Gas Methane Partnership for 4 consecutive years;
- scope 1&2 emissions by 25% reduction by fiscal year 2024E compared to 2022 (baseline), meeting the 2027 target 3 years ahead of schedule;
- a neutral impact on biodiversity by 2024;
- 84% of sustainable financing by 2024 year-end, with over 50% tied to CO₂ emissions reduction KPIs;
- first Transition Plan presentation in October 2024.

Looking ahead, Snam's priorities focus on its ambitious emissions reduction and biodiversity targets execution and delivery, as recently outlined in its Transition Plan. The key goals are:

- a 40% reduction in Scope 1&2 emissions by 2030;
- a 30% reduction in Scope 3 emissions by 2030;
- achieving Net Zero for all emissions by 2050;
- achieving a net positive impact on biodiversity by 2027.

Additionally, there will be key determination to deliver on its Sustainability Scorecard targets, maintain a leading position in key ESG ratings and pursue certifications from the Science Based Targets initiative (SBTi) and the Science Based Targets Network (SBTN) when available.

Plan targets for 2029⁸

Snam forecasts robust financial performance of its KPIs over the 2024E-2029 period, while preserving financial solidity and flexibility.

Over the plan horizon, the following indicators are expected to register the average annual growth rates (CAGR) indicated below:

- **RAB: 6.4%**, (vs. >6% in the previous plan) driven by new investments, inflation contributions, and integration of assets such as Edison Stoccaggio, Ravenna FSRU and the CCS assets;

⁸ Macro assumptions: 2025-2029 average RAB inflation of 1.8% for transport. WACC for 2025-2027 period equal to 5.5% for transport, 6.1% for storage and 6.2% for LNG. For 2028 and 2029 WACC equal to 5.7% for transport, 6.3% for storage and 6.3% for LNG.



- **Adjusted EBITDA: 5.0%** (vs. 7.4% in the previous plan) mainly due to RAB growth, cost efficiency, lower WACC, biomethane business deconsolidation, and initial contributions of the CCS network. These factors will contribute to the expected growth of the **Group EBITDA to about 3.51 billion euros by 2029**, net of biomethane business, with 80 million euros from energy transition businesses;
- **Adjusted net income: 4.5%** (vs. 4% in the previous plan) fuelled by rising EBITDA and Associate contributions, partially offset by increased D&A and financial expenses;
- **Net Debt:** up to about 21.2 billion euros driven by the 12.4 billion euros investment plan as well as dividend payments.

Guidance

2024 guidance is confirmed.

As for 2025:

- **Tariff RAB is expected to reach 25.8⁹ billion euros** (up by 8% vs. 2024) reflecting new investments, inflation contribution, Edison Stocaggio integration and Ravenna FSRU;
- **Adjusted EBITDA is expected to reach 2.85 billion euros** (up by 4% vs. 2024 guidance) driven by RAB growth, Edison Stocaggio and Ravenna FSRU contributions, despite lower WACC;
- **Adjusted net income is expected to reach 1.35 billion euros** (+10% vs. 2024 guidance) fuelled by rising EBITDA and Associate contributions, partially offset by increased D&A.

	<i>FY 2024 Guidance</i>	<i>FY 2025 Guidance</i>
Investment	3.0 billion euros - 2.8 billion in gas infrastructure - 0.2 billion for the energy transition	2.9 billion euros - 2.5 billion in gas infrastructure - 0.4 billion for the energy transition
Tariff RAB	23.8 billion euros	25.8 billion euros⁹
Adjusted EBITDA	>2.75 billion euros	~2.85 billion euros
Adjusted net income	~1.23 billion euros	~1.35 billion euros
Net debt	~16.5 billion euros	~18.6 billion euros

⁹ Including around 500 million euros related to Edison Stocaggio Tariff RAB



Improved Dividend Policy:

- **Confirmed 2024 dividend of 0.2905 euros, up by 3% vs. 2023;**
- **Annual dividend growth increased to 4% (vs. minimum 3% in the previous plan) from 2025 to 2029, with a maximum payout ratio of 80%¹⁰.**

The total 2024 dividend will be distributed in 2025, with 40% (€0.1162 per share) already paid as an interim dividend on January 22, 2025 (record date: January 21, 2025; ex-dividend date: January 20, 2025). The remaining 60% (€0.1743 per share) will be distributed on June 25, 2025 (record date: June 24, 2025; ex-dividend date: June 23, 2025), subject to approval at the Shareholders' Meeting called to approve the 2024 financial statements.

Financial structure and cost of debt

Snam is committed to maintaining a sound financial structure throughout the plan period.

In response to a volatile global context marked by high interest rates, the company's financial strategy will focus on diversifying funding sources and instruments, optimising working capital and managing treasury flows. Over the plan horizon, the average cost of debt is expected to reach 2.8%, 20 basis points higher than the previous plan, reflecting current and anticipated financing conditions.

Despite an anticipated increase in debt to about 21.2 billion euros in 2029, driven by increased investments, Snam will retain ample financial flexibility within the credit thresholds established by rating agencies Moody's, Standard and Poor's and Fitch, ensuring current rating position.

The proportion of sustainable finance over overall funding is expected to rise significantly at 90% by 2029, an increase from the previous target of 85% by 2027. This level of commitment positions Snam as one of the industry leaders in sustainable finance.

Vision to 2034

Snam envisions a future where its assets and investments anticipate and adapt to the evolving energy mix, transitioning from natural gas to alternative molecules such as hydrogen and CO₂. This will increase the overall volumes transported through its network, reinforcing its role in the energy transition.

¹⁰ Calculated as Total Dividend on Adj. Net Income.



The company's resilient assets, supported by climate-adaptative investments and business model, ensures affordable energy security, flexibility, and a cost-effective option to transport decarbonised molecules.

Between 2030 and 2034, Snam anticipates investment opportunities of up to 14.7 billion euros, in addition to the forecasted total investment of 12.4 billion for the plan period. This brings the **total projected investments to approximately 27 billion euros for the 2025-2034 horizon**.

These investments will focus on:

- **completing projects to enhance energy system security and flexibility;**
- **maintaining asset reliability and resilience**, while reducing their carbon footprint;
- **scaling up the CCS project and building the hydrogen backbone infrastructure**, subject to adequate returns and supportive regulatory frameworks.

With clear visibility in its regulated operations, a robust and flexible financial structure, and innovation and sustainability as key drivers, Snam is ideally positioned to navigate the energy transition toward a multi-molecule energy mix, while delivering long-term value to all its stakeholders.

The 2025-2029 Strategic Plan will be presented to the financial community today at 10 am CET. The event can also be followed via the webcast available at www.snam.it