



## SUSTAINABLE FINANCE ANNUAL REPORT 2026





the energy house



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# SUMMARY

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## SNAM'S PROFILE

Snam is a leading European operator in natural gas infrastructure across three core business areas: transportation, where it ranks first with a network extending for approximately 38,000 km of network in Italy and abroad; storage, with one sixth of the total capacity of the European Union; and regasification, where it is currently the third-largest European player, with annual managed or co-managed capacity of 28 billion cubic metres. Snam ensures to Italy's security of supply through its infrastructure system, enables energy integration between different sources, and promotes decarbonisation projects that support competitiveness and development of businesses and communities. With 85 years of experience in the construction and management of natural gas infrastructure, Snam is one of Italy's leading listed companies by market capitalisation. The company is committed to achieving carbon neutrality by 2040 for Scope 1 and 2 emissions and Net Zero by 2050 across Scope 1, 2 and 3 emissions.

## INTRODUCTION

The 2026–2030 Strategic Plan<sup>1</sup> envisages €13.7 billion of investments net of grants, up 10% compared with the 2025–2029 Plan, to strengthen Italy's domestic infrastructure, ensure system flexibility, resilience and reliability, and support the energy competitiveness of Italy and Europe. The Plan sets out a clear trajectory to 2030, combining industrial delivery with disciplined financial management. Of the total €13.7 billion, €13.3 billion, or 97%, will be invested in regulated businesses. In parallel, the Plan reflects a strong sustainability focus: 40% of planned net investments is aligned with the EU Taxonomy, while 55% supports the SDGs.

The 2026–2030 Strategic Plan is built around a strategic framework combining two key pillars, Industrial Growth and Active Portfolio Management, complemented by a third “on top” pillar, the Asset Rotation Program, worth approximately €3 billion and potentially delivering additional value creation over time. The strategy is supported by three enabling factors: Digital & Energy Tech Innovation, People and Organization, and Sustainability and Stakeholders.

The Plan outlines **Industrial Growth** investments of €13.7 billion, net of approximately €0.7 billion in public grants. A sizeable share of these investments, €12.3 billion compared with €10.9 billion in the previous plan, is dedicated to regulated natural gas activities, strengthening the role of gas infrastructure in ensuring

security and continuity of supply while supporting sustainable energy access. Within this amount:

- €9.2 billion is dedicated to transport-related projects, including completion of the Adriatic Line, development of the Sardinia network, replacement of approximately 976 km of pipelines, installation of four dual-fuel compression stations, and connections to biomethane plants;
- €2.1 billion is allocated to the upgrade of storage sites and the installation of two dual-fuel compression stations;
- €1 billion is earmarked for the expansion of the Panigaglia regasification terminal, aimed at extending its operational life, enabling the Virtual Pipeline with Sardinia, and supporting OLT consolidation.

In addition, approximately €800 million, a significant 60% increase compared with €500 million in the 2025–2029 Plan, will be invested in the Ravenna CCS project. This includes CO<sub>2</sub> transport infrastructure, entirely managed by Snam, and storage infrastructure developed in partnership with Eni. A further €200 million will be invested to begin developing an end-to-end hydrogen backbone, leveraging the repurposing of approximately 60% of existing pipelines.

Investments in Market Solutions amount to €0.4 billion, net of grants. Of this, approximately €140 million is allocated to biomethane, supporting capacity expansion and conversion to around 70 MW by 2027. Approximately €240 million is dedicated to energy efficiency, with the aim of increasing Renovit's overall backlog from €1.4 billion to €2.4 billion through long-term energy performance contracts.

The **Active Portfolio Management** pillar focuses on proactive management of the associates' portfolio, leveraging three complementary levers: industrial levers, to identify business opportunities in key strategic areas; operational levers, to simplify processes and strengthen execution capabilities; and financial levers, to optimize capital allocation and financial structure and unlock additional value.

The strategy is underpinned by **three key enablers**. Under **Digital & Energy Tech Innovation**, Snam will implement a structured agenda supported by approximately €1 billion of investments by 2030, included in the €13.7 billion total investment plan, aimed at boosting operational efficiency, strengthening system reliability and flexibility, and positioning Snam as a first mover in the integration of multiple energy vectors.

In terms of **People and Organization**, Snam has completed a comprehensive transformation of its organizational model to build a resilient, future-proof workforce capable of supporting its long-term industrial ambitions.

1 Available at <https://www.snam.it/en/investor-relations/strategy.html>.

**Under Sustainability and Stakeholders**, sustainability is structured around four pillars: Local Communities, People, Biodiversity & Regeneration, and Carbon Neutrality, each guided by a clear roadmap and ambitious measurable targets. Alongside this, the company aims to raise awareness among all stakeholders of the strategic role played by Snam and its infrastructure.

The **Asset Rotation Program** aims to unlock additional value on top of the business plan targets. Through a systematic bottom-up review of its portfolio, the company is refining its industrial focus around gas infrastructure reliability, security of supply, and value-chain integration. Approximately €3 billion of opportunities have been identified, combining €1.6 billion of divestments of non-core assets with €1.2 billion of selective acquisitions designed to strengthen exposure to high-potential and strategically relevant areas.

Throughout the Plan period, Snam remains fully committed to maintaining a solid financial structure. In response to a volatile global context, the company's financial strategy will focus on diversifying funding sources and instruments, while optimizing working capital and treasury flows. Over the plan horizon, the average net cost of debt is expected to remain within 2.9%, reflecting current and expected financing conditions over the coming years.

The share of sustainable finance in overall funding is expected to increase significantly, reaching approximately 95% by 2030, up from the previous target of 90% by 2029. This level of commitment positions Snam among the industry leaders in sustainable finance.

Moreover, in 2025 Snam was included in various **sustainability indices** that assess companies based on their ESG performance and select only those most active and engaged on these issues. The main indices include DJSI, FTSE4Good, MSCI, and Sustainalytics. Snam was once again included in CDP's, formerly Carbon Disclosure Project, prestigious "A List" and achieved a B- score in CDP Water. **For the fifth consecutive year**, under the OGMP 2.0 protocol, **Snam obtained the United Nations Environment Programme (UNEP) Gold Standard recognition for reducing methane emissions in October 2025**, rewarding the company's commitment to reporting and reducing methane emissions. In 2025, Snam also received the award for best Italian Sustainability Report, the "Oscar di Bilancio". Finally, in 2026, Snam was recognized by GlobalCapital with three prestigious awards: "Most Impressive Corporate Yankee Bond Issuer", "Most Impressive Sustainability-Linked Bond Issuer", and "Most Impressive Corporate Funding Official", highlighting its leadership in sustainable finance and its contribution to advancing ambitious sustainability goals.

## SUSTAINABLE FINANCE ALIGNED WITH CORPORATE STRATEGY

Under the 2026–2030 Strategic Plan, Snam envisages total investments of approximately €13.7 billion, with around 40% aligned with the EU Taxonomy and 55% contributing to the Sustainable Development Goals (SDGs). In this context, sustainable finance represents a key lever for Snam to channel capital towards the implementation of strategic projects, fully aligned with the Group's decarbonization pathway, which also includes the achievement of Carbon Neutrality by 2040 and Net Zero by 2050.

To further support its sustainable finance strategy, in April 2025 Snam updated its **Sustainable Finance Framework** to reflect the latest company developments and further align with market best practices and standards. Structured for the first time in a dual format combining Green and Sustainability-Linked approaches, the Framework is designed to maximise flexibility and impact in addressing the company's sustainability objectives while ensuring full alignment with market standards.

The **Green format** enables the allocation of proceeds to specific investments in projects aligned with the EU Taxonomy, ensuring a high level of transparency through dedicated annual reporting. Compared with the previous *Framework*, Snam has expanded the perimeter of its *Green Financing Framework* to include EU Taxonomy-aligned retrofitting of existing pipelines, following recent clarifications provided by the European Commission. In addition, the Second Party Opinion provided by ISS confirms alignment with the ICMA Green Bond Principles, the LMA Green Loan Principles and the EU Green Bond Standard, further strengthening the credibility and transparency of Snam's approach.

The **Sustainability-Linked format** reinforces Snam's long-term commitment to decarbonisation and social progress by embedding ambitious targets into financial instruments. It incorporates standardized KPIs to ensure consistency and market credibility, focusing on Scope 1 & 2 emissions, including methane emissions reduction, Scope 3 emissions, a Carbon Neutrality target by 2040 for Scope 1 & 2 emissions, a Net Zero target by 2050 across all emission scopes, and a social KPI. Progress against these targets will be reported annually, ensuring transparency, consistency and credibility. The Framework is aligned with the ICMA Sustainability-Linked Bond Principles 2024 and the LMA Sustainability-Linked Loan Principles 2023 and has received an SQS3 "Good" rating from Moody's Second Party Opinion, confirming its robustness and level of ambition. Its credibility is further reinforced by Moody's Net Zero Assessment, published in February 2024, through which Snam became the first corporate issuer globally to be covered by such an

evaluation. The assessment verified the ambition level, consistency of implementation plans and alignment of targets with the Paris Agreement.

In this context, the share of sustainable finance in total funding increased from 40% in 2020 to 85% in 2025. Looking ahead, the Group aims to further raise this share to **95% of total available funding by 2030**, with 1% flexibility, as outlined in the 2026–2030 Strategic Plan.

#### % OF SUSTAINABLE FINANCE OUT OF TOTAL FINANCING INSTRUMENTS

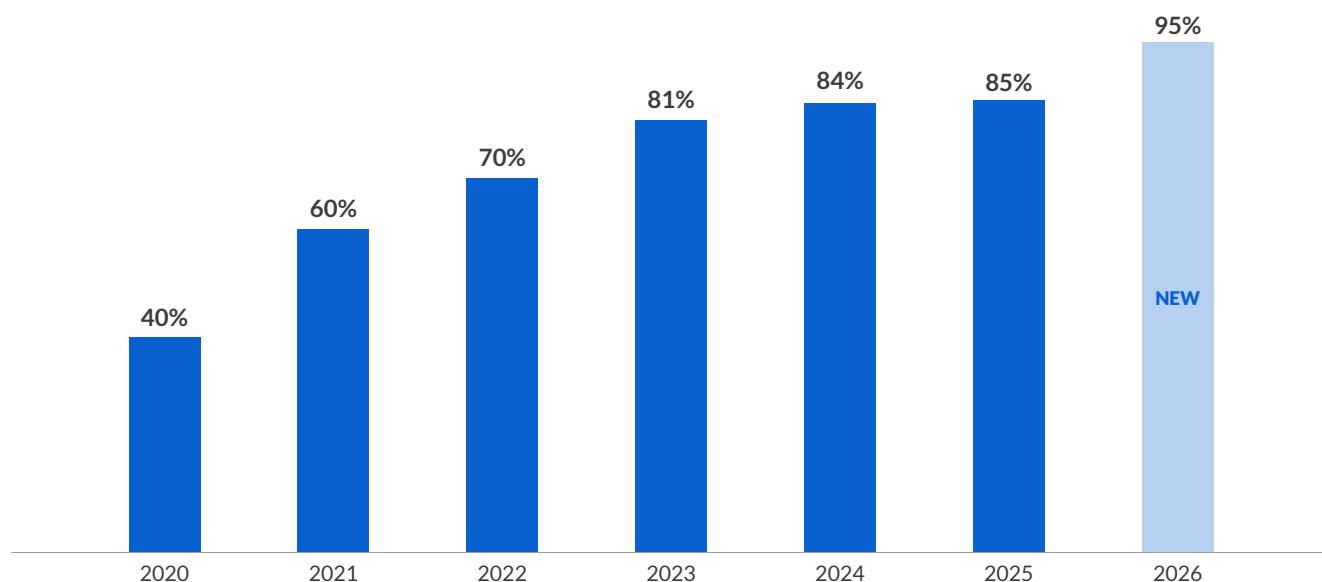


Fig. 1<sup>2</sup>

**2018:** Snam's first step in sustainable finance, with the conversion of the existing Revolving Credit Facility into a Sustainability-Linked RCF.

**2019:** On the capital markets side, Snam issued its €500 million Climate Action Bond, the proceeds of which were used to finance, and in part refinance, the Eligible Projects of Snam's Climate Action Bond Framework.

**2020-2021:** Snam issued four Transition Bonds for €2,350 million, the proceeds of which were used to finance the Eligible Projects of Snam's Transition Bond Framework.

On the back of this, in April 2021, Snam was awarded the 'Bond Awards 2021 for Innovation' assigned by Environmental Finance. Snam received this recognition for the innovative and forward-looking Bond Framework, developed with the aim to finance energy transition.

In November 2021, Snam published its Sustainable Finance Framework, ensuring the possibility to issue both sustainability-linked bonds and EU Taxonomy-aligned Transition bonds.

**2022:** Snam issued its inaugural Sustainability-linked bond for €1.5 billion, whose economic performance is linked to the achievement of certain sustainability targets.

Snam also issued an EU Taxonomy-Aligned Transition Bond for €300 million, the proceeds of which are earmarked for projects supporting the energy transition. Snam was awarded with "Transition Bond of the Year" by Environmental Finance, in which the innovative approach proposed on EU Taxonomy was recognized and rewarded.

<sup>2</sup> The target of 95% of total available funding by 2030 is to be intended with a 1% flexibility.

**2023:** Snam issued an EU Taxonomy-aligned transition bond exchangeable into Italgas shares for €500 million, as well as an EU Taxonomy-aligned Transition Bond for €650 million to finance projects supporting the energy transition. For the successful placement of the first instrument, Snam was awarded “Transition Bond of the Year” by Environmental Finance for the second consecutive year.

**2024:** Snam issued its inaugural €500 million Green Bond to finance eligible green projects under the Sustainable Finance Framework updated in early 2024, as well as its first €1 billion Sustainability-Linked Bond to finance the future CapEx plan, linked to targets for reducing Scope 3 emissions and Scope 1 and 2 emissions. Later that year, Snam launched its first-ever Sterling-denominated twelve-year Sustainability-Linked Bond for £600 million and a seven-year Euro-denominated Sustainability-Linked issuance for €750 million, marking key milestones in sustainable finance and funding diversification.

Snam was subsequently named “Sustainable Issuer of the Year” for 2024 by IFR, highlighting the company’s unwavering dedication to the energy transition and its adoption of innovative, sustainable financial instruments, including the Transition Plan presented in October 2024.

**2025:** Following publication of its updated Sustainable Finance Framework in April 2025, Snam successfully placed its inaugural multi-tranche USD-denominated Sustainability-Linked Bond totaling USD 2 billion. The transaction links debt servicing costs to ambitious GHG emission reduction targets across Scopes 1, 2 and 3, making it the first-ever SLB globally with a Net Zero target across all scopes. In July 2025, Snam further reinforced its sustainable finance strategy by issuing its first European Green Bond aligned with the EU Green Bond Standard, with a size of €1 billion. For its leadership in sustainable finance and pioneering role in promoting a sustainability-driven financial culture, in 2025 Snam was honoured with the Business International Finance Award 2025 in the Investment and Diversification for Growth and Sustainability categories, conferred at the CFO Summit, in addition to the award received from GlobalCapital as “Most Impressive Funding Official”.

Regarding banking facilities, the Group relies on long-standing relationships with institutional and banking counterparties. In 2018, Snam entered into a €3.2 billion KPI-linked Revolving Credit Facility (RCF). Furthermore, between 2021 and 2025, Snam arranged additional bank facilities in the form of Green Loans and KPI-linked loans, with a total outstanding amount of €2.9 billion as at the end of 2025. Finally, as of 31 December 2025, Snam had undrawn long-term KPI-linked RCFs totaling €5.5 billion.

In 2020, Snam joined, as one of the founding members, an initiative proposed by the United Nations Global Compact known as the CFO Taskforce, which evolved in 2022 into the UN Global Compact CFO Coalition for the SDGs. The initiative aims to make the sustainable finance market broader, more efficient and more liquid, while encouraging capital flows towards investments that significantly contribute to the achievement of the SDGs. The first integrated principles on investment and finance aligned with the SDGs were presented in September 2020 at the UN Private Sector Forum. These principles serve as guidance for companies, helping them align their sustainability commitments with credible financial strategies and thereby facilitating the creation of long-term sustainable value. Snam actively participates in the CFO Coalition for the SDGs by sharing strategies and case studies in sustainable finance and SDG investments, as well as by annually monitoring and reporting its SDG performance and targets in relation to the above-mentioned KPIs.

At the EU level, Snam actively contributes as a member of the Corporate Forum for Sustainable Finance, a platform established by European companies to create a permanent network for sharing perspectives and valuable ideas on the development of sustainable finance, particularly in relation to environmentally impactful projects. In January 2021, Snam became a member of the Nasdaq Sustainable Bond Network, an initiative run by Nasdaq that serves as a nexus for investors, issuers, investment banks and specialized organizations committed to sustainable finance. This collaborative network underscores Snam’s ongoing efforts to actively contribute to and engage with key entities in the sustainable finance landscape.

In the context of Snam’s Sustainable Finance strategy, the following report serves as the annual update to the Use of Proceeds report, providing investors with information<sup>3</sup> on Snam’s outstanding Use of Proceeds bonds.

<sup>3</sup> Comprehensive sustainability disclosure can be found on: <https://www.snam.it/en/sustainability/governance-and-transparency/reporting.html>.

## USE OF PROCEEDS INSTRUMENTS

As of the end of 2025, Snam had issued Use of Proceeds instruments totaling €6,225 million. These include the Climate Action Bond issued in 2019; the Transition Bonds issued in 2020 and 2021; the EU Taxonomy-aligned Transition Bonds and Green Loans issued in 2022 and 2023; the Green Bond issued in 2024; and the European Green Bond and Green Loan issued in 2025.

As of the end of 2025, all of Snam's Use of Proceeds instruments had been fully allocated, except for its 2024 Green Bond and 2025 European Green Bond. This Use of Proceeds report provides updates on the allocation of Snam's 2024 Green Bond and 2025 Green Loan. Please refer to the European Green Bond Allocation Report available on Snam's website for detailed information on Snam's 2025 European Green Bond, in accordance with Regulation (EU) 2023/2631 of the European Parliament and of the Council.

| Bond Instrument | ISIN         | Date of Issuance | Original tenor | Size (m€) | Coupon p.a. | Allocated (m€) 12/2024 | Allocated (m€) 12/2025 | Allocated (%) 12/2024 | Allocated (%) 12/2025 |
|-----------------|--------------|------------------|----------------|-----------|-------------|------------------------|------------------------|-----------------------|-----------------------|
| Green Bond 2024 | XS2767499275 | 19 February 2024 | 4-year         | 500       | 3,375%      | 228                    | 397                    | 46%                   | 79%                   |
| Green Loan 2025 | Bilateral    | 16 June 2025     | 2-year         | 150       | -           | n.a.                   | 150                    | n.a.                  | 100%                  |

Fig. 2<sup>4</sup>

The amounts raised in the capital markets have been used to finance or refinance, in whole or in part, Eligible Projects identified under the eligible categories set out in the applicable Snam Sustainable Finance Framework. Reporting is based on projects that have been deemed eligible through the regular selection and evaluation process, duly recorded in the internal system, and for which funds had been disbursed as of 31 December 2025<sup>5</sup>.

Looking ahead, Snam has carried out an analysis of the alignment of its Strategic Plan with the EU Taxonomy, highlighting that **approximately €5.2 billion of investments for the 2026–2030 period is expected to be aligned**.

4 In June 2025 Snam entered into a Green Loan to finance projects aligned with the EU Taxonomy, in accordance with the Green Financing Framework 2025. As of year-end 2025, the Loan had fully refinanced €150 million of Capex incurred in 2024, related to the "Transmission and distribution networks for renewable and low carbon gases" activity (EU Taxonomy activity 4.14), specifically covering approximately 50 km of replaced pipelines in the Italian peninsula with new certified hydrogen-ready pipelines. The hydrogen readiness of new replaced pipelines is assessed by considering the technical features that new pipelines have and testing them on several operational scenarios. Please note that for "hydrogen-ready pipelines" Snam means Snam internal standards ("GASD") coming from the implementation of international standards currently available. The design and construction of all SNAM networks are based on these standards including the company's know-how. The SN's network "hydrogen-ready" is based on the ASME B31.12' "Hydrogen Piping and Pipeline" standard. GASD remains unchanged for H2NG mixtures up to H2 100% in volume. These standards regulate the design and construction phases of the new gas network. At the end of 2024, within this category, 22 replacement projects have been identified, and all of these are currently under execution. At the end of 2025, within this category, 12 replacement projects have been identified, of which 6 projects are under execution, and 6 projects are already in operations. The extension of the H2-ready pipelines that will be replaced over the next years is estimated to be c. 1.600 km. Generally, these assets have an estimated lifetime of 50 years.

5 Information on how Snam manages impacts, risks and opportunities is provided on page 223-235 of Snam's 2025 Annual Report, which includes also specific sections on the Description of the processes to identify and assess material climate-related impacts, risks and opportunities and on Material topics, impacts, risks and opportunities for Snam, as a result of the double materiality analysis. The ways in which Snam has responded or plans to respond to the effects of the material impacts, risks and opportunities of each sustainability topic, as well as the activities that determine positive impacts, are described in the 'Actions and metrics' sections of the individual thematic chapters within the Annual Report. In summary, Snam's risk assessment is integrated into its Group-wide Risk Management Model, which identifies and prioritises risks based on business processes and strategic objectives. Risks and opportunities, including ESG themes, are classified by type and prioritised based on residual severity, which is determined starting from inherent severity and on the basis of an assessment of the effectiveness and adequacy of the mitigation measures in place, representing the Company's actual exposure to each specific risk. Since 2023, Snam has strengthened this approach through a dedicated Climate Change Risk Management framework, expanded in 2024 to include biodiversity risks under the Climate & Biodiversity Risk Management (CBRM) framework. In 2025, the CBRM analyses has been updated and further enhanced with in-depth assessments of climate adaptation measures to ensure the long-term resilience of Snam's infrastructure. In light of the material impacts, risks and opportunities, Snam has conducted resilience analyses, which show that Snam's business model and strategy are overall resilient in the face of different scenarios covering a short (2026), medium (2026-2030) and long (2030-2050) term time horizon. For information on ESG Governance please refer to the "Snam's governance system" section included in the 2025 Annual report: [https://www.snam.it/content/dam/snam/pages-attachments-search/en/documenti/bilanci-annuali/2025/annual\\_report\\_2025.pdf](https://www.snam.it/content/dam/snam/pages-attachments-search/en/documenti/bilanci-annuali/2025/annual_report_2025.pdf).

USE OF PROCEEDS INSTRUMENTS ISSUED UP TO 2023

As disclosed in the Sustainable Finance Annual Report published in 2025, which reports on the allocation of proceeds as of year-end 2024<sup>6</sup>, all Use of Proceeds instruments issued up to 2023 are fully allocated for a total amount of €4,575 million, in accordance with the applicable Snam Sustainable Finance Framework. For further details on the eligible categories and financed projects, as well as selected case studies, please refer to that Report.

USE OF PROCEEDS INSTRUMENT ISSUED IN 2024:  
THE INAUGURAL GREEN BOND

In February 2024, Snam successfully placed its inaugural €500 million Green Bond to finance projects aligned with the European Taxonomy, in accordance with the 2024 Sustainable Finance Framework. As of the end of 2025, approximately €397 million had been allocated, of which approximately €169 million in 2025. The main categories of eligible projects financed are related to: (i) “Construction of new buildings” (i.e. the new Snam Headquarters – Symbiosis project) (EU Taxonomy activity 7.1); (ii) “Transport of CO<sub>2</sub>” (EU Taxonomy activity 5.11); and (iii) “Transmission and distribution networks for renewable and low-carbon gases” (EU Taxonomy activity 4.14).

ALLOCATION OF GREEN BOND 2024, %

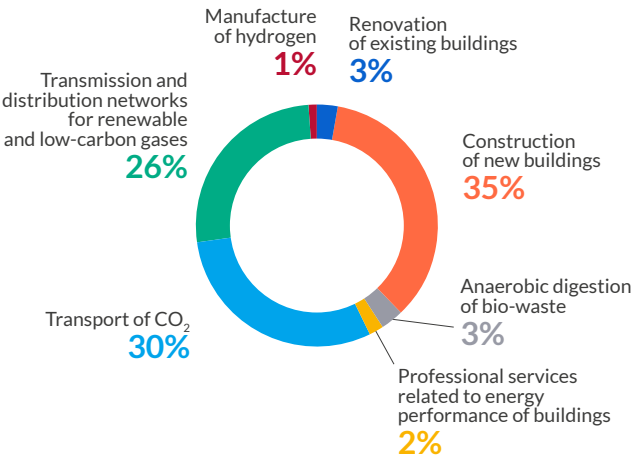


Fig. 3

| Bond Instrument | ISIN         | Date of Issuance | Original tenor | Size (m€) | Coupon p.a. | Allocated (m€) 12/2024 | Allocated (m€) 12/2025 | Allocated (%) 12/2024 | Allocated (%) 12/2025 |
|-----------------|--------------|------------------|----------------|-----------|-------------|------------------------|------------------------|-----------------------|-----------------------|
| Green Bond 2024 | XS2767499275 | 19 February 2024 | 4-year         | 500       | 3,375%      | 228                    | 397                    | 46%                   | 79%                   |

Fig. 4

<sup>6</sup> Available on Snam website: [https://www.snam.it/content/dam/snam/pages-attachments/it/investor-relations/documents/sustainable-finance/2025/Sustainable\\_Finance\\_Annual\\_Report\\_2025.pdf](https://www.snam.it/content/dam/snam/pages-attachments/it/investor-relations/documents/sustainable-finance/2025/Sustainable_Finance_Annual_Report_2025.pdf).

The unallocated proceeds are held in cash, while the allocated proceeds have financed 2024 and 2025 CapEx in Italy, as detailed in the table below.

### SUSTAINABLE FINANCE FRAMEWORK 2024 (GREEN BOND 2024)

| EU Taxonomy articles | Project Categories                                                        | As of December 2024                                   |                                                       | As of December 2025                                    |  |
|----------------------|---------------------------------------------------------------------------|-------------------------------------------------------|-------------------------------------------------------|--------------------------------------------------------|--|
|                      |                                                                           | Projects financed through Green Bond 2024 (€ million) | Projects financed through Green Bond 2024 (€ million) | Projects financed through Green Bond 2024 (% on total) |  |
| 3.10                 | Manufacture of hydrogen                                                   | 2                                                     | 2                                                     | 1%                                                     |  |
| 4.1                  | Electricity generation using solar photovoltaic technology                | -                                                     | -                                                     | -                                                      |  |
| 4.14                 | Transmission and distribution networks for renewable and low-carbon gases | 38                                                    | 102                                                   | 26%                                                    |  |
| 4.15                 | District heating/cooling distribution                                     | -                                                     | -                                                     | -                                                      |  |
| 4.16                 | Installation and operation of electric heat pumps                         | -                                                     | -                                                     | -                                                      |  |
| 5.7                  | Anaerobic digestion of bio-waste                                          | -                                                     | 10                                                    | 3%                                                     |  |
| 5.11                 | Transport of CO <sub>2</sub>                                              | 90                                                    | 120                                                   | 30%                                                    |  |
| 5.12                 | Underground permanent geological storage of CO <sub>2</sub>               | -                                                     | -                                                     | -                                                      |  |
| 6.15                 | Infrastructure enabling low-carbon road transport and public transport    | -                                                     | -                                                     | -                                                      |  |
| 7.1                  | Construction of new buildings                                             | 98                                                    | 141                                                   | 35%                                                    |  |
| 7.2                  | Renovation of existing buildings                                          | -                                                     | 12                                                    | 3%                                                     |  |
| 7.3                  | Installation, maintenance and repair of energy efficiency equipment       | -                                                     | -                                                     | -                                                      |  |
| 8.2                  | Data-driven solutions for GHG emissions reductions                        | -                                                     | -                                                     | -                                                      |  |
| 9.3                  | Professional services related to energy performance of buildings          | -                                                     | 10                                                    | 2%                                                     |  |
|                      |                                                                           | <b>228</b>                                            | <b>397</b>                                            | <b>100%</b>                                            |  |

Fig. 5

In 2025, the proceeds were allocated to finance CapEx incurred during the year in relation to projects aligned with the EU Taxonomy Technical Screening Criteria, including the Climate Change Mitigation Criteria, Do No Significant Harm Criteria, and Minimum Safeguards requirements.

## Examples of projects financed via the Green Bond and potential environmental benefits

### Pipelines for the CO<sub>2</sub> transport

EU Taxonomy activities 5.11 "Transport of CO<sub>2</sub>" - NACE Codes: F42.21 (Construction of utility projects for Fluids), H49.50 (Transport via pipeline), E39.00 (Remediation activities – other specialized pollution-control activities)

The Ravenna CCS project represents a strategic joint initiative between Eni and Snam, aimed at developing an integrated chain for the capture, transportation and permanent storage of CO<sub>2</sub>. The 50/50 joint venture is structured in two phases: an Experimental Phase (Phase 1) and a large-scale Industrial Phase (Phase 2). The initiative is part of the broader decarbonization effort of the Italian and European industrial system.

The Experimental Phase, launched in August 2024, involves the injection of 25,000 tonnes per year of CO<sub>2</sub> captured at Eni's Casalborgorsetti facility. Operational results have shown an average capture efficiency of over 90%, with excellent performance in terms of CO<sub>2</sub> purity and solvent consumption despite the low carbon dioxide concentration in the flue gas emitted by the plant, below 3%. This places the project among the most efficient globally and makes it the first operational industrial-scale project in Italy and the Mediterranean region.

The Industrial Phase (Phase 2) is divided into two sub-phases with a progressive injection target: initially 4 Mtpa, increasing to 16 Mtpa. For Snam, the total CapEx for the industrial phase is estimated at approximately €1.2 billion. Considering Snam's share, the project is expected to avoid 49 million tonnes of CO<sub>2</sub> by 2052, with an estimated environmental economic value of €10.1 billion. The calculation of avoided emissions is based on the Joint Research Centre methodology for the calculation of GHG emission avoidance developed by the European Commission<sup>7</sup>.

### New Snam's Headquarter

EU Taxonomy activity 7.1 "Construction of new buildings" - NACE Codes: F41.1 (Development of building projects), F41.2 (Construction of nonresidential buildings)

In 2025, Snam purchased the company's new headquarters, called "the energy house", from Covivio. The building is located in the Symbiosis district and complies with the sustainability criteria of the European Sharing Cities initiative. It was designed with a focus on people and future work dynamics. It is integrated with the city and its green areas, contributing to the urban regeneration of the area south of Porta Romana. In line with Snam's goal of contributing to the energy transition in the interests of all its stakeholders, the project takes an innovative approach to

addressing some of the key environmental challenges of our time, such as reducing CO<sub>2</sub> emissions, improving air quality and enhancing the liveability of cities. The decision to build a new headquarters has two objectives: on the one hand, to optimize Snam's real estate presence in the area, which has grown over time alongside the development of the company and is now spread across five different sites between San Donato Milanese and Milan; on the other, to create a modern space increasingly consistent with new ways of working, more flexible and open to social interaction, with more services for people and greater integration with the community and local area. Designed to the highest standards of sustainability and comfort, the building will meet the most important national and international requirements. The building has obtained an Energy Performance Certificate (EPC) rating of A2 and features primary energy demand (PED) more than 30% lower than that of a NZEB-compliant building, significantly exceeding the minimum 10% threshold required by the EU Taxonomy technical screening criteria. The LEED and WELL environmental certifications are currently being obtained.

### Networks for renewable and low-carbon gases

EU Taxonomy activity 4.14 "Transmission and distribution networks for renewable and low-carbon gases" - NACE Codes: F42.21 (Construction of utility projects for Fluids), H49.50 (Transport via pipeline), 42.11 (Construction of roads and motorways), 42.13 (Construction of bridges and tunnels), 71.1 (Architectural and engineering activities and related technical consultancy), 71.2 (Technical testing and analysis)

Within this category, in 2025 Snam also financed projects related to biomethane connections, a key enabler of the energy transition. These connections link local production plants with existing gas infrastructure, ensuring the safe and efficient transport of biomethane to end-users and meeting climate change mitigation criteria by exclusively transporting renewable gases, biomethane and biogas, with no fossil gas blending. In 2025, bond proceeds supported the availability of 835.4 ksmc/day of transport capacity. Generally, these assets have an expected lifetime of 50 years.

In addition to the environmental impacts reported above, the following additional impacts were achieved through the use of bond proceeds:

- **Art. 5.7 – Anaerobic digestion of bio-waste:** 23,000 tonnes of CO<sub>2</sub> emissions avoided in 2025;
- **Art. 9.3 – Professional services related to the energy performance of buildings:** 10,000 tonnes of CO<sub>2</sub> emissions avoided;
- **Art. 7.2 – Renovation of existing buildings:** in 2025, a total of 5 projects benefited from energy performance improvements.

<sup>7</sup> At this stage of the project, figures are ex ante estimates, reflecting expected performance under assumed operational conditions.

## **USE OF PROCEEDS INSTRUMENTS ISSUED IN 2025: A NEW GREEN LOAN AND THE INAUGURAL EUROPEAN GREEN BOND**

In addition to the €150 million Green Loan that Snam entered into in June 2025, as detailed in Figure 2, in July 2025 the Company successfully issued its inaugural European Green Bond amounting to €1,000 million to finance projects aligned with the European Taxonomy, in accordance with the 2025 Green Financing Framework. As of the end of 2025, approximately €458 million had been allocated to the following categories of eligible projects in line with the provisions of the European Green Bond Factsheet: (i) “Transport of CO<sub>2</sub>” (EU Taxonomy activity 5.11); and (ii) “Transmission and distribution networks for renewable and low-carbon gases” (EU Taxonomy activity 4.14).

Please refer to the European Green Bond Allocation Report available on Snam’s website for detailed information, in accordance with Regulation (EU) 2023/2631 of the European Parliament and of the Council.



**By**  
Snam

**Concept  
& layout**  
ACC & Partners

**For information  
please contact**  
Snam S.p.A.  
Via Vezza d'Oglio, 6  
20139 Milano (MI)

**[www.snam.it](http://www.snam.it)**

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the energy house

[snam.it](https://www.snam.it)