

Report of the Board of Directors on the proposals
relating to items on the agenda of the Shareholders' meeting

SNAM S.p.A.

ORDINARY SHAREHOLDERS' MEETING OF 27 April 2022

ON SINGLE CALL

**Report of the Board of Directors on the proposals relating to items on the agenda of the
Shareholders' Meeting**

Item 12

**Determination of the remuneration of the Chairman and the members of the Board of
Statutory Auditors**

Dear Shareholders,

The Shareholders' Meeting, pursuant to Article 2402 of the Italian Civil Code and Article 20.1 of the Bylaws, determines the annual remuneration due to the Chairman of the Board of Statutory Auditors and Standing Auditors. They also receive reimbursement for expenses incurred in connection of their duties.

In this regard it is pointed out that, according to Recommendation 30 of the New Corporate Governance Code of listed companies published in January 2020, the remuneration of Statutory Auditors must be adequate *“to the competence, professionalism and commitment required by their role and the company's size, industry and current situation”*. Moreover, according to Recommendation 25 of the same New Corporate Governance Code, in order to have people with adequate competence and professionalism, the remuneration of members of the control body must be defined with due consideration of the remuneration practices that are common in the reference sectors and for companies of a similar size, also considering comparable international experiences and if necessary obtaining the support of an independent consultant.

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In this regard, the Board of Directors recalled that the Shareholders' Meeting of 02 April 2019 had approved the proposal of the Board of Directors to fix the gross annual compensation due to the Chairman of the Board of Statutory Auditors and each Statutory Auditor, respectively, as 80,000.00 euros and 60,000.00 euros, plus reimbursement of the expenses incurred.

At that time, the Shareholders' Meeting had confirmed the compensation due to them previously established by the Shareholders' Meeting of 27 April 2016 in that it is still in line with the benchmark analysis conducted with reference to FTSE MIB companies and in relation to the commitment required by the Company to fulfil the office.

The aforementioned compensation is still in line with the benchmark analysis conducted with reference to a group of industrial peer companies of the FTSE MIB and the Board of Directors therefore proposed its confirmation. The Company's remuneration policy, approved by the Board of Directors and presented in the first section of the 2022 Report on the Remuneration Policy and Compensation Paid (which is subject to the approval of this Shareholders' Meeting under the fourth item on the agenda), envisages a gross annual remuneration due to the Chairman of the Board of Statutory Auditors and to each Standing Auditor, respectively of 80,000.00 euros and 60,000.00 euros, in addition to reimbursement of the expenses incurred.

Furthermore, it is noted that, on 18 April 2008, the Shareholders' Meeting authorised the Board of Directors to extend the insurance policy, provided for the management to cover professional liability risks, the so-called Directors and Officers Policy, to the directors and to the statutory auditors of Snam S.p.A. according to the standard terms and conditions in practice on the insurance market. This policy, which also guarantees cover for new members of such bodies, sets an annual ceiling of 50 million euros and an annual premium of around 200,000 euros.

Dear Shareholders,

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In view of the foregoing, you are invited to establish the gross annual compensation due to the Chairman of the Board of Statutory Auditors and each Standing Auditor, respectively, as 80,000.00 euros and 60,000.00 euros, in addition to reimbursement of the expenses incurred, also confirming the authorisation to extend the “Directors & Officers” insurance policy to Standing Auditors under the terms and conditions set out above.

The Chairman of the Board of Directors

Mr Nicola Bedin