



Enagás, Snam and GRTgaz set up a joint investment initiative to boost clean hydrogen projects

The three European TSOs are contributing altogether through a 100 million euros investment in the Clean H2 Infra Fund managed by Hy24

Paris, December 16, 2021. The European gas Transmission System Operators (TSOs) Enagás (Spain), Snam (Italy) and GRTgaz (France), signed an agreement to set up shared initiatives aimed at supporting and exploring projects to accelerate the clean hydrogen market.

In line with the decarbonization goals set by the European Union, the three TSOs have addressed that hydrogen will play a critical role in the Energy Transition and have agreed to jointly explore further possibilities for cooperation in this field. Enagás, GRTgaz, Snam have joined the European Hydrogen Backbone Initiative: its last report shows that a pan European hydrogen infrastructure largely based on repurposed existing gas infrastructure is possible. This study showed a hydrogen pipeline network of nearly 40,000 km by 2040, connecting 19 EU Member States plus the United Kingdom and Switzerland.

This initiative of Enagás, Snam and GRTgaz, underlines the crucial role that the European gas TSOs will play by combining their experiences in the development of the European hydrogen ecosystem through the management of critical infrastructure.

As their first joint initiative, Enagás, Snam and GRTgaz will respectively invest 33 million euros in the Clean H2 Infra Fund in their role of anchor investors, for a cumulated investment of approx. 100 million euros: <https://www.hy24partners.com/>.

Clean H2 Infra Fund is an impact fund managed by Hy24, a joint venture between Ardian and FiveT Hydrogen, aimed at supporting the development of the clean hydrogen infrastructure sector, with a commitment of 1,500-1,800 million euros in partnership with industrial and financial investors. This is the world's largest platform for clean hydrogen infrastructure investment.

Hy24 combines Ardian's experience in infrastructure and asset management and FiveT's Hydrogen knowhow in the hydrogen value chain, along with the role and experience of the three TSOs in the management of energy networks and hydrogen technology.

By investing in Clean H2 Infra Fund, Enagás, Snam and GRTgaz aim at fostering the clean hydrogen industry with a positive impact on the use and development of hydrogen transmission grids.

According to Marcelino Oreja, CEO of Enagás, "The European Transmission System Operators are key elements in the battle against climate change, and this initiative fits perfectly with the projects promoted by Enagás based on its strategy of contributing a fair energy transition. This consortium is a clear example of joint co-operation between three European TSOs, which have an important role for future decarbonization of energy".



Marco Alverà, CEO of Snam, commented: "With this agreement, three leading European TSOs commit to working together and contributing to the acceleration of the energy transition across the continent and beyond, in line with the Fit for 55 package and the EU hydrogen strategy. Our existing hydrogen ready networks and storage facilities will play a key role in enabling cost-efficient decarbonization. We are ready to share our capabilities and support new investment initiatives like the Clean H2 Infra Fund in order to boost green hydrogen projects on the road to net zero".

Thierry Trouvé, CEO of GRTgaz points out: "In the future, hydrogen will play a major role to balance the electric system and in decarbonising industry, as the first lessons of the national hydrogen consultation, launched in France by GRTgaz with Teréga last June show. Industry is expressing a need for reliable access to competitively priced clean hydrogen, and it is therefore interested in the progressive development of a dedicated infrastructure to achieve that".

Pierre-Etienne Franc, Hy24's Chief Executive adds: "The joining of key TSO of the European gas infrastructure is a fundamental move for us as it shows the role we are expected to play in support to the whole industry development, from production to distribution and usage. We are honored that the first joint move of this consortium is to select Hy24 Clean H2 Fund as a first investment and expect this will trigger many scale projects on this part of the value chain".

Enagás' initiatives on the hydrogen field

Enagás is promoting 55 specific projects throughout Spain in the fields of renewable gases and decarbonisation (34 green hydrogen projects and 21 biomethane projects) alongside more than 60 partners. In total, these projects could mobilise a joint investment of 6.3 billion euros.

The company has achieved milestones in major projects such as 'Power to Green Hydrogen Mallorca', which is at final construction phase of the Lloseta photovoltaic plant, one of the two that will feed the first green hydrogen plant in Spain that Enagás is promoting together with its partners. As part of this same project, the Iberostar hotel group has signed the first green hydrogen supply contract for the tourism sector in Spain with Enagás and Acciona Energía.

The Repsol and Enagás' renewable hydrogen production project -directly from solar energy- have received European Commission funding support. In addition, the company has developed the first commercial hydrogen station in Spain and has joined forces with Naturgy and Exolum to develop the first major green hydrogen alliance for mobility in Spain, which will promote the construction of 50 hydrogen stations.

Also, Enagás and LatemAluminium signed a deal for the development of an industrial project to promote two green hydrogen production plants in Castilla y León. Enagás is also involved in six biomethane projects that have received support from the Institute for Diversification and Saving of Energy (IDAE).

Snam's initiatives on the hydrogen field

In its vision to 2030, Snam has identified investment opportunities for 23 billion euros in energy transport and storage and in new green projects, with hydrogen being at the core of this plan. Snam was the first gas transport company in Europe to experiment with blending



hydrogen with natural gas into its network, which is currently undergoing hydrogen-ready certification. The company also tested the possibility of blending up to 100% hydrogen in its storage fields.

More than two years ago, Snam launched a Business Unit dedicated to hydrogen, with the aim of being a leader in a sector with great prospects, contributing with its skills and technologies to enable a hydrogen value chain both at an Italian and international level. The initiatives are located on three strategic lines.

The first concerns the logistics and use of hydrogen in various countries and in various sectors such as hard-to-abate industries and mobility, in partnership with other relevant operators. In this field, Snam is managing more than 150 projects, from the conversion of diesel-powered railway lines to hydrogen to initiatives involving steel, glass, ceramics, paper, chemicals, ports and airports. Some of these projects fall within the scope of national and European funding programs (IPCEI, PNRR, Innovation Fund, Horizon 2020).

The second line concerns R&D and venture capital initiatives. Snam, for example, is cooperating with leading international universities and research centers to build an international network around its Hydrogen Innovation Center.

Finally, Snam is working with over 50 international partners along the entire hydrogen value chain, including partnerships with leading companies in the main electrolysis technologies, i.e. Alkaline (Industrie De Nora) and Proton Exchange Membrane (ITM Power).

GRTgaz's initiatives on the hydrogen field

GRTgaz plays an active role in the various hydrogen development pathway, the first project began in 2015 with the launch of the multi-partner Jupiter 1000 power to gas project. Located in Fos-sur-Mer (Bouches-du-Rhône), Jupiter 1000 has been injecting hydrogen molecules into the gas network since February 2020. Its testing programme will allow GRTgaz's industrial sites to prepare for the arrival of hydrogen in the networks.

GRTgaz will play a full role in the emergence of the hydrogen market by developing 700 km of hydrogen pipelines by 2030, partly through new pipelines, partly through conversion of the current gas network. The most advanced of these, the MosaHYc project, aims to develop Europe's first hydrogen network by converting gas pipelines between the Moselle, the Saar and Luxembourg. GRTgaz is also strengthening its R&D resources with the development of the FenHYX test platform dedicated to hydrogen. This platform inaugurated last November aims to test the compatibility of materials and network equipments with hydrogen.

About Enagás

Enagás has 50 years of experience in the development, operation and maintenance of energy infrastructures and operates in eight countries. The company is an independent TSO certified operator by the European Union.

Enagás has committed to being carbon neutral by 2040 and maintains a firm commitment to the decarbonisation process. Among other recognitions, the company is the world leader in its sector in the Dow Jones Sustainability Index (DJSI), according to the latest revision of this index. It has also received the highest score so far in Spain from S&P Global Ratings in the field of ESG (it has obtained the highest rating in the CDP Climate Change ranking).

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About GRTgaz

GRTgaz is one of the largest European gas transmission system operators, boasting 32,500 km of pipelines and 640 TWh of gas transported. The business employs 3000 staff and achieved a turnover of nearly 2.3 billion euros in 2020. GRTgaz has a mission statement that runs: "Together, we make possible an energy future that is safe, affordable and climate neutral". An innovative business undergoing profound transformation to adapt its network to the new ecological and digital challenges, GRTgaz is committed to a 100% carbon neutral gas mix in France by 2050. It supports the hydrogen and renewable gas (biomethane and gas from solid and liquid waste) industries. GRTgaz carries out public service missions to guarantee security of supply to its 945 customers (shippers, distributors, industry, power stations and biomethane producers). With its subsidiaries Elengy, the European leader in methane tanker terminals, and GRTgaz Deutschland, operator of the German MEGAL transport grid, GRTgaz plays a key role on the European stage. The business exports its expertise internationally, particularly those services developed by its research centre, RICE. You can find us at <https://www.grtgaz.com> and on Twitter. Press contact: chafia.baci@grtgaz.com / +33 6 40 48 54 40

About Snam

Snam is one of the world's leading energy infrastructure operators and ranks among Italy's largest listed companies, by market capitalization.

With its 80 years-experience in developing and managing sustainable and technologically advanced networks, Snam guarantees the security of supply and is an enabler of the energy transition. Through its international footprint, Snam operates in several European countries as well as in Asia, Middle East and North America.

The Group runs the largest natural gas transportation network (over 41,000 km including international assets) and storage capacity (3.5% of global market share) among its European peers and is also a leading player in LNG regasification, managing terminals in Italy and in Greece.

Snam is upgrading its infrastructure with hydrogen-ready standards and offering integrated solutions along the entire green gases value chain, through investments in energy efficiency, biomethane, sustainable mobility and hydrogen. The Group also creates new green areas through a benefit corporation focused on forestation activities.

Snam is committed to achieving net zero Scope 1 and 2 CO₂ equivalent emissions by 2040 and has set a reduction target for indirect Scope 3 emissions (associates, suppliers) by 2030.

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About Hy24

The world's largest clean hydrogen infrastructure fund results from the initiative of Air Liquide, TotalEnergies and VINCI Concessions, combined with the one of Plug Power, Chart Industries and Baker Hughes, which were sharing a common objective to accelerate the development of the hydrogen sector with the launch of the "Clean H2 Infra Fund".

The Clean H2 Infra Fund is being managed by HY24, a 50/50 joint venture between Ardian, a world leading private investment house, and FiveT Hydrogen, a clean hydrogen investment platform which enabled the gathering of the two initiatives.



The fund has also attracted additional anchor industrial partners such as LOTTE Chemical, anchor financial investors such as AXA, as well as other investors: Groupe ADP, Ballard, EDF, Schaeffler.

With the aim of fostering the energy transition and combating climate change, the fund will invest in the entire value chain of renewable and low carbon hydrogen, in the most promising regions in the Americas, Asia and Europe. It will invest as a partner, alongside other key project developers and industry players, in large upstream and downstream clean hydrogen project

With strong industrial expertise at its heart, the fund benefits from a unique capacity to accelerate the scaling up of hydrogen solutions along the whole value chain. With a target size of €1.5bn, the fund aims at bringing a unique capacity to unlock strategic and large scale projects under development and accelerate the scaling up of hydrogen markets.

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