

REPORT ON THE REMUNERATION POLICY AND REMUNERATION PAID

2022

Energy to inspire the world



COMPANY PROFILE

Snam is Europe's leading operator in natural gas transport and storage, with an infrastructure capable of enabling the transition to hydrogen.

It operates a transmission network of around 41,000 km between Italy, Austria, France, Greece and the UK and holds 3.5% of the world's storage capacity. It is among the top ten Italian listed companies by market capitalization.

With its 80 years of experience in the development and management of networks and plants, it guarantees security of supply and promotes energy transition in the areas it serves. In addition to transport and storage, Snam is also a major player in LNG regasification. The company is also active in Asia, the Middle East and North America.

Snam is committed to renewing its infrastructure with hydrogen-ready standards and to developing integrated projects along the green gas value chain, with investments in biomethane, hydrogen, sustainable mobility and energy efficiency. It also creates new green areas through a benefit company focused on forestation projects.

Snam has set a zero net Scope 1 and 2 CO₂ equivalent emissions target by 2040 and a Scope 3 indirect emissions reduction target (subsidiaries, suppliers) by 2030.

REPORT ON THE REMUNERATION POLICY AND REMUNERATION PAID

2022



Approved by the Board of Directors on 16 March 2022
The Report is published in the "Ethics and Governance" section
of the Company's website (www.snam.it)

Snam's Reports

"INTEGRATED REPORTING MEANS INTEGRATED THINKING"

Snam has been following, for some time, a path of integration of the reporting processes based on the assumption that "integrated reporting means integrated thinking". This approach aims at responding to the requests of all stakeholders by means of an extensive, transparent and complete, as well as responsible, corporate reporting. Thanks to the publication of several specific reports, Snam provides a timely and in-depth view of its activities, performance and annual challenges.

Mandatory

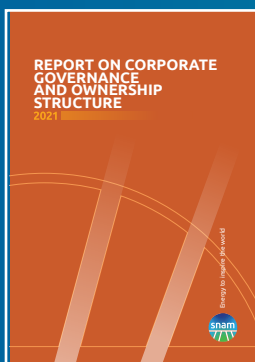


ANNUAL REPORT

It provides a comprehensive view of financial and non-financial performance through the information contained in the Report on Operations - Integrated Report, the Non-Financial Statement prepared in accordance with Legislative Decree 254/2016, in the Consolidated and Annual Financial Statements.

CONSOLIDATED NON-FINANCIAL STATEMENT

It provides information on the company's management and organisational methods, policies, risks and how they are managed, and performance on sustainability issues relevant to the Group. The document, drawn up in accordance with Legislative Decree 254/2016, is a specific section of the Annual Financial Report.



REPORT ON CORPORATE GOVERNANCE AND OWNERSHIP STRUCTURE

It provides detailed information about the company, its governance system and structure, the ownership structure, the internal control and risk management system and related topics.

Voluntary



SUSTAINABILITY REPORT

It describes performances and future goals regarding the environmental, social and governance topics (ESG), strengthening the relationship and collaboration with all the stakeholders of the Company.



CLIMATE CHANGE REPORT

It describes the Company's governance, strategy and scenarios, risks and opportunities, metrics and targets for climate change management, in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

FOCUS ON



REPORT ON THE REMUNERATION POLICY AND REMUNERATION PAID

The Report on the Remuneration Policy and remuneration paid is a document that aims to illustrate the remuneration policy that the Company intends to adopt for the current year and the remuneration paid during the previous year, in accordance with the current policy.

The Report relates to the remuneration policy regarding specific categories of subjects: Non-executive Directors, Auditors, Chief Executive Officer and Managers with Strategic Responsibilities.

The objective of the document is to share the company's reward policy with Shareholders and other Stakeholders, an essential tool for achieving short and medium-long term objectives.

The Shareholders' Meeting is called to express a binding vote on the first Section of the document (2022 Policy) and a non-binding vote on the second Section (Remuneration paid in 2021).

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LETTER BY THE CHAIRWOMAN OF THE REMUNERATION COMMITTEE



FRANCESCA PACE

Chairwoman of the Remuneration Committee

Dear Shareholders,

I am pleased to present, on behalf of the Remuneration Committee and the Board of Directors, the Annual Report on Snam's remuneration policy and remuneration paid (hereinafter also the "Report"). The document aims to illustrate in a transparent manner to all Stakeholders the elements that make up the remuneration policy for the year 2022 and the results of its application for the year 2021.

At the end of our three-year term of office, I would like to take this opportunity to thank the members of the Committee, Prof. Lawyer Rita Rolli and Lawyer Alessandro Tonetti, as well as Donata Paola Patrini, for their commitment and for the work carried out in order to provide the Company with remuneration policies and tools to make it increasingly competitive on the market.

In 2021, the Shareholders' Meeting confirmed a high level of approval for Snam's Report, which received a broad consensus from Shareholders (97.8% for Section I and 96.8% for Section II). In defining the remuneration policy for 2022, the Committee took into account the outcomes of the shareholders' meeting, as well as the

indications shared by the main Proxy Advisors and institutional investors.

The Committee carried out activities on remuneration in order to define a Remuneration Policy for 2022 that ensures the alignment of management interests with those of shareholders and other stakeholders, supporting the pursuit of the strategic objectives of the new 2021-2025 Business Plan presented to the market in November last year.

During 2021, the Committee requested to Korn Ferry, which does not carry out any other consulting activities on remuneration issues for Snam, a review of the remuneration positioning of the Group's Executives with Strategic Responsibilities and Leadership Team. The analysis led to the identification of two different panels: the first "national", made up of companies in the industry sector belonging to the FTSE MIB index, and the second "integrated", made up of the companies in the national panel and other international companies comparable with Snam in terms of size and contiguity of activities. The remuneration comparison analyses carried out on the above samples, as well as on those identified at the beginning of the mandate, have highlighted Snam's adoption of remuneration characterised by the predominance of the variable component, particularly the long-term component, for all roles with a greater impact on company results, in line with market best practices.

In the implementation of the Remuneration Policy approved annually, the Committee monitors the evolution of the Company's Strategic Plan, in order to translate the related objectives also within the management incentive systems.

The short-term variable incentive plan reflects these strategic challenges ensuring correlation both with the company's economic-financial objectives and with sustainability issues (ESG).

With this in mind, the Committee proposed to the Board, when defining the 2022 Short-Term Incentive Plan (IMA), that a portion of the bonus be linked to strategic projects that Snam is called upon to pursue in 2022 to ensure the security of gas supplies in Italy, also in light of the current Russian-Ukrainian conflict.

With reference to the long-term incentive plan, the main purpose remains that of directing management towards the achievement of the company's strategic objectives while promoting the creation of sustainable value in the medium-long term for shareholders, in line with the Company's corporate purpose. To this end, also thanks to the constant and fruitful cooperation of the ESG Committee, which I would like to thank, the 20% weight of ESG objectives was confirmed, even more challenging than last year and characterised by the presence of:

- a metric designed to assess Snam's results in terms of reducing natural gas emissions. It is one of the themes at the heart of Snam's decarbonization strategy, which in 2021, further strengthened and made its targets*

more challenging, with the aim of reducing natural gas emissions 55% within 2025 vs. 2015 (compared to the previous value of -45%), higher than recommended by the Oil & Gas Methane Partnership Framework (OGMP 2.0) prepared by the United Nations Environment Programme (UNEP) to which Snam adhered;

- an indicator focusing on gender diversity. As confirmation of Snam's commitment on this front, I would like to emphasise how the Company's focus on diversity and inclusion issues has enabled it to be included, for the third year running, in Bloomberg's Gender Equality Index.*

I trust that the Committee's commitment to management and the choices made in continuity with the Remuneration Policy approved at the last Shareholders' Meeting can once again be understood and appreciated, with the support that will be given to the proposed Remuneration Policy for 2022.

*Chair of the Remuneration
Committee
Lawyer Francesca Pace*

ABSTRACT 2022 REMUNERATION POLICY

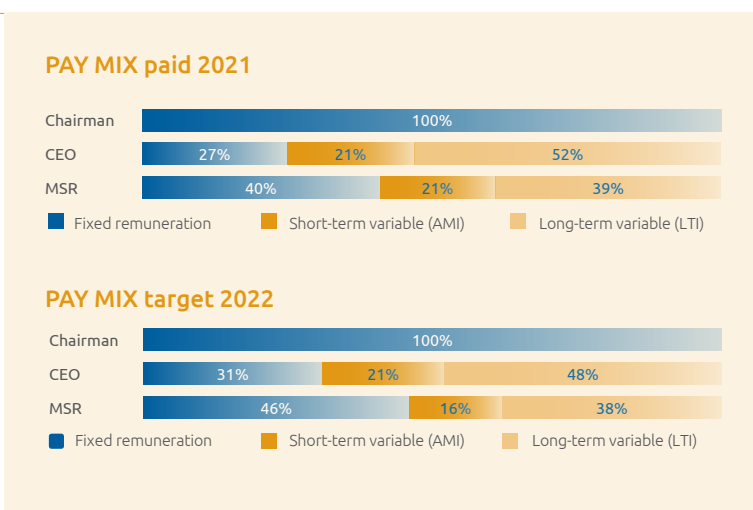
The remuneration policy for the year 2022 is defined in continuity with the previous one and in compliance with as was decided by the Board of Directors for the 2019-2021 mandate. With reference to the 2022-2024 term of office, the Shareholders' Meeting will determine the remuneration for the non-executive members of the Board of Directors and for the Board of Statutory Auditors. The new Board of Directors appointed for the 2022-2024 term of office will determine, on the proposal of the Remuneration Committee, the remuneration for the Chair and Chief Executive Officer in accordance with the remuneration policy guidelines and pay mix structures contained in this Report, as well as the remuneration provided for participation in the Board Committees.

MEMBER	PURPOSE AND CHARACTERISTICS	IMPLEMENTATION CRITERIA AND CONDITIONS	VALUES
Fixed remuneration	It adequately compensates the skills, professionalism and contribution required by the role held, with the aim of supporting motivation also for retention purposes.	Fixed remuneration is determined on the basis of the assigned roles and responsibilities, by considering the levels for equivalent positions in the market and with any annual adjustments established by merit (continuity of individual performance) or by progression of role/responsibility	<p>Chair: Euro 310,000 (including annual fixed remuneration for directors established by the Meeting of 02 April 2019)</p> <p>Chief Executive Officer: Euro 970,000 (including annual fixed remuneration for directors established by the Meeting of 02 April 2019)</p> <p>MSR*: commensurate with the powers and role covered</p>
Short-term variable incentives (AMI - Annual Monetary Incentive)	<p>Provided annually in monetary form, it is a useful tool to motivate and direct management's action in the short term, in line with the corporate objectives established by the Board of Directors.</p> <p>The amount of the short-term incentive depends on the position held and company and individual performance.</p>	<p>Objectives of the Company/CEO Scorecard:</p> <ul style="list-style-type: none"> - Adjusted EBITDA (30%) - Investments (15%) - Strategic projects (20%) - New Business: New business milestones (15%) - Sustainability (20%) - injury frequency and severity weighted index of employees and contractors (10%); indices DJSI, FTSE4GOOD, CDP Climate Change e Sustainalytics (5%); Sustainable Finance (5%) <p>MSR objectives: the AMI is determined 25% by the results of the objectives assigned to the CEO and, for the remaining 75%, by individual objectives (focused on economic/ financial, operating and industrial performance, internal efficiency, and sustainability and behavioural topics)</p> <p>Claw-Back Clauses</p>	<p>Incentives paid based on the results achieved in the previous year and assessed according to a performance scale of 70/130 points, with a minimum incentive threshold equal to an overall performance of 85 points</p> <p>CEO: 60% of fixed remuneration for results equal to min** (score = 85%), 70% of fixed remuneration for results equal to target (score = 100), 91% of fixed remuneration for results equal to max (score = 130)</p> <p>MSR*: variable incentive percentages based on the role covered with respect to the fixed remuneration equal to 30% upon reaching the minimum level of performance, 35% for results at target and 52% for results at the max</p>

MEMBER	PURPOSE AND CHARACTERISTICS	IMPLEMENTATION CRITERIA AND CONDITIONS	VALUES
<p>Long-term variable incentives</p> <p>(LTI - Long-Term Share-Based Incentive)</p>	Reserved for holders of positions assigned the most direct responsibilities for the company results, it ensures greater alignment between the interests of shareholders and management's action.	<p>Three-year share-based plan with annual assignments and three-year vesting period</p> <p>Indicators: Adjusted net profit (50%); Value Added Growth (30%); Sustainability (20% overall of which 10% for natural gas emissions reduction and 10% for gender gap targets)</p> <p>Incentive allocation depending on the role held</p> <p>Incentive accrual: Cumulative three-year results in the vesting period measured on a linear scale with respect to defined plan targets Claw-back clauses</p>	<p>CEO: the incentive in case of achievement of the minimum performance level will be 106%, the target incentive is 158%, the maximum possible incentive is 210% of the fixed remuneration</p> <p>MSR*: variable incentive percentages based on the role held, on average the incentive values compared to the fixed remuneration envisage a minimum of 55%, a target level of 81% and a maximum of 108%</p>
Benefits	They are an integral part of the remuneration package and are characterised by their mainly social security or pension nature.	Defined in continuity with the Policy adopted in the past years and in compliance with the provisions of national bargaining and supplementary company agreements for management	<p>The entire management population is assigned:</p> <ul style="list-style-type: none"> - supplementary pension fund - supplementary health care fund - forms of insurance coverage against death and disability risk - cars for both private and professional use

Pay mix

The guidelines of the 2022 Remuneration Policy determine a remuneration mix consistent with the managerial position held. In the case of the CEO, the weight of the variable component is accentuated compared to the rest of the managerial team.



General Note

Data is rounded to the nearest unit (downwards in the case of zero to four digits and upwards in the case of five to nine digits) for the purposes of representative convention only. The Company has established precise approximation rules within its Formal methodology for determining the allocation of the Chief Executive Officer's LTI 2020-2022 long-term equity incentive plan (2020-2022 cycle)

* MSR - Managers with Strategic Responsibilities

** With regard to the short-term variable incentive (Annual Monetary Incentive AMI), the minimum figure for the Chief Executive Officer remains the same as last year, at 59.5% of fixed remuneration. As from the previous year, this value has been approximated to unity (by default for figures from zero to four and by excess for figures from five to nine).

INTRODUCTION

This “Report on the remuneration policy and remuneration paid”, hereinafter also the “Remuneration Report” or the “Report”, approved by the Board of Directors on proposal of the Remuneration Committee on 16 March 2022, in fulfilment of current legislative and regulatory obligations¹, defines and explains:

- in the first section, which is subjected to the binding vote of shareholders, the Policy adopted for 2022 by Snam S.p.A. (hereinafter “Snam” or the “Company”) for the remuneration of Directors, Auditors and Managers with Strategic Responsibilities², specifying, in particular, the general purposes pursued, the bodies involved and the procedures used for adopting and implementing the Policy. The general principles and guidelines set out in the Snam Policy also apply for the purposes of determining the remuneration policies of Snam’s direct and indirect subsidiaries;
- in the second section, subject to an advisory vote by shareholders, each of the items that make up remuneration, including treatments provided in the event of termination of office or termination of employment (highlighting their consistency with the company’s remuneration policy for 2021), the remuneration paid in 2021 to Directors and Statutory Auditors by name, and in aggregate form to Snam’s Managers with Strategic Responsibilities, and how Snam took into account the vote cast in 2021 on the second section of the report.

The Remuneration Policy illustrated in this

1 Article 123-ter of Legislative Decree No 58/98, implementing Directive 2017/828 of the European Parliament and of the Council of 17 May 2017 (Shareholder Rights Directive II, “SHRD 2”), which amends Directive 2007/36/EC (“SHRD”) as regards the encouraging of the long-term commitment of shareholders and Article 84-quater of the Consob Issuers Regulation (Resolution 11971/99 as subsequently amended and supplemented).

2 “Managers with Strategic Responsibilities” pursuant to article 65, paragraph 1-quater, of the Issuers’ Regulation, which refers to the definition in IAS 24, are “the subjects with the power and the responsibility, directly or indirectly, for planning, managing and controlling the company’s activities, including the directors (executive or otherwise) of said company”. As at the date on which this Report is approved, Snam’s Managers with Strategic Responsibilities, other than Directors and Auditors, are the following: Chief Industrial Assets Officer, Chief Financial Officer and Chief International & Business Development Officer and Executive Vice President Human Resources & Organization & PFM.

Report has also been adopted by the Company, as provided for by Consob Regulation 17221/2010 on the subject of related-party transactions, and pursuant to paragraph 3.2, point 7 of the Guideline “Transactions involving interests of Directors and Auditors and Related-Party Transactions” (the “Related-Party Guidelines”) approved by the Board of Directors most recently on 15 June 2021. The Policy described in the first section of the Report has been prepared substantially in line with the recommendations on remuneration of the Corporate Governance Code³ approved by the Corporate Governance Committee, as amended in the January 2020 edition, to which Snam adheres, and to the changes introduced, on the subject of remuneration, by the 10 December 2020 update of the Issuers’ Regulations - article 84-quater and Annex 3A, schedule no. 7-bis - through resolution no. 21623, which transposes the amendments made by Legislative Decree no. 49 of 10 May 2019, implementing Directive 2017/828 of the European Parliament and of the Council of 17 May 2017 (Shareholder Rights Directive II, “SHRD 2”), which amends Directive 2007/36/EC (“SHRD”) as regards the encouragement of long-term shareholder engagement.

The text of this Report is made available to the public at the registered office, on the Company’s website⁴, and at the authorised storage mechanism “eMarket Storage” (www.emarketstorage.com), by the twenty-first day before the date scheduled for the Shareholders’ Meeting convened to approve the 2021 financial statements and required to express: (i) with binding resolution, an opinion on the first section of said Report and (ii) with non-binding resolution, an opinion on the second section of the Report, as provided for by current legislation⁵.

3 It should be noted that Snam’s long-term incentive plan, based on financial instruments, also provides for a two-year lock-up on 20% of the shares granted, gross of those required to pay tax. The shares thus become available over a period of five years, and this element of Snam’s remuneration policy is therefore in line with Recommendation 28 of the Corporate Governance Code.

4 The text is published in the “Ethics and governance – Shareholders’ Meetings” section of the Company’s website (www.snam.it/repository/file/Governance/remunerazione/Relazione_sulla_Remunerazione_2022.pdf).

5 New aspects introduced by Italian Legislative Decree 49/2019, article 3, first paragraph, letters e) and g), which supplement paragraph 3 and replace paragraph 6 of article 123-ter of Italian Legislative Decree no. 58/98.

SUMMARY OF 2021 RESULTS

Adjusted Net Profit

Euro 1,218
million
+4.6% vs 2020

Adjusted EBITDA

Euro 2,250
million
+2.4% vs 2020

Investments

Euro 1,270
million

2021 Results

Total revenues: Euro 3,297 million, +19.0% compared to 2020, due to growth in regulated revenues and in the energy transition new businesses, in particular in respect of energy efficiency. Adjusted EBITDA at Euro 2,250 million and Adjusted Net Income at Euro 1,218 million, an increase of 2.4% and 4.6% respectively compared to 2020.

Support for the strategy was ensured through technical investments of Euro 1,270 million, increased by 6.8% compared to 2020.

Operational data

The volumes of gas injected into the national network totalled 75.77 billion cubic meters, up by 5.80 billion cubic meters compared to 2020 (+8.3%), in line with the growth in natural gas demand (76.25 billion cubic meters; +4.94 billion cubic meters, equal to 6.9% compared to 2020), which in 2020, had recorded a decline due to the restrictive measures implemented to contain the contagion from COVID-19.

Total storage capacity at 30th September 2021, including strategic storage, is 16.5 billion cubic metres, among the highest in Europe during this period of supply difficulties across the continent.

The volumes of regasified LNG, on the other hand, amounted to 1.05 billion m³ (2.55 billion m³ in 2020; -58.8%); the reduction is attributable to the dynamics of prices significantly conditioned by high demand for LNG from the Asian market with premium values compared to the European market.

Strong acceleration towards the energy transition

Acquisition in January 2021 of a connection stake in Industrie De Nora S.p.A., a highly strategic partnership for the production of green hydrogen and for the treatment of waste water, thanks to its technical expertise in alkaline electrodes, essential components for the production of alkaline electrolysers. Acquisition, in December 2021, of 12.5% of DCarbonX Ltd, a company active in geoenergy,

aimed at developing hydrogen and carbon dioxide storage solutions in Ireland and the United Kingdom.

Acquisition, in December 2021, of 25% of the East Mediterranean Gas Company (EMG), owner of the Arish-Ashkelon gas pipeline, part of the so-called "peace pipeline". The acquisition marks Snam's entry into the Eastern Mediterranean, an area that will benefit from both the development of gas demand and energy transition initiatives.

Environmental sustainability

Snam has defined its intention to achieve carbon neutrality in its activities by 2040 and has defined targets on Scope 3 emissions, deriving from the value chain (primarily investee companies and suppliers).

In 2021, there were -7% Scope 1 and 2 emissions vs. 2018 and -28.9% natural gas emissions vs. 2015, which amounted to 35.4 Mm³. NOx emissions increased by 38% vs. 2020 due to the use of more energy-intensive import backbones, such as the North African backbone, compared to the less energy-intensive ones, such as the northern Europe and Russia backbones. However, this increase is lower than the increase in fuel gas thanks to the actions implemented by Snam in recent years with the launch of a program to replace traditional turbines with low-emission turbines (DLE). The average plate NOx emissions referring to installed power have in fact improved compared to 2020 and were equal to 3 and 3.8 [mg/Nm³]/MW respectively for storage and thrust.

As a result of its constant commitment to environmental sustainability, Snam has been included in the Carbon Disclosure Program (CDP) A-list and in the CDP supply chain. As early as 2020, Snam defined an ESG Scorecard to monitor performance in the main areas of sustainability. Of these, we note in particular the 28.9% reduction in natural gas emissions vs. 2015 in the environmental field, the increase to 4,562 of the hours donated by employees dedicated to the initiatives of the Snam Foundation to support communities in the social field, the time dedicated by the Board of Directors to ESG issues, which amounts to more than 40% in the field of governance.

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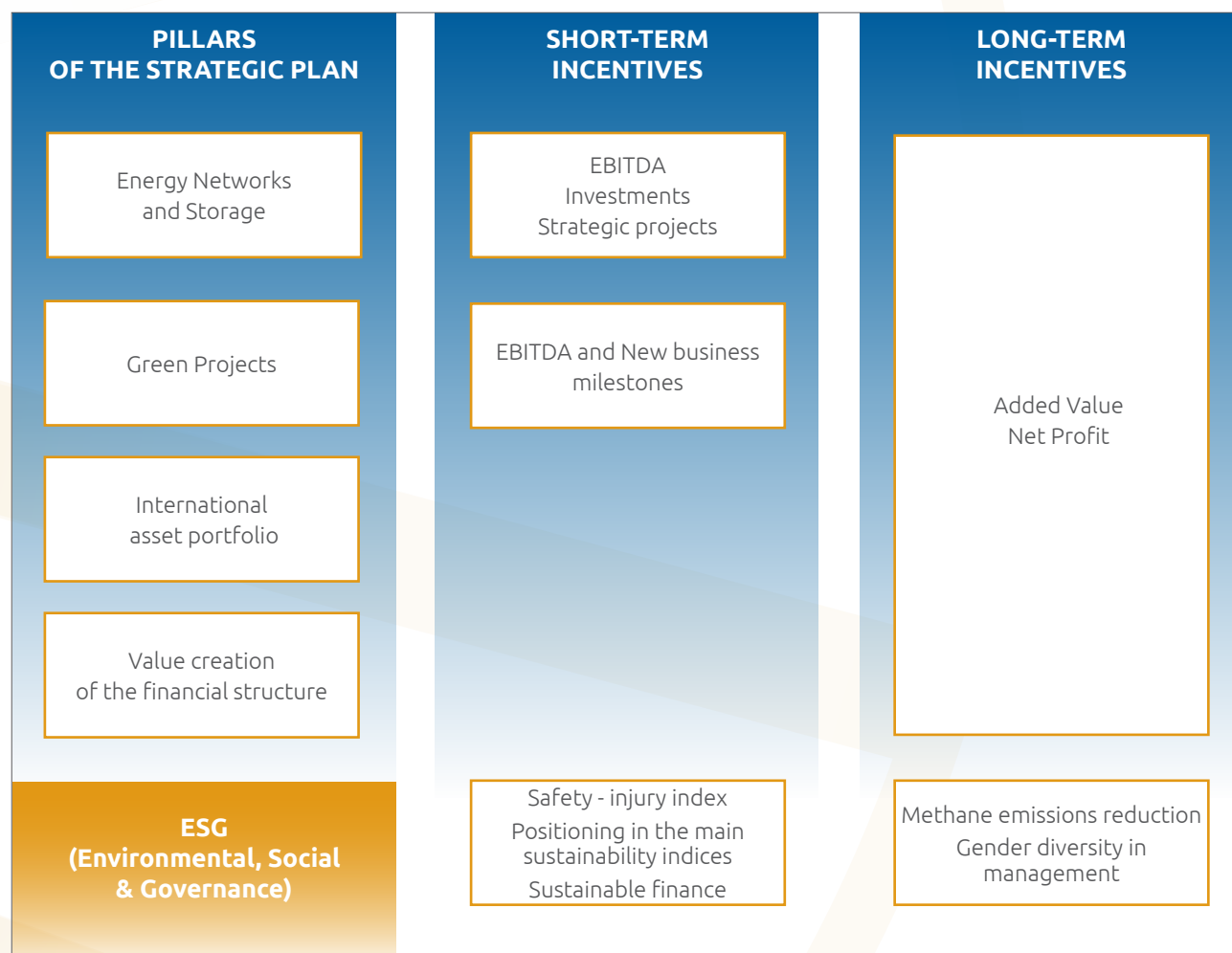
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REMUNERATION POLICY AND STRATEGIC PLAN

With reference to the provisions of article 123-ter, paragraph 3-bis of the Consolidated Finance Act (TUF), below is a comparison of the performance objectives used in the short- and long-term incentive systems and the essential lines of the 2021-2025 Strategic Plan, showing the clear, complete **connection between the Company's Strategic Plan** and the incentive systems.



SUSTAINABILITY

With the new 2025 strategic plan and the vision to 2030, Snam has fully assumed the role of enabler of the energy transition for the country system, in line with the United Nations sustainable development objectives and with the Paris agreements. The strategy is developed in three key areas:

- **Energy networks:** evolution towards a "multi-commodity" infrastructure capable of transporting not only natural gas but also biomethane and hydrogen, thanks also to a gradual conversion of existing pipelines into a dedicated hydrogen network;
- **Storage:** evolution towards a "multi-commodity" storage company (natural gas, biomethane, hydrogen, etc.) and eventually also allowing sector coupling solutions, e.g. through batteries;
- **Green projects:** evolution from pilot projects to scalable and increasingly integrated green gas projects (biomethane and hydrogen) along the entire value chain to foster market development and contribute to decarbonization.

After being one of the first in its sector to commit to achieving zero net greenhouse gas emissions (Scope 1 and Scope 2 emissions) by 2040, Snam has set itself targets for 2030 for indirect Scope 3 emissions (emissions outside the company's direct control, mainly attributable to suppliers and investee companies). As a result of a series of collaborative projects and initiatives developed in recent years, Snam is committed to reducing emissions from its subsidiaries (and other much less impactful categories such as emissions related to fuel and energy production and transmission, business travel and employee commuting) by 46% and emissions (in terms of economic intensity) from its supply chain by 55% by 2030 compared to 2019 values. Snam's 2030 emission reduction targets are in line with the objective of containing global warming to within 1.5°C.

Snam has also raised its methane emissions reduction target from 45% to 55% by 2025

compared to 2015 values, which is more ambitious than the -45% target of the UNEP (UN Environment Programme) objectives, the initiative the Company joined in 2020.

In addition, as a demonstration of its commitment to all ESG factors, Snam has strengthened its ESG Scorecard by setting targets for 2025, including the area of sustainable finance and introducing a new KPI on the introduction of ESG criteria into its scoring model for supplier assessment. The 2022 Remuneration Policy focuses in particular on ESG (Environmental, Social & Governance) objectives and, specifically, provides for the following, in line with the Company's sustainable strategy:

- for the short-term incentive system, a weight of 20% with three specific KPIs linked to the issue of sustainability: the weighted index of frequency and severity (IpFG) of employee and contractor accidents; confirmation of the inclusion and maintenance of Snam at levels of excellence with respect to a basket of sustainability indices (Dow Jones Sustainability Index, FTSE4GOOD, Sustainalytics and CDP climate change); and an increase in the value of sustainable financing.
- for the long-term share-based incentive plan, a weight of 20% with two KPIs linked to sustainability: reductions of natural gas emissions (weight of 10%) and representation in terms of gender diversity in Snam's management team (weight of 10%).

Finally, with reference to the significant events that have taken place since the end of the financial year, and in particular the conflict between Russia and Ukraine that began on 24 February, Snam is cooperating with national and European institutions and the regulatory authority, offering its contribution to the security and diversification of supplies through its natural gas transportation and storage infrastructure.

GOVERNANCE OF THE REMUNERATION PROCESS

The process of preparing, approving and potentially reviewing the Snam Remuneration Policy involves multiple parties, as per regulatory and statutory provisions and the Company's governance model. The bodies and individuals involved in the process of approving remuneration policies are listed below.

Shareholders' Meeting

In relation to remuneration, the Shareholders' Meeting:

- determines the remuneration of Board Members at the time of their appointment and for their entire term of office;
- resolves, on the proposal of the Board of Directors, on remuneration plans based on the attribution of financial instruments;
- expresses, by binding vote, an opinion on the first section of the Remuneration Report and, by non-binding vote, an opinion on the second section.

Board of Directors

In relation to remuneration and in line with the Snam rules of corporate governance, the Board of Directors⁶:

- on the recommendation of the Remuneration Committee, and having consulted with the Board of Auditors, determines the remuneration of the Directors assigned specific duties and for participation in Board Committees;
- after examining the proposals made by the Remuneration Committee, defines the remuneration policy for Directors, Auditors, General Managers and Managers with Strategic Responsibilities of the Company and its subsidiaries, as well as the relevant remuneration systems;
- defines, subject to verification by the Remuneration Committee, the remuneration of the Head of Internal Audit in line with the

⁶ For more information on the Snam governance structure, see the "2021 Report on Corporate Governance and Ownership Structures" published in the "Ethics and Governance" section of the Company's website.

Company's remuneration policies, after having received the favourable opinion of the Control, Risk and Related Party Transactions Committee and having consulted the Board of Statutory Auditors;

- implements the remuneration plans based on shares or financial instruments resolved upon by the Shareholders' Meeting;
- approves the Remuneration Report to be presented to the Shareholders' Meeting;
- assesses, after obtaining the necessary opinion from the Remuneration Committee and with reference to both the first and second sections, the contents of the vote on the Remuneration Report carried out by the Shareholders' Meeting and the proposals of the Committee on the adequacy, overall coherence and application of the Remuneration Policy adopted for Directors and Managers with Strategic Responsibilities.

In accordance with the changes made to article 123-ter of the Consolidated Finance Act, the Remuneration Policy defined by the Board of Directors also includes the Remuneration Policy of Auditors, without prejudice to the provisions of article 2402 of the Italian Civil Code.

In complying with the recommendations contained in the Corporate Governance Code, the Board of Directors is assisted, with regard to remuneration matters, by a Committee of non-executive directors, the majority of whom are independent (Remuneration Committee), having both an advisory and a proposing role in this regard.

Remuneration Committee

Members, appointment and tasks

The Remuneration Committee, first established by the Board of Directors in 2002, in line with the most recent recommendations of the Corporate Governance Code, is composed of three non-executive directors, the majority of whom are independent, with the Chair selected from among the independent directors. At least

one member of the Committee has adequate knowledge and experience in financial matters or remuneration policies, as assessed by the Board of Directors at the time of the appointment. On 14 May 2019, the Board of Directors chose Francesca Pace as Chairwoman and verified that all members had adequate knowledge and experience in matters of finance and remuneration policies.

As from 14 May 2019, the Remuneration Committee includes the following Directors:

Member	Position
Francesca Pace	Non-executive and Independent ⁽¹⁾ - Chairwoman
Alessandro Tonetti	Non-executive
Rita Rolli	Non-executive and Independent ⁽¹⁾

⁽¹⁾ Independent pursuant to the independence requirements laid down by the TUF and the Corporate Governance Code

The members, tasks and operating methods of the Committee and its secretariat are governed by a specific regulation⁷, approved by the Board of Directors and most recently updated on 11 October 2021.

The Committee carries out investigations, makes proposals and provides advice to the Board of Directors:

- assists the Board of Directors in drawing up the policy for the remuneration of directors, general managers, Managers with Strategic Responsibilities and, without prejudice to the provisions of article 2402 of the Italian Civil Code, members of the control body, also taking into account the remuneration practices widespread in the reference sectors and for companies of similar size, also considering comparable foreign experiences and availing itself, if necessary, of an independent consultant;
- reviews the vote on the Remuneration Report taken by the Shareholders' Meeting in the current financial year and expresses an opinion to the Board of Directors;
- formulates proposals relating to the remuneration of the Chair and the Chief Executive Officer, with regard to the various forms of remuneration and economic

⁷ The regulation governing the Remuneration Committee is available in the "Ethics and Governance" section of the Company's website.

treatment, including the setting of performance objectives related to the variable component of such remuneration, where applicable;

- supports the Board of Directors in determining the remuneration of the members of the committees set up within the Board of Directors;
- examines the indications of the Chief Executive Officer and proposes, with a view to promoting sustainable value creation over the medium/long term:
 - general criteria for the remuneration of Managers with Strategic Responsibilities;
 - general guidelines for the remuneration of other Executives of Snam and its Subsidiaries;
 - annual and long-term incentive plans, including share-based plans;
- proposes the definition of performance targets that include indicators relating to the ESG factors identified in agreement with the ESG Committee, the aggregation of company results, the definition of clawback clauses related to the implementation of incentive plans and the determination of the variable remuneration of directors with powers;
- proposes the definition, in relation to Directors with delegated powers: i) of the indemnities to be paid in the event of termination of the relationship; ii) of non-competition agreements;
- monitors the application of decisions made by the Board;
- periodically assesses the adequacy, overall consistency and actual application of the Remuneration Policy, making proposals to the Board on the subject;
- performs any tasks required by the procedure for transactions with related parties adopted by the Company in the case of transactions concerning the remuneration of Snam's Directors and Managers with Strategic Responsibilities;
- proposes to the Board of Directors, subject to the favourable opinion of the Control, Risk and Related-Party Transactions Committee and after consulting the Board of Statutory Auditors, temporary exceptions to the contents of the remuneration policy, in accordance with the provisions of article 123-ter, paragraph 3-bis, of Legislative Decree 58/98;
- monitors the implementation of the decisions adopted by the Board of Directors on what it resolves following the exercise of the Committee's proposal, consultation and investigation functions.

Once a year, the Remuneration Committee examines the consistency of the remuneration of the Senior Vice President of Internal Audit proposed by the Chief Executive Officer, by agreement with the Chair, to be submitted for the approval of the Board of Directors after seeking the favourable opinion of the Control, Risk and Related-Party Transactions Committee and consulting with the Board of Auditors. The Remuneration Committee reports back to the Board via its Chair on the activity carried out at least every six months and no later than by the deadline for the approval of the financial statements and the half-yearly report, at the board meeting specified by the Chair of the Board of Directors; in any case, after each of its meetings, the Committee Chair shall inform the Board of Directors, at the next available meeting, on the activities carried out and on the remarks, recommendations and opinions made by the Committee.

The Committee also reports on the exercising of its functions to the Shareholders' Meetings called to approve the Financial Statements, through the Chair of the Committee, as provided for in its Regulation, and with a view to establishing a suitable channel for dialogue with shareholders and investors.

In order to assure the effective performance of its analyses and investigations, the Board of Directors assigns to the Remuneration Committee the resources required for the performance of its duties; specifically, it may – in the terms set forth by the Board of

Directors from time to time – use external advisors, through the Company's structures, provided that they are not in such situations as to compromise their independence of judgement.

No directors take part in meetings in which proposals are made by the Board regarding their remuneration.

Activity cycle of the Remuneration Committee

The activities of the Committee are carried out through implementation of an annual schedule which includes the following stages:

- verification of the adequacy, overall consistency and concrete application of the Policy adopted in the previous year, in relation to the results achieved and the remuneration benchmarks provided by highly specialized providers;
- definition of Remuneration Policy proposals and proposals relating to performance objectives connected to short- and long-term incentive plans;
- proposals regarding the implementation of the existing short and long-term variable incentive plans, subject to verification of the results achieved in relation to the performance objectives envisaged in the same plans;
- preparation of the Remuneration Report to be submitted to the Shareholders' Meeting once a year, after approval by the Board of Directors.

FIGURE 1 - ACTIVITY CYCLE OF THE REMUNERATION COMMITTEE 2021

JANUARY - MARCH

Evaluation of the policies adopted in 2020
Examination of the amendments introduced by Consob to Regulation 17221/2010 (so-called Issuers' Regulation)
Definition of the 2021 Remuneration Policy
Final calculation on the achievement of Company's 2020 objectives
Definition of the 2021 Report on remuneration policy and on the remuneration paid.
Definition of a new methodology for calculating the gender pay gap

APRIL - JUNE

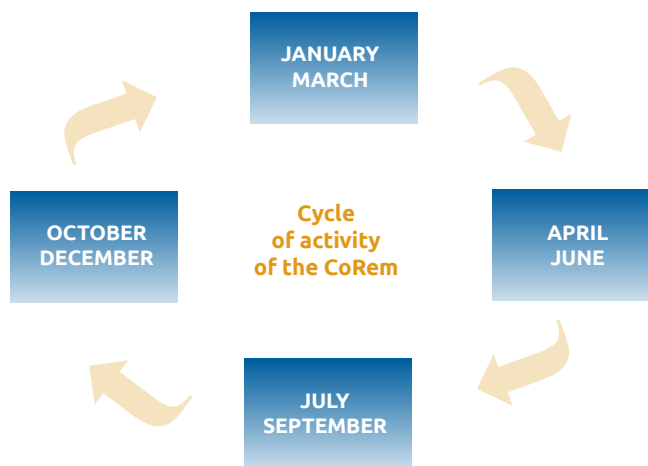
Calculation and vesting of Long-Term Incentive instruments
Remuneration benchmarking analysis (MSR)
Examination of sterilizations for short- and long-term incentives.

JULY - SEPTEMBER

Analysis of shareholders' meeting votes on the 2021 Report on remuneration policy and on the remuneration paid
2021-2023 Long-Term Share-Based Incentive Plan - Examination of the Regulations and proposed allocation of an incentive to the Chief Executive Officer.

OCTOBER - DECEMBER

Assessment of the adoption of new parameters for the calculation of natural gas emissions
Appointment of Korn Ferry to weigh the positions of the MSR and the Leadership Team and related remuneration benchmarking.



Activities carried out and scheduled

Activities carried out in 2021

In 2021, the Remuneration Committee met a total of 16 times. The attendance of its members was 100%. One Regular Auditor, designated by the Chairman of the Board of Statutory Auditors, regularly attended Committee meetings.

The Committee focused its activities in the first part of the year on: the preparation of the Remuneration Policy guidelines and the 2021 Remuneration Report; the reporting of the 2020 business results and the definition of the 2021 performance targets for the purposes of the variable incentive plans.

In the second part of the year, the following issues, among others, were addressed: results of the Shareholders' Meeting vote on the 2021 remuneration policy and remuneration paid and analysis of the reasons for the votes against at the Shareholders' Meeting; with reference to the long-term incentive plan, an assessment was made on the adoption of new parameters for the calculation of natural gas emissions; examination of the sterilizations for short-term and long-term incentives; assignment of the task to Korn Ferry for the weighting of MSR and Leadership Team positions and related remuneration benchmarking.

Activities carried out and main topics covered in 2021

JANUARY 2021

- In-depth analyses of the incentive system and corporate objectives.
- Review of the implementation of the 2020 Remuneration Policies.
- Analysis of the proposed works plan for 2021.
- Examination of a new methodology for calculating the gender pay gap.
- Illustration of the new provisions on remuneration (amendments introduced by Consob to Regulation 17221/2010, so-called Issuers' Regulation).

MARCH 2021

- Evaluation of the 2020 remuneration policy (Achievement of objectives for AMI 2020 and LTI 2018-2020)
- Report to the Board of Directors on the activities carried out in the second half of 2020.
- Definition of the 2021 Remuneration Policy: (Target setting of AMI 2021 and LTI 2021-2023).
- SVP Internal Audit remuneration package
- Amendments to the Information Document of the 2020-2022 Long-Term Share-Based Incentive Plan
- Appointment of the advisor Willis Towers Watson
- Proposed annual monetary incentive for the Chief Executive Officer.
- Validation of documents for Shareholders' Meeting of 28 April 2021: Information Document on the 2020-2022 Long-term share-based incentive plan and the 2021 Report on the remuneration policy and remuneration paid.

MAY 2021

- Examination of the remuneration benchmarking analysis of Managers with Strategic Responsibilities
- Examination of sterilizations for short- and long-term incentives

JUNE 2021

- Calculation and vesting of Long-Term Incentive instruments - Cycle 2018-2020 (Allocation 2018).
- 2021-2023 Share-Based Incentive Plan - Examination of amendments to the Regulation.

JULY 2021

- Analysis of the results of the shareholders' meeting vote on the 2021 Report on remuneration and remuneration paid.
- Report to the Board on the activities carried out in the first half of 2021.
- 2021-2023 Long-Term Share-Based Incentive Plan - Examination of the Regulations and proposed allocation of an incentive to the Chief Executive Officer.

OCTOBER 2021

- Examination of the amendments to the text of the Remuneration Committee Regulation under the new Corporate Governance Code for Listed Companies

approved in January 2020

- Examination of sterilizations for short- and long-term incentives: further insights

DECEMBER 2021

- Assessment of the adoption of new parameters for the calculation of natural gas emissions
- Validation of the proposed peer group for the benchmarking activity related to the following roles/Bodies: Chief Executive Officer, Non-Executive Chairman of the Board of Directors, members of the Board of Statutory Auditors and SVP Internal Audit.
- Appointment of the independent advisor Korn Ferry for a weighting analysis of the positions in the Leadership Team and subsequent remuneration benchmarking.

Resolutions passed by the Board of Directors in 2021 concerning remuneration were among the cases excluded, pursuant to paragraph 3.2, point 6 of the Related-Party Guidelines, bearing in mind that, as also specified in article 13 of the "Regulation containing provisions on Related-Party Transactions" (adopted by Consob in Resolution 17221 of 12 March 2010 and subsequently amended): (i) the Company has adopted a remuneration policy approved by the meeting; (ii) the Remuneration Committee has been involved in defining the remuneration policy; (iii) the remuneration assigned is identified in accordance with this policy and quantified on the basis of criteria that do not involve discretionary assessments.

Activities carried out and scheduled for 2022

For 2022, the Committee has defined a calendar and scheduled 13 meetings. As of the date of approval of this Report, 6 meetings have already been held, 2 of which were held jointly with the ESG Committee, focusing on the following issues: (i) examination of this Report for subsequent approval by the Board of Directors; (ii) final calculation of the 2021 corporate results and definition of performance objectives, including ESG, and, for 2022 and for the 2022-2024 three-year period, for the variable incentive plans.

JANUARY 2022

- Review of the results of the remuneration benchmarking exercise carried out by Korn

- Ferry for MSR and the Leadership Team.
- 2022 Report on remuneration policy and remuneration paid. Preliminary reflections.
 - 2020-2022 Long-Term Share-Based Incentive Plan - 2021 summary of allocations.
 - Examination of the 2022 Committee proposed work plan.

FEBRUARY 2022

- Remuneration policy and Remuneration Report 2022: trends and impacts in view of the renewal of corporate offices.
- 2022 Remuneration policy: benchmark Chairman, Chief Executive Officer, Non-executive Directors and Board of Statutory Auditors and considerations regarding the Report of the Management Body to the Shareholders' Meeting on the remuneration of the Board of Directors and the Board of Statutory Auditors for the three-year period 2022-2024.
- 2022 Remuneration Policy: SVP Internal Audit benchmark.
- Report to the Board of Directors on the activities carried out in the second half of 2021.
- 2022 Report on remuneration policy and remuneration paid - first draft.

MARCH 2022

- AMI 2021 and LTI 2019-2021 final figures.
- Target setting AMI 2022 and LTI 2022-2024.
- Report on the Remuneration Policy and remuneration paid 2022
- SVP Internal Audit remuneration package.

Approval process of the 2022 Remuneration Policy

More specifically, at the meetings held on 9 February, 23 February, 2 March, 9 March and 11 March 2022, in line with both the tasks defined in its Regulation and the recommendations set out by the Corporate Governance Code, the Remuneration Committee defined the structure and contents of the Remuneration Policy in order to prepare this Report.

In making its decisions, the Committee took into consideration the resolutions passed by the Shareholders' Meeting of 28 April 2021 and by the Board of Directors in 2021. These activities were carried out following an assessment of the legislative framework relating to remuneration, with particular reference to said Issuers' Regulations article 84-quater and Annex 3A, scheme 7-bis, incorporating Italian Legislative Decree no, 49 of 10 May 2019, implementing SHRD II, and of the practices observed nationally and internationally for the preparation of remuneration reports.

The 2022 Snam Remuneration Policy for Directors, Auditors and Managers with Strategic Responsibilities was thus approved by the Board of Directors, on the recommendation of the Remuneration Committee, at the meeting of 16 March 2022, at the same time that this Report was approved.

The remuneration policies defined in line with the instructions of the Board of Directors are implemented by the delegated bodies, with the assistance of the relevant company departments.

Information on the remuneration of Directors and managers is further ensured by the updating of pages specifically dedicated to these matters in the "Ethics and Governance" section of the Company's website.

BOARD OF STATUTORY AUDITORS

As regards remuneration, the Board of Auditors, which regularly attends the meetings of the Remuneration Committee through the Chairman or a Regular Auditor designated by the latter, expresses the opinions required by current regulations, with reference, in particular, to the remuneration of Directors holding specific offices, in accordance with article 2389 of the Italian Civil Code, also verifying the consistency with the general policy adopted by the Company.

DEROGATIONS

Please note that in accordance with paragraph 3-bis of article 123-ter of the TUF, the Board of Directors of Snam, upon proposal of the remuneration Committee, subject to the favourable opinion of the Risk, Control and Related-Party Transactions Committee and having consulted the Board of Statutory Auditors, may temporarily depart from the contents of the Remuneration Policy illustrated in this Report, if exceptional circumstances arise, meaning situations that fall within the general cases referred to in article 123-ter of the TUF, i.e. where the departure from the Remuneration Policy is necessary in order to pursue the long-term interests and sustainability of the company as a whole, or to ensure its ability to stay on the market.

The process, in which the Board of Directors is the body entrusted with the approval of such an exception, also makes it necessary for all the persons concerned to abstain from participating in the Board's discussions and resolutions relating to their own remuneration.

The elements in Snam's 2022 remuneration policy from which, in the presence of exceptional circumstances, exceptions may be made, without prejudice to the provisions of Regulation no. 17221 of 12 March 2010, are as follows: fixed remuneration; short-term variable component (AMI) and long-term variable component (LTI); benefits; severance pay.

DURATION, PURPOSE AND GENERAL PRINCIPLES OF THE REMUNERATION POLICY

The Snam Remuneration Policy is defined in accordance with the governance model adopted by the Company and with the recommendations of the Corporate Governance Code, with a view to attracting and retaining staff with high professional and managerial skills and aligning the interests of management with the primary objective of creating shareholder value over the medium to long term. The Remuneration Policy, also incorporating the contents of the aforementioned Corporate Governance Code, is functional to the pursuit of the company's sustainable success and, in this sense, defines:

- a balance between the fixed component

and the variable component that is appropriate and consistent with the company's strategic objectives and risk management policy, taking into account the characteristics of the company's business and the sector in which it operates, while providing that the variable component represents a significant portion of total remuneration;

- the maximum limits on the payment of variable components;
- the performance objectives, to which the payment of variable components is linked, predetermined, measurable and linked in significant part to a long-term horizon

consistent with the company's strategic objectives and aimed at promoting its sustainable success, including, in all variable remuneration systems (short and medium-long term) also non-financial parameters;

- the contractual arrangements that allow the company to demand repayment, in whole or in part, of variable components of remuneration paid (or to withhold sums subject to deferral), determined on the basis of data that subsequently proved to be manifestly incorrect and other circumstances that may be identified by the company;
- clear and pre-determined rules for the possible payment of remuneration for termination of employment, which define the maximum limit of the total amount payable by linking it to a certain amount or a certain number of years of remuneration.

In particular, the Snam Remuneration Policy contributes to the achievement of the Company's mission, values and strategies, taking into account the remuneration and conditions of Group employees, through:

- i) the promotion of actions and behaviours in line with the Company's culture, in compliance with the principles of plurality, equal opportunities, making the most of people's knowledge and professionalism, fairness and non-discrimination laid down in the Snam Code of Ethics. In this sense, the gender pay gap monitoring activities that Snam has defined to reduce and eliminate pay differences between women and men are applied within the

principles of the remuneration policy that encourages effective gender equality.

The updated results of the monitoring activity are published by Snam in its 2022 Sustainability Report;

- ii) the enhancement of employees' interests, guaranteed by assessment processes and targeted interventions during the annual remuneration policy campaigns aimed at rewarding the skills, experience and contribution of each individual resource;
- i) recognition of the responsibilities assigned, the results achieved and the quality of the professional contribution made, taking into account the context, and the market references applicable to similar positions or roles of a similar level of responsibility and complexity (see par. Market references and pay mix) and, sometimes, the experience and career path of the individual,
- iv) recognition of merit as the basis for management and rewarding actions both in terms of professional development and career opportunities, being, at the same time, the reference parameter so that people management meets criteria of fairness and sustainability.

Additional severance indemnities may be defined at the end of a contract and/or mandate, in line with the remuneration received, for executive roles characterised by the 'fixed-term' nature of the employment or by a higher risk of being attracted by the competition.

2022 REMUNERATION POLICY GUIDELINES

The Guidelines to the 2022 Remuneration Policy (hereinafter also the "Guidelines") are defined in line with that established in 2021, consistent with the purpose and general principles laid down, and have been assessed by the Remuneration Committee as consistent with the applicable market references. The Board of Directors in office at the date of approval of this Report will end its mandate at the next Shareholders' Meeting. The new Board of Directors will determine the remuneration of directors holding special offices and the remuneration for non-executive directors for participation in the Board Committees in line with the 2022 remuneration policy guidelines and the pay mix structures contained in this Report. The remuneration instruments provided for are summarized and explained by the following chart:

Remuneration of the Chair and non-executive Directors

For the 2019-2021 mandate, the remuneration structure for the Chairman comprises fixed remuneration consistent with the position held. The remuneration of Non-executive Directors is commensurate with the commitment required in relation to participation in Board Committees; the remuneration of the Chairman differs from that of the members of each Committee, taking account of the role attributed to the former in respect of the coordination of duties and liaison with Company Boards and Departments. As regards the remuneration of the Chairman, at its meeting of 13 November 2019 the Board of Directors, on the basis of a proposal defined by the Remuneration Committee and also with the support of a specific benchmark with the companies of the FTSE MIB, provided for an annual gross fixed remuneration for the office equal to Euro 310,000. This included the annual fixed remuneration for the Directors, established by the Shareholders' Meeting of 02 April 2019, in addition to the reimbursement of expenses incurred in connection with the office. In relation to the nature of the position, there are no: i) short or long term variable incentive components; ii) benefits⁸. For Non-executive Directors, the Ordinary Shareholders' Meeting of 2 April 2019 determined the remuneration of directors, providing for a fixed gross annual remuneration of Euro 70,000 plus reimbursement of expenses incurred in relation to the position. The 2022 Shareholders' Meeting will resolve on the remuneration of non-executive directors for

FIGURE 2 - REWARD POLICY



REPORT ON THE REMUNERATION POLICY AND REMUNERATION PAID 2022

⁸ It should be recalled 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 risks, to include the directors and auditors of Snam S.p.A. according to the standard terms and conditions in practice on the insurance market. The aforementioned authorization was taken up in the context of the subsequent Reports to the Shareholders' Meeting on the remuneration of Directors and Auditors and most recently at the Shareholders' Meeting held 2 April 2019. The policy, which also guarantees coverage of the new members of these bodies, provides for a total limit and an annual premium of Euro 50 million and about Euro 190,000 respectively.

the 2022-2024 term of office.

In light of recommendation 29 of the Corporate Governance Code, the remuneration paid to non-executive directors is appropriate to the professionalism and commitment required of them within the Board of Directors and its committees; this remuneration is not linked to financial performance objectives.

No distinction is drawn in terms of remuneration for Independent directors. As regards the remuneration provided for participating in Board committees, in its meeting of 20 November 2019 and on the basis of a proposal made by the Remuneration Committee, backed by a specific benchmark with the companies of the FTSE MIB, the Board of Directors provided for the following annual remuneration:

- for the Control, Risk and Related-Party Transactions Committee, in relation to the increasingly important role played in monitoring corporate risks, Euro 35,000 for the Chair and Euro 25,000 for the other members;
- for the Remuneration Committee, the Appointments Committee and the ESG Committee, Euro 25,000 for the Chair and Euro 20,000 for the other members.

The Board of Directors appointed for the 2022-2024 term will determine the remuneration for participation in the Committees, with specific reference to the roles of Chair and Member.

Severance indemnity and benefits

Given the nature of the office, there are no agreements on severance indemnity and benefits.

Board of Statutory Auditors

According to the resolutions of the Ordinary Shareholders' Meeting of 2 April 2019 for the 2019-2021 mandate, the remuneration of the Chairman of the Board of Auditors includes an annual gross fixed remuneration of Euro 80,000, and that of the other members involves emoluments of Euro 60,000, plus the reimbursement of expenses incurred by virtue of the office. This remuneration was considered consistent both with respect to a benchmark analysis carried out with reference to industrial companies with a traditional administration and control system belonging to the FTSE Mib index, and in relation to the

commitment required by the company to carry out the office. The 2022 Shareholders' Meeting will appoint the new Board of Statutory Auditors for the 2022-2024 term of office and determine the remuneration due to the Chair and each member of the Board. As regards the nature of the office, the following are not provided for: i) short- or long-term variable incentive components; ii) agreements on severance indemnity and benefits; iii) benefits (apart from as specified in note 8 with reference to insurance cover).

Remuneration of the Chief Executive Officer and Managers with Strategic Responsibilities

For the Chief Executive Officer and Managers with Strategic Responsibilities, a remuneration structure is confirmed with a suitable balance of a fair fixed component for the responsibilities assigned and a variable component defined within maximum limits and aimed at hinging remuneration to performance defined with a pay mix that assigns greater value to the variable component, in particular in the long term, than the external market. It should be noted that the new Board of Directors appointed for the 2022-2024 term of office will determine, on the proposal of the Remuneration Committee, the remuneration for the powers granted to the Chief Executive Officer in accordance with the Remuneration Policy Guidelines and the pay mix structure contained in this Report.

Fixed remuneration

The fixed remuneration of the Chief Executive Officer, based on the evidence presented by the Remuneration Committee to the Board of Directors at its meeting of 13 November 2019, remains defined as Euro 970,000, taking into account: the remuneration established by the Shareholders' Meeting for Directors, amounting to Euro 70,000; the remuneration approved by the Board in relation to the delegated powers, amounting to Euro 150,000; and the gross annual remuneration for the position of General Manager, amounting to Euro 750,000.

For Managers with Strategic Responsibilities, the fixed remuneration is determined on the basis of the role and responsibilities assigned, also taking into account the remuneration levels

found on the reference market (see par. Market references and pay mix) and, sometimes, the experience and career path of the individual. In light of these factors, the fixed remuneration of Managers with Strategic Responsibilities may be adjusted periodically, as part of the annual salary review process that affects the entire managerial population. Given the reference context and current market trends, and in continuity with 2021, the guidelines for 2022 provide selective criteria while however maintaining high levels of competitiveness and motivation. In particular, the proposed actions will concern adjustments aimed at those who hold positions for which the scope of responsibility has increased or which are positioned no higher than the median market references.

Furthermore, in their capacity as Snam managers, the Chief Executive Officer and Managers with Strategic Responsibilities receive travel allowances for work-related travel undertaken both nationally and abroad, in line with the provisions of the reference national collective bargaining agreement and supplementary company agreements.

Variable remuneration⁹

Variable remuneration is structured into a short-term component and a long-term share-

based component with a view to assuring the sustainability of results and the creation of value for shareholders in the medium/long term.

The assessment of the assigned performance objectives is carried out net of the effects of the exogenous variables deriving from the evolution of the reference scenario, in order to enhance the effective individual contribution to the achievement of the assigned performance objectives.

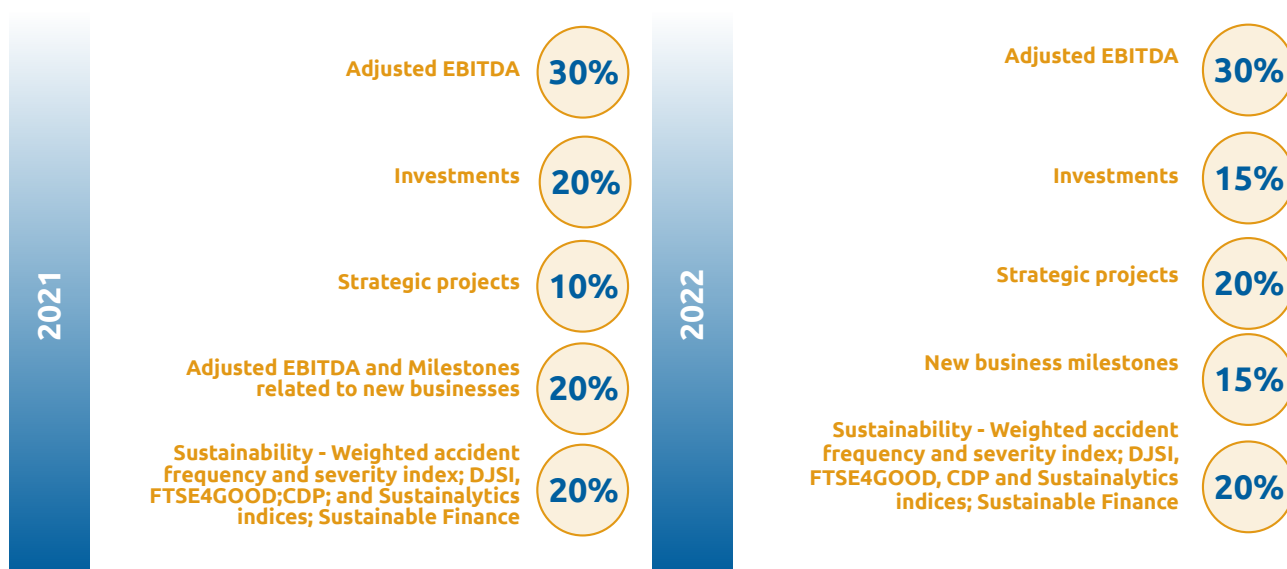
Short-term variable incentives

The annual variable component (the Annual Monetary Incentive Plan - AMI) is determined in connection with the results achieved by Snam in the previous year on the defined objectives and with reference to a minimum incentive level (performance = 85), an incentive level at target (performance = 100) and maximum (performance = 130), respectively equal to 60%¹⁰ (minimum), 70% (target) and 91% (maximum) of the fixed remuneration for the Chief Executive Officer. It differs according to the role held for Managers with Strategic Responsibilities up to a maximum of 30% (minimum), 35% (target) and 52% (maximum) of fixed remuneration.

⁹ Data is rounded to the nearest unit (downwards in the case of zero to four digits and upwards in the case of five to nine digits) for the purposes of representative convention only. The Company has established precise approximation rules within its formal methodology for determining the allocation of the Chief Executive Officer's LTI 2020-2022 long-term equity incentive plan (2020-2022 cycle).

¹⁰ The minimum figure remains the same as last year, amounting to 59.5% of the CEO's fixed remuneration. As from the previous year, this value has been approximated to unity (by default for figures from zero to four and by excess for figures from five to nine).

FIGURE 3 - ANNUAL MONETARY INCENTIVE OBJECTIVES, 2021 VS 2022



The 2022 corporate objectives approved by the Board of Directors on 16 March 2022 and attributed directly to the Chief Executive Officer focus on the Company's economic, financial and operating performance, on investments, the development of new business and on sustainability topics.

The final value calculated on the corporate objectives will arise from the sum of the results of the individual objectives, weighted accordingly. The result of each objective corresponds to a score calculated by linear interpolation between a minimum of 70, a target of 100 and a maximum of 130, with a minimum (threshold) level on the overall result of 85.

FIGURE 4 - AMI 2022 OBJECTIVES FOR THE CHIEF EXECUTIVE OFFICER

Objective	Description	Weight	Scenarios	Performance	Score
Adjusted EBITDA* a)	An acronym for Earnings Before Interest Taxes Depreciation and Amortisation, which in Italian is often translated as gross operating margin, is an indicator that represents the profitability of operating management.	30%	Minimum	Budget Target -2%	70
			Target	Budget Target +1%	100
			Maximum	Budget Target +2%	130
Investments/1 Investment spending in core business*	Value of the technical investments of the core business (transport, storage, regasification) and Corporate. Measured to "centre" the budget value.	10%	Minimum	Budget Target +/-7.5%	70
			Target	Budget Target +/-5%	100
			Maximum	Budget Target +/-4%	130
Investments/2 Milestones investment projects **	These are the main investment projects relating to both transportation activities and storage.	5%	Minimum	2 out of 4 milestones reached	70
			Target	3 out of 4 milestones reached	100
			Maximum	4 out of 4 milestones reached	130
Strategic projects	Strategic projects related to the security of gas supplies in Italy.	20%	Minimum	Measured target compared to predefined levels of minimum performance target and maximum	70
			Target		100
			Maximum		130
New business Milestones key projects	These are the main projects related to Biomethane, energy efficiency and Mobility.	15%	A scorecard weighs the degree of achievement on each project in the "New Business" area compared to predefined levels of minimum, target and maximum performance.		
Sustainability/1 IpFG* b)	Index of frequency and severity of accidents of employees and contractors. It takes into account both the frequency of total accidents recorded in relation to the number of hours worked and the severity based on days of absence in relation to the number of hours worked and is calculated by adding and weighing the two indices (IF and IG).	10%	Minimum	0.9	70
			Target	0.7	100
			Maximum	0.5	130
Sustainability/2 Indexes***	Confirmation of inclusion and maintenance of Snam at levels of excellence in the sustainability indices DJSI, Ftse4Good, CDP Climate Change and Sustainability.	5%	Minimum	A	70
			Target	B	100
			Maximum	C	130
Sustainability/3 Sustainable Finance - Committed funding (€/mln)*	Increase (in mln €) in sustainable financing.	5%	Minimum	1,250	70
			Target	1,875	100
			Maximum	2,500	130

* For performance levels below the minimum, the score is zero.
 - For intermediate performance levels between the minimum and the target and between the target and the maximum, the score is calculated by linear interpolation.
 - For performance levels above the maximum, the score is always 130.

** For performance levels below the minimum, the score is zero.

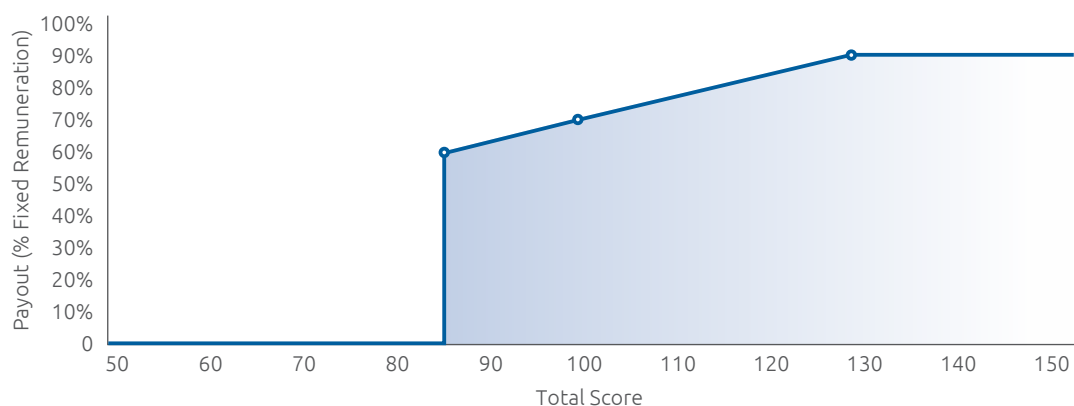
*** A = Inclusion in at least two indices above the ninetieth percentile.
 B = Inclusion in at least three indices, of which one is above the ninetieth percentile.
 C = Inclusion in three indices, at least two of which are above the ninetieth percentile.

a) Budget with WACC Transport at 5.1%, Regasification at 6.1% and Storage at 6.0%.

b) The scope of analysis will include, if any, companies acquired after six months of their acquisition.

The graph illustrates the overall incentive curve of the 2022 AMI for the Chief Executive Officer.

FIGURE 5 - INCENTIVE CURVE AMI 2022



Scenarios	Score Total	Payout (% vs. target)
Threshold	85	85%
Target	100	100%
Maximum	130	130%

For Managers with Strategic Responsibilities, the variable annual incentive is determined in part (25%) from the company results on the objectives assigned to the Chief Executive Officer by the Board of Directors and, for the remainder (75%), from a series of individual objectives focused on economic/financial, operational and industrial performance, internal efficiency, and issues relating to the managerial expertise model assigned in relation to the scope of responsibilities of the role held, in coherence with the provisions in the Company's performance plan.

Only in exceptional cases it is possible to pay entry bonuses to Managers with Strategic Responsibilities during the recruitment phase, in order to encourage the acquisition of resources with high managerial seniority and/or possessing specific skills considered critical for the business and essential for the achievement of the Group's strategic objectives. Snam also has the right to recognize, during the

hiring process, length of service at other companies in the case of proven leadership roles with high seniority.

Long-term variable incentives ¹¹

In 2020, a new long-term share-based incentive plan for the next three years was defined by the Shareholders' Meeting on 18 June 2020. The new share plan, in continuity with the previous three-year plan, envisages three annual grants of shares (the so-called rolling plan), each of which corresponds to a three-year performance reference period (2020-2022, 2021-2023, 2022-2024); for each award, any payment is expected after three years (vesting period) to an extent linked to the results achieved and will have a minimum value of 106%, a target value of 158% and a maximum value of 210% of the fixed

¹¹ Data is rounded to the nearest unit (downwards in the case of zero to four digits and upwards in the case of five to nine digits) for the purposes of representative convention only. The Company has established precise approximation rules within its formal methodology for determining the allocation of the Chief Executive Officer's LTI 2020-2022 long-term equity incentive plan (2020-2022 cycle)

remuneration, for the Chief Executive Officer. For Managers with Strategic Responsibilities, any incentive paid will have an average value of 55% as a minimum level, 81% as a target and 108% as a maximum level of fixed remuneration.

The performance conditions applicable for the third attribution of the Plan¹² are connected to the following parameters, two of which are economic-financial indicators and two of which relate to sustainability:

Adjusted net profit (weighing for 50%), calculated as the sum of adjusted net profit for 2022, 2023 and 2024. The degree of achievement of the objective is calculated according to a criterion of linear interpolation between minimum, target and maximum values (see also Figure 6).

Added Value (weight of 30%) that reflects the value generation of the adjusted business calculated as the change in RAB in the period 2022-2024, plus dividends distributed, treasury shares repurchased and reduced by the change in net debt¹³. The objective achievement level (see also figure 7) is calculated according to a linear interpolation criterion between minimum, target and maximum values.

Reductions in natural gas emissions (with weight of 10%), one of the themes at the heart of Snam's decarbonization strategy, which in 2021, further strengthened and made its reduction objectives more challenging, with the aim of reducing natural gas emissions 55% within 2025 vs. 2015 (compared to the previous value of -45%), higher than recommended by the Oil & Gas Methane Partnership Framework (OGMP 2.0) prepared by the United Nations Environment Programme (UNEP).

As a result of this, with reference to the 2021-2023 cycle and the 2022-2024 cycle, the targets of this objective were aligned with as envisaged from time to time in the Company's aforementioned emissions reduction plan. In the event of changes and/or variations of the Company's emission

reduction plan, the targets of the emission reduction target of the LTI Plan Cycles will be adjusted and re-measured, depending on the achievement of the final target under the UNEP Framework.

The target achievement level is calculated according to a linear interpolation criterion between minimum, target and maximum values with respect to the actual values of emissions, recorded at the end of 2015 (49.74 MScm).

Equal representation in terms of gender diversity in Snam's management¹⁴

(weight of 10%), calculated in terms of the percentage of women in managerial and executive roles out of all Group managers and executives. The degree of achievement of the objective is calculated according to a criterion of linear interpolation between minimum, target and maximum values (see also Figure 9).

The achievement of performance conditions at minimum, target and maximum level respectively entails the accrual of 67%, 100% and 133% of the shares attributed; below minimum level, the percentage will always be zero.

At the end of the vesting period, an additional number of shares will be assigned, defined as "dividend equivalents", calculated as the equivalent value of dividends not used with respect to the number of shares effectively accrued. The plan also provides for a two-year lock-up on 20% of the shares assigned, gross of those necessary to fulfil tax requirements. Below is an explanation of the metrics connected with each individual performance indicator. The absolute Performance values are valid for the second attribution (2022), with reference to the 2022-2024 three-year period¹⁵.

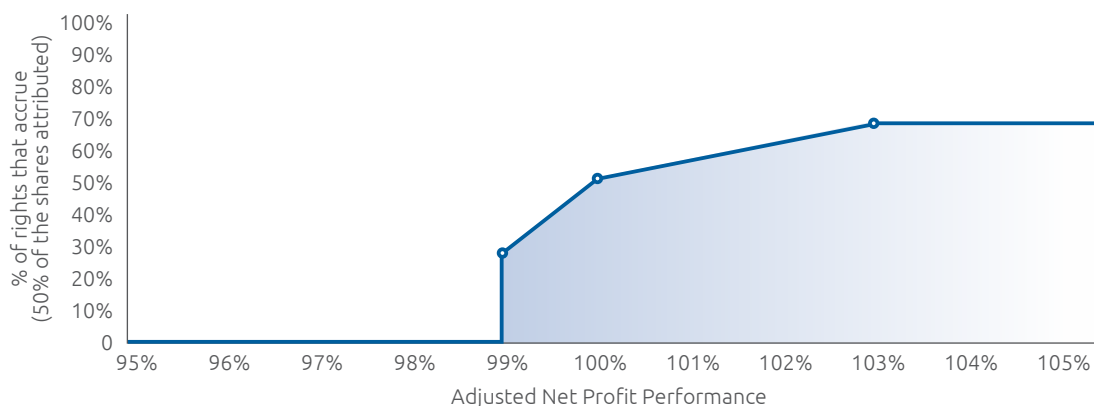
14 The perimeter used is the same as for the 2020-2022 cycle: SNAM S.P.A. /RETE GAS, /4MOBILITY, /GAS & ENERGY SERVICES, /INTERNATIONAL B.V., GNL ITALIA, STOGIT, CUBOGAS, ENURA, GASRULE, IES BIOGAS SRL, RENERWASTE LODI, RENERWASTE, TEP, TE.

15 Data is rounded to the nearest unit (downwards in the case of zero to four digits and upwards in the case of five to nine digits) for the purposes of representative convention only. The Company has established precise approximation rules within its formal methodology for determining the allocation of the Chief Executive Officer's LTI 2020-2022 long-term equity incentive plan (2020-2022 cycle)

12 The first section of the Report of each year will offer a full disclosure on any changes for subsequent attributions provided for by the Plan.

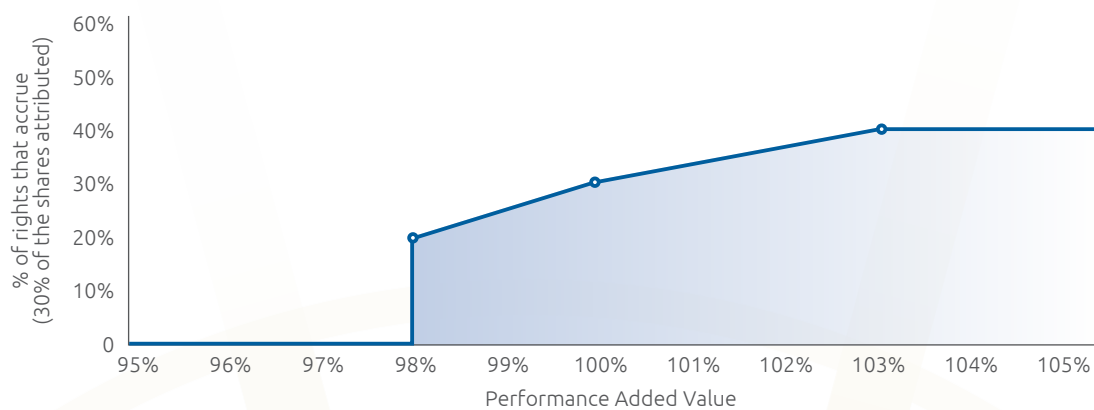
13 The change in net debt is calculated excluding changes to working capital connected with regulatory dynamics and considering changes to commercial working capital.

FIGURE 6 - ADJUSTED NET PROFIT



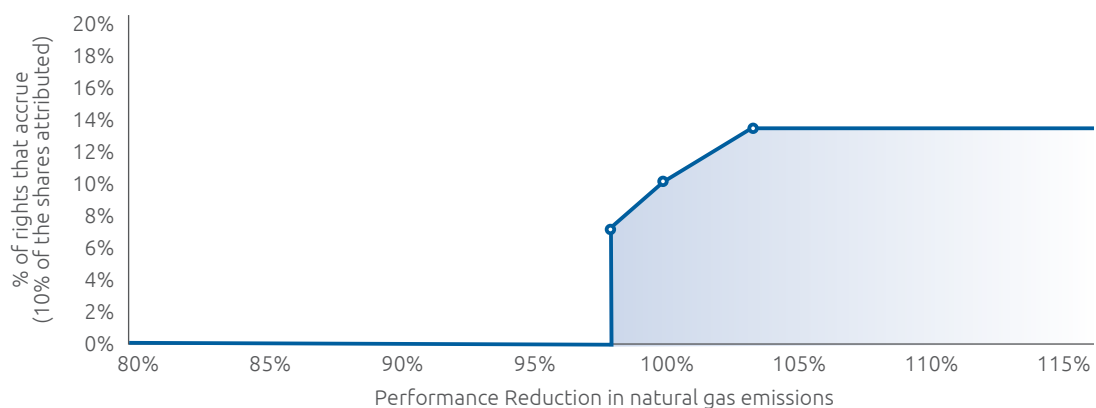
Scenarios	Performance (absolute values)	Performance (% vs. target)	Payout (% of rights accrued)
Minimum	Euro 3,184 million	99%	33%
Target	Euro 3,216 million	100%	50%
Maximum	Euro 3,296 million	103%	67%

FIGURE 7 - ADDED VALUE



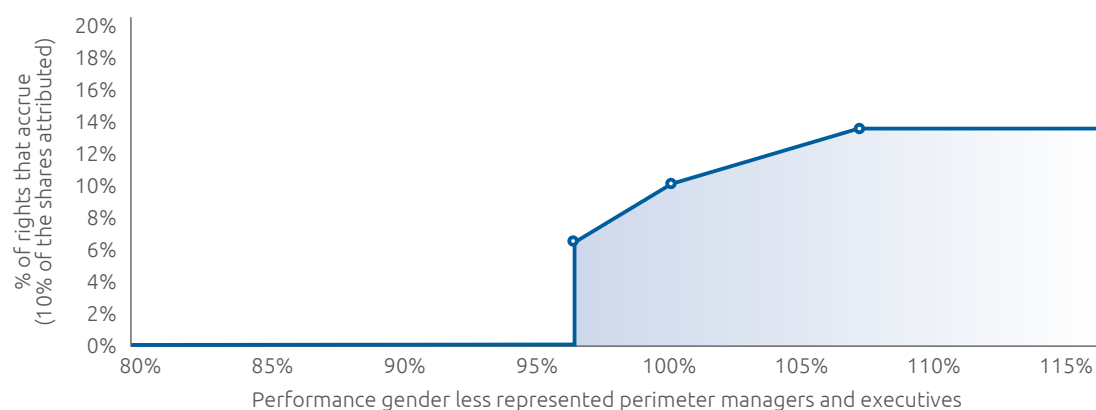
Scenarios	Performance (absolute values)	Performance (% vs. target)	Payout (% of rights accrued)
Minimum	Euro 1,824 million	98%	20%
Target	Euro 1,862 million	100%	30%
Maximum	Euro 1,920 million	103%	40%

FIGURE 8 - REDUCTION IN NATURAL GAS EMISSIONS



Scenarios	Performance (absolute values)	Performance (% vs. target)	Payout (% of rights accrued)
Minimum	-52%	98%	7%
Target	-54%	100%	10%
Maximum	-55%	103%	13%

FIGURE 9 - EQUAL REPRESENTATION IN TERMS OF GENDER DIVERSITY



Scenarios	Performance (absolute values)	Performance (% vs. target)	Payout (% of rights accrued)
Minimum	25%	96%	7%
Target	26%	100%	10%
Maximum	28%	106%	13%

Termination indemnities and non-competition agreements

In accordance with the reference markets, severance indemnity is provided for the Chief Executive Officer for the termination of the directorship and managerial position.

If both contracts are terminated simultaneously in connection with the non-renewal of the office upon expiry, or if the appointment is terminated early, two years of fixed annual remuneration are payable upon termination of employment plus the average of the Annual Monetary Incentive paid over the last three years, and subject to the application of the

provisions of the national contract for Managers of companies that produce goods and services¹⁶. The indemnity is not payable if the employment contracts are terminated for just cause or due to dismissal with notice on subjective grounds involving the notion of justifiability as defined by the collective agreement or in the event of a resignation. No provision is made for assigning or retaining non-monetary benefits for a period after termination of the relationship.

For Managers with Strategic Responsibilities, severance pay established by the reference national collective bargaining agreement shall be due.

The effects of possible termination of the contract of employment on the rights allocated under existing long-term incentive plans are described below:

- In the event of mutually agreed termination of the beneficiary's employment relationship, or loss of control by Snam S.p.A. in the company of which the Beneficiary is an employee, or sale to a company that is not a subsidiary of the parent company (or business unit) of which the Beneficiary is an employee, occurring during the vesting period, the incentive shall be awarded to those entitled to it at the end of the vesting period and in relation to the period between the award and the occurrence of the aforementioned events.
- In the event of the death or total and permanent disability of the Beneficiary occurring during the vesting period, the incentive shall be paid to the entitled parties in the fixed amount of 133% of the allocated incentive, corresponding to the maximum level of the assignable incentive.
- In the event of unilateral termination of employment, either by the company or by the Beneficiary, occurring during the vesting period, the incentive will not be assigned.

With the figures to which the Policy refers, Snam has the right to set collaboration and/or consulting agreements upon termination

of the professional/employment relationship, where this meets the need to continue to use, in the interest of the company, for a limited period of time after the termination of the relationship, the skills and contributions of the director and/or Manager with Strategic Responsibilities and for the performance of specific, predetermined activities (for a fee based on the purpose and scope of the activity requested).

There are no non-competition agreements in place for the Chief Executive Officer and current Managers with Strategic Responsibilities. In light of the growing risk in terms of retention, due to entry into highly competitive and specific business segments, the company reserves the right to evaluate on a case-by-case basis the opportunity to activate non-competition agreements with managers operating in those segments. The consideration for the covenant shall be determined according to the temporal and territorial extension, as well as the object of the covenant, also taking into account the provisions of the applicable regulations and the remuneration of the beneficiary at the time of termination of contract.

Benefits

Benefits are defined in line with pay practices in the reference market and are consistent with current regulations, in order to complete and enhance the overall remuneration package, taking into account the roles and/or responsibilities assigned.

Therefore, in line with the provisions of national bargaining and supplementary company agreements for Snam managers, the Chief Executive Officer and Managers with Strategic Responsibilities are enrolled in the Supplementary Pension Fund (FOPDIRE or PREVINDAI)¹⁷, the Supplementary Health Care Fund (FISDE)¹⁸ and forms of insurance coverage against the risk of death and disability, as well as the allocation of a car for mixed use.

¹⁶ In this regard, the cost of what is recognised as indemnity in lieu of notice, pursuant to article 23 of the CCNL for Industry Executives, and what is due for other termination benefits (severance pay, untaken holiday time, reimbursement of expenses at the date of termination of employment and/or management, etc.) are excluded from the calculation of the indemnity.

¹⁷ A contractual pension fund with defined contributions and individual capitalization, www.fopdire.it/portale.previndai.it/default.do.

¹⁸ Fund providing reimbursement of healthcare costs for serving and retired executives and their families, www.fisde-eni.it. There is also an additional health insurance (Generali/Previgen), supplementary to the FISDE.

Senior Vice President Internal Audit

For the Senior Vice President Internal Audit, the Board of Directors, on the opinion of the Control, Risk and Related-Party Transactions Committee, after consulting the Board of Statutory Auditors and after verification by the Remuneration Committee, has provided for: a performance evaluation form with exclusively measurable functional objectives, excluding objectives of an economic-financial nature; the determination of the annual monetary incentive exclusively on the basis of the results relating to this form; the assignment of minimum/target/maximum performance levels and the evaluation of the results achieved carried out by the Control and Risk Committee; the homogeneity of the other forms of incentive and benefits recognised, with respect to the entire management team.

Claw-back mechanisms

In 2014, a claw-back clause was introduced applicable to the variable incentive systems, through which Snam, by the legal deadline (ten years) will be able to take back possession of all or part of the amounts disbursed if it is ascertained that these amounts have been determined on the basis of objectives that were achieved through wilful or grossly negligent conduct or, in any case, in breach of the reference standards, or achieved on the basis of data that was later found to be clearly incorrect. In 2015, the Remuneration Committee prepared a document that explains the process and responsibilities connected with the activation of this clause. This process envisages the clause activation procedure to be launched upon the identification of errors/imprecisions and/or the non-existence of data/acts/events, also in connection with reports resulting from the audit activities. For findings relating to: (i) individual performance cards, the clause will be activated by the Chief Executive Officer, informed by the EVP HRO, who will also inform the Remuneration Committee; (ii) the objectives of the corporate card or long-term incentive plans, the clause will be

activated by the Board of Directors on the basis of a report made by the Remuneration Committee. The document describing this process is delivered to assignees of the incentive plan at future attributions or promises of incentive.

Market references and pay mix

In December 2021, the Remuneration Committee commissioned the advisor Korn Ferry¹⁹ to define a panel of companies to be used to carry out a remuneration benchmark for Managers with Strategic Responsibilities and the entire Snam Leadership Team. The advisor identified two different peer groups:

- a national peer group, consisting of 11 companies in the industry sector belonging to the FTSE MIB index, featured in the Executive Italia 2021 Korn Ferry Survey;
- a second "integrated" peer group, created at the advisor's suggestion to expand the number of companies included in the first, consisting of the 11 companies in the national peer group plus 7 European Snam peer companies operating in the utility and infrastructure management sectors under concession, which are included in the Korn Ferry Top Executive Compensation in Europe 2021 Survey.

To ensure the overall consistency of market remuneration comparisons, the Committee asked Mercer to carry out the remuneration benchmarking activities of the Chief Executive Officer and General Manager, Chairman and non-executive members of the Board of Directors and members of the Board of Statutory Auditors on the aforementioned peer groups, as well as on the peer groups identified in light of the criteria defined by the Remuneration Committee in 2019. Finally, with reference to the role of SVP Internal Audit, the company, in continuity with 2021, used a peer group of Italian companies in the industry sector belonging to the FTSE Mib index present in the Mercer Executive Remuneration Guide Italia 2021 survey for the remuneration positioning analysis.

¹⁹ The advisor Korn Ferry does not carry out any other consulting activities on remuneration issues for Snam.

The results of the mentioned benchmarking activities are represented in the following table.

FIGURE 10 - PANELS USED FOR COMPENSATION BENCHMARKS AND POSITIONING WITH RESPECT TO REFERENCE MARKETS

Role	Provider of the salary benchmark	Reference peer group	Market positioning
Chief Executive Officer and General Manager (target remuneration package)	Mercer	National Peer-group Korn Ferry Campari, CNH Industrial, Diasorin, Eni, Hera, Moncler, Pirelli & C, Prysmian, Saipem, Telecom Italia, StMicroelectronics	Below the first quartile
		Integrated Peer-group Korn Ferry Campari, CNH Industrial, Diasorin, Eni, Hera, Moncler, Pirelli & C, Prysmian, Saipem, Telecom Italia, StMicroelectronics, E.On, Endesa, Ferrovial, Naturgy, RWE, Severn Trent, United Utilities	Between first quartile and median
	Peer-group national Mercer	A2A, Amplifon, Atlantia, Campari, CNH Industrial, Diasorin, Enel, Eni, Ferrari, Hera, Italgas, Leonardo, Moncler, Pirelli & C, Prysmian, Saipem, Stellantis, Telecom Italia, Terna	Between first quartile and median
	Integrated peer-group Mercer	A2A, Amplifon, Atlantia, Campari, CNH Industrial, Diasorin, Enel, Eni, Ferrari, Hera, Italgas, Leonardo, Moncler, Pirelli & C, Prysmian, Saipem, Stellantis, Telecom Italia, Terna, Centrica, E.on, Enagas, Endesa, Engie, Ferrovial, Iberdrola, National Grid, Naturgy, Red Electrica, RWE, Severn Trent, United Utilities, Veolia, Vinci	Between first quartile and median
Chairman of the Board of Directors	Mercer	National Peer-group Korn Ferry Campari, Diasorin, Eni, Pirelli & C, Prysmian, Saipem, Telecom Italia, StMicroelectronics	Between first quartile and median
		Integrated Peer-group Korn Ferry Campari, Diasorin, Eni, Pirelli & C, Prysmian, Saipem, Telecom Italia, StMicroelectronics, E.On, Endesa, RWE, Severn Trent, United Utilities	Between first quartile and median
	Peer-group national Mercer	Amplifon, Campari, Diasorin, Enel, Eni, Italgas, Leonardo, Pirelli & C, Prysmian, Saipem, Telecom Italia, Terna.	Between first quartile and median
Non-executive members of the Board of Directors**	Mercer	National Peer-group Korn Ferry Campari, CNH Industrial, Diasorin, Eni, Hera, Moncler, Pirelli & C, Prysmian, Saipem, Telecom Italia	Between median and third quartile
		Integrated Peer-group Korn Ferry Campari, CNH Industrial, Diasorin, Eni, Hera, Moncler, Pirelli & C, Prysmian, Saipem, Telecom Italia, E.On, Endesa, Ferrovial, Naturgy, RWE, Severn Trent, United Utilities	Between median and third quartile
	Peer-group national Mercer	A2A, Amplifon, Atlantia, Campari, CNH Industrial, Diasorin, Enel, Eni, Ferrari, Hera, Italgas, Leonardo, Moncler, Pirelli & C, Prysmian, Saipem, Stellantis, Telecom Italia, Terna	Between median and third quartile
Members of the Board of Auditors**	Mercer	National Peer-group Korn Ferry Diasorin, Eni, Hera, Moncler, Pirelli & C, Prysmian, Saipem, Telecom Italia	Between median and third quartile
		Peer-group national Mercer A2A, Amplifon, Atlantia, Diasorin, Enel, Eni, Hera, Italgas, Leonardo, Moncler, Pirelli & C, Prysmian, Saipem, Telecom Italia, Terna.	Between median and third quartile
Managers with Strategic Responsibilities	Korn Ferry	National Peer-group Korn Ferry Campari, CNH Industrial, Diasorin, Eni, Hera, Moncler, Pirelli & C, Prysmian, Saipem, Telecom Italia, StMicroelectronics	Between first quartile and median
		Integrated Peer-group Korn Ferry Campari, CNH Industrial, Diasorin, Eni, Hera, Moncler, Pirelli & C, Prysmian, Saipem, Telecom Italia, StMicroelectronics, E.On, Endesa, Ferrovial, Naturgy, RWE, Severn Trent, United Utilities	Between first quartile and median
SVP Internal Audit	Mercer	Industry sector companies in the FTSE Mib Index also included in the Mercer MERG Western Europe Survey and Mercer Databases: A2A, Amplifon, Campari, CNH Industrial, Enel, Eni, Ferrari, Stellantis, Italgas, Pirelli & C, Saipem	Between median and third quartile

* Of both peer groups, only companies with a non-executive Chairman were considered

** STMicroelectronics has not been taken into account as the company only provides the aggregate figure of the Supervisory Board.

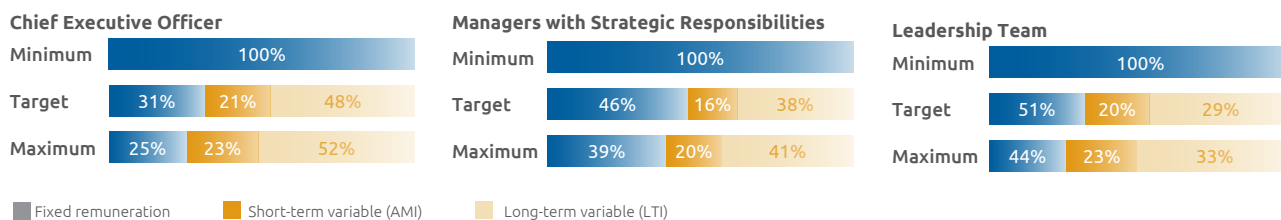
*** Only companies with a traditional system of governance have been taken into account

As far as the entire Snam Leadership Team is concerned, the overall positioning is between the median and third quartile, on both the Korn Ferry national and integrated panels.

Pay-mix 2022

The aforementioned analyses of remuneration positioning have shown that Snam has adopted a remuneration mix characterized by a predominance of the variable component for all roles with a greater incidence on company results. The pay-mix graphs shown below are calculated considering the valuation of short- and long-term incentives in the hypothesis of results at minimum (understood as not reaching the minimum value foreseen by all short- and long-term variable incentive plans), at target, and at maximum.

FIGURE 11 - PAY-MIX 2022



Meeting vote results

The 2021 Report received a broad consensus among stakeholders, thanks in part to the usual engagement activities carried out during the course of the year. The approval was confirmed by the vote in favour at the Shareholders' Meeting, including with regard to minority shareholders alone. The graphs below show a comparison between the FTSE MIB and Snam's 2021 Section I and Section II results and the average for the period 2017-2021 (for 2020, the vote cast by the Shareholders' Meeting on Section I was considered).

FIGURE 12 - SHAREHOLDERS' MEETING VOTE IN FAVOUR 2021 SECTION I AND II - COMPARISON SNAM/ FTSE MIB SOURCE MORROW SODALI

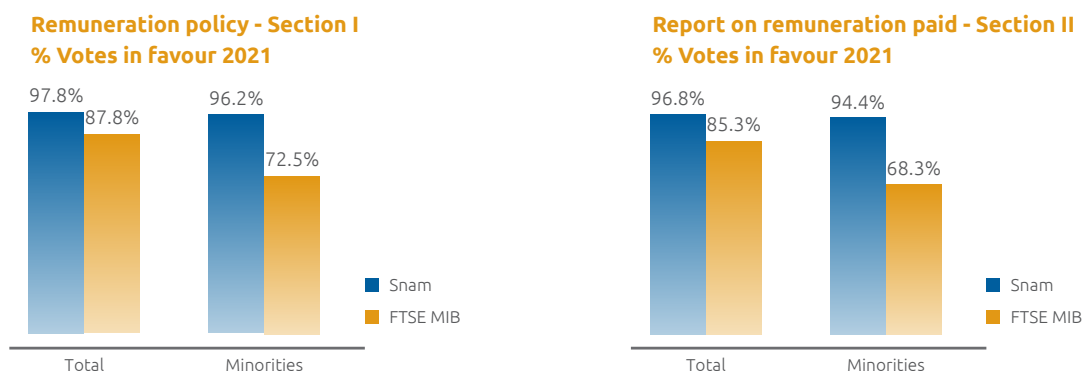
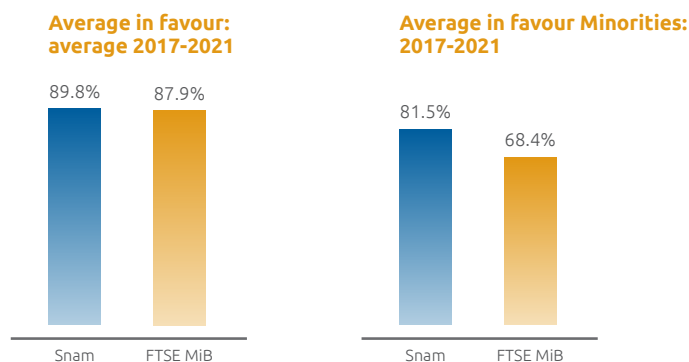


FIGURE 13 - SHAREHOLDERS' MEETING VOTE IN FAVOUR AVERAGE 2017- 2020 - COMPARISON OF SNAM/FTSE MIB - SOURCE MORROW SODALI



SECTION II REMUNERATION PAID IN 2021

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48 REMUNERATION PAID IN 2021

54 EQUITY INVESTMENTS HELD



IMPLEMENTATION OF THE 2021 REMUNERATION POLICIES

A description of the remuneration measures implemented in 2021 for the Chairman of the Board of Directors, Non-executive Directors, the Chief Executive Officer and Managers with Strategic Responsibilities is set out below.

Implementation of the 2021 Remuneration Policy, as verified by the Remuneration Committee during the periodic assessment as required by the Corporate Governance Code, remained in line with the general principles referred to in the resolutions passed by the Board of Directors. On the basis of the Committee's assessment, the 2021 Policy was essentially in line with the known market benchmarks.

The following pages also show the 2021 performance results accrued against the targets assigned by the Snam Board of Directors, which will determine, or contribute to determining, the incentives that will be paid in 2022. The amounts related to the incentive schemes, and reported in the first part of Section II and in the Consob Tables, are therefore considered to be represented on an accrual basis.

In implementing the 2021 Remuneration Policy, the Remuneration Committee took into account the vote and assessments made at the Shareholders' Meeting held on 28 April 2021 on Section II of the Policy on Remuneration and remuneration paid, valid for FY 2021, which received favourable votes equal to 96.8% of the total shares, as represented in the section "Meeting vote results" of this Report, to which reference should be made for further details.

In accordance with the provisions of article 123-ter, paragraph 8-bis of the Consolidated Finance Act, the independent auditors appointed to perform the legal audit of the financial statements (Deloitte & Touche S.p.A.) have correctly verified the preparation of Section II of this Report by formally checking the publication of the information contained therein.

Fixed remuneration and remuneration for participation in Board Committees

In 2021, Non-executive Directors were disbursed, pro quota, the fixed remuneration resolved by the Shareholders' Meeting in the meeting of 2 April 2019, equal to a gross annual figure of Euro 70,000. As resolved by the Board of Directors on 20 November 2019, the additional remuneration due for participating in Board Committees, details of which are given in Table 1 under "Remuneration for participation in Committees", have also been disbursed.

As regards the Chairman, the remuneration has been disbursed as resolved by the Board of Directors in the meeting held on 13 November 2019 for a gross amount of Euro 310,000, including the annual fixed remuneration for the Directors established by the Shareholders' Meeting of 2 April 2019.

Fixed remuneration approved by the Board of Directors during the meeting of 13 November

2019 for the powers and duties assigned was paid to the Chief Executive Officer, which includes remuneration as a Director approved by the Shareholders' Meeting. With regards to Managers with Strategic Responsibilities as part of the annual salary review process provided for all managers, selective adjustments were made in 2021 to the fixed remuneration, where it was the case to adjust remuneration levels in line with reported market references. For 2021, the amount at the aggregate level corresponding to the Gross Annual Salary of Managers with Strategic Responsibilities was Euro 1,019,643.

The amounts relating to fixed remuneration are specified under the relevant items in Table 1.

Any indemnities with regard to salaries provided for by the relevant national collective bargaining agreements and supplementary company agreements are set out in the notes to this table.

Variable incentives²⁰

Short-term variable incentives

The short-term variable incentive will be paid, with regard to the Chief Executive Officer, based on the company's performance in 2021, in relation to the achievement of the defined objectives.

The table below shows, for each performance objective assigned to the Chief Executive Officer, the point values for each level of performance and the related final data, together with the score achieved.

FIGURE 14 - ACHIEVEMENT OF 2021 AMI OBJECTIVES

AMI 2021 CEO/GM Target Sheet		Minimum value	Target value	Value maximum	Final value	Minimum score	Target score	Maximum score	Score achieved
Adjusted EBITDA (€ million)		2,171	2,237	2,259	2,250	21	30	39	35
Investments	Investments 1 - Spending on core business investments (€ million)	-7.5%=1,100 +7.5%=1,278	-5%=1,130 +5%=1,248	-4%=1,141 +4%=1,237	1,207	7	10	13	13
	Investments 2 - Milestones investment projects	3 out of 5	4 out of 5	5 out of 5	5 out of 5	7	10	13	13
Strategic projects	Projects in the 2020-2024 strategic plan: development of assets in Sardinia. Target measured by completion time.	1	2	3	3	7	10	13	13
EBITDA and New business milestones	New business 1 - Contribution to cumulative EBITDA of new businesses (Renovit, Snam4Environment, Snam4Mobility and Snam Global Solutions) - EBITDA (€ million)	35.2	37.1	38.9	13.3	7	10	13	0
	New business 2 - Completion and testing of biomethane plants	ON/OFF by 31/12/2021			ON				
	New business 3 - Contracting with industrial customers (measured in terms of MW)	12MW	14MW	16MW	22MW	7	10	13	13
	New business 4 - Number of new CNG/LCNG stations contracted	30	33	36	37				
Sustainability	Sustainability 1 - IpFG (weighted accident frequency and severity index)	0.90	0.70	0.50	0.65	7	10	13	11
	Sustainability 2 - Indexes Confirmation of inclusion and maintenance of Snam at levels of excellence in the sustainability indices DJSI, Ftse4Good, CDP Climate Change and Sustainalytics.	A	B	C	C	4	5	7	7
	Sustainability 3 - Sustainable Finance - committed funding. Increase (in mln €) in sustainable financing.	1,000	1,500	2,000	2,922	4	5	7	7
Total weighted score						70	100	130	111

²⁰ Data is rounded to the nearest unit (downwards in the case of zero to four digits and upwards in the case of five to nine digits) for the purposes of representative convention only. The Company has established precise approximation rules within its formal methodology for determining the allocation of the Chief Executive Officer's LTI 2020-2022 long-term equity incentive plan (2020-2022 cycle)

The results achieved by Snam in 2021, approved by the Board of Directors on the proposal of the Remuneration Committee at its meeting of 16 March 2022, led to an overall performance score of 111 on the measurement scale used, which provides for a minimum, target and maximum level of 70, 100 and 130 points respectively.

The score achieved led to the recognition of an incentive for the Chief Executive Officer of Euro 753,202, which will be paid during 2022 and which corresponds to 78% of the fixed remuneration, taking into account the incentive levels assigned: minimum (60%), target (70%) and maximum (91%).

For Managers with Strategic Responsibilities, the variable incentive to be paid was calculated as the weighted sum of 25% of the score linked to Snam's business performance and 75% of the score achieved on individual targets (on economic/financial, operating and industrial performance, internal efficiency and sustainability topics), assigned in connection with the scope of responsibilities of the role held.

The score achieved by the Managers with Strategic Responsibilities determined a total incentive equal to Euro 533,000 and an average incidence, compared to fixed remuneration, of 52%²¹

Long-Term Variable Share-Based Incentive Plan²²

LTI 2019-2021

On 16 March 2022, the Board of Directors, on the proposal of the Remuneration Committee, resolved to assign the incentive related to the second cycle of the LTI 2017-2019 in favour of the Chief Executive Officer, which will in any case accrue only at the end of the

vesting period, and therefore from 01 July 2022 according to the procedures described in the Information Document and the Plan Regulation, in the amount of 439,514 shares, determined on the basis of the percentage of achievement of the objectives for the three-year period, equal to 98%, corresponding to 207% of the fixed remuneration²³, taking into account the minimum (106%), target (158%) and maximum (210%) incentive levels assigned.

For Managers with Strategic Responsibilities, a number of shares amounting to 237,989 were determined, the economic equivalent value of which represents an average incidence on fixed remuneration of 103%. The following table shows, for each objective of the three-year period: the point values defined for the different performance levels, the actual value and the accrued multiplier:

- 23 The equivalent value was calculated using the Snam share price for the purposes of determining the instruments allocated, for the 2019-2021 cycle, equal to Euro 4.560995. The estimate does not, therefore, consider the appreciation of the Snam share during the vesting period of the Plan. It is recalled that the plan also provides for a two-year lock-up on 20% of the shares assigned, gross of those necessary to fulfil tax requirements.

21 Remuneration was represented by reference to the Managers with Strategic Responsibilities of Snam (3) at 31/12/2021.

22 Data is rounded to the nearest unit (downwards in the case of zero to four digits and upwards in the case of five to nine digits) for the purposes of representative convention only. The Company has established precise approximation rules within its formal methodology for determining the allocation of the Chief Executive Officer's LTI 2020-2022 long-term equity incentive plan (2020-2022 cycle)

FIGURE 15 - ACHIEVEMENT OF 2019-2021 LTI OBJECTIVES

LTI 2019-2021 Target Sheet		Minimum value	Target value	Maximum value	Final value	Accrued multiplier value
2019	2019 Adjusted EBITDA (€ Million)	2,083	2,125	2,168	2,169	100%
	2019 Adjusted net profit (€ Million)	1,031	1,052	1,073	1,093	
2020	2020 Adjusted EBITDA (€ Million)	2,116	2,159	2,202	2,197	98%
	2020 Adjusted net profit (€ Million)	1,096	1,118	1,140	1,164	
2021	2021 Adjusted EBITDA (€ Million)	2,171	2,215	2,259	2,250	96%
	2021 Adjusted net profit (€ Million)	1,125	1,147	1,170	1,217	
Sustainability	Reduction of gas emissions	-5%	-7.5%	-10%	-27.4%	100%
					Total Multiplier Value Accrued	98%

Following the Company's adherence to the new Oil & Gas Methane Partnership Framework (OGMP 2.0) prepared by the United Nations Environment Programme (UNEP) in September 2020, Snam defined a new emissions reduction plan to 2025. As a result, a new method of calculating the value of natural gas emissions was adopted, which led to a revision of the corresponding target setting. The previously adopted methodology took 2016 as the base year while the UNEP methodology takes 2015 (the year of the Paris Climate Agreements) as the base year, as required by the UNEP Protocol. Specifically, under the new method, emergency emissions (defined as accidental

gas leaks due to pipeline ruptures caused, for example, by mechanical damage or corrosion) will also be included in the computation.

In addition, the new methodology required an updated emission factor (FdE) for line point emissions, now based on field measurements, replacing the previous literature emission factor. The new FdE is applied from 2021. Targets have been raised significantly with evolutions and initiatives progressively launched in recent years such as Leak Detection and Repair (LDAR).

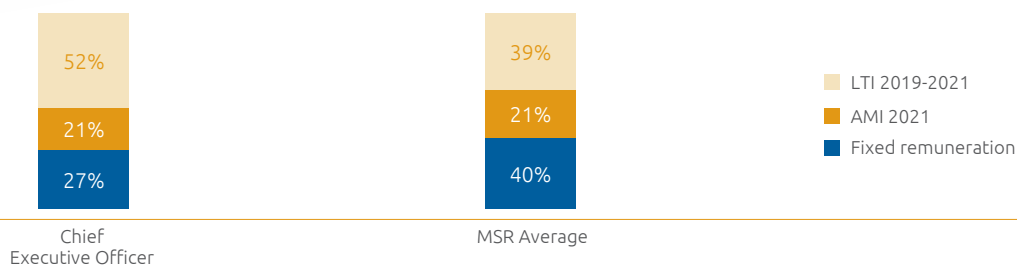
In this regard, the table below compares the targets defined under the previous and current calculation methods.

FIGURE 16 - TABLE OF TRANSCODING TARGET SETTING NATURAL GAS EMISSIONS

Plan	Cycle	End of performance period	Baseline	Threshold level	Target level	Maximum level	Final value 2021	
2019-2021	2019 As-Is (base 2016)	31.12.2021	48.08 billion/scm	Absolute Value bn/ Scm (without emerg.)	45.68	44.47	43.27	34.90
				Delta vs. Baseline	-5%	-7.5%	-10.0%	-27.4%
	2019 Reviewed (base 2015)		49.74 billion/scm	Absolute Value bn/ Scm (with emerg.)	37.75	37.24	36.64	35.38
				Delta vs. Baseline	-24.1%	-25.1%	-26.3%	-28.9%

The following table shows the proportion between fixed and variable remuneration within the total remuneration paid to the beneficiaries of incentive schemes, whose remuneration is illustrated in Table 1:

FIGURE 17 - PROPORTION BETWEEN FIXED AND VARIABLE REMUNERATION WITH REFERENCE TO CEO AND MSR



Benefits

Table 1, page 49, shows the value of the benefits recognized in 2021, according to a taxable criterion; in particular, these values refer to the following benefits: i) annual contribution to the FOPDIRE/PREVINDAI supplementary pension fund, ii) annual contribution to the FISDE/PREVIGEN supplementary health care fund, iii) allocation of a car for mixed use (net of the contribution payable by the assignee).

Derogations

There were no exceptional circumstances during 2021 such that the Board of Directors exercised its authority to waive the contents of the 2021 Policy.

Malus and claw-back

During 2021, Snam did not make use of malus and claw-back mechanisms.

Information comparing the remuneration of the Board of Directors, the Group's results and the average remuneration of Snam employees

The tables below show a comparison between the total remuneration of Directors, who at 31/12/2021 are members of the Snam Board of Directors, the company's economic performance, measured in terms of net profit, and the average remuneration of Snam employees. Each figure is provided over a 3-year period (2019-2020-2021), the Group having made use of the transitional regime introduced by the new Issuers' Regulations on first-time application. After 4 financial years from the entry into force of the forecast, the required information on the entire five-year period will be provided.²⁴

²⁴ The remuneration shown in this table is shown on an accruals basis and not on a cash basis, in accordance with Annex 3A - Scheme 7bis to the Issuers' Regulations, introduced by CONSOB Resolution no. 18049 of 23 December 2011, subsequently amended by CONSOB Resolution no. 21623 of 10 December 2020.

FIGURE 18 - BOARD OF DIRECTORS COMPENSATION 2019-2020-2021

Directors (€)	2021	2020	2019
Marco Alverà ²⁵	3,636,055	3,897,266	3,476,022
Nicola Bedin ²⁶	310,000	310,000	-
Rita Rolli ²⁷	110,000	110,000	110,000
Laura Cavatorta ²⁷	115,000	115,000	115,000
Francesco Gori ²⁷	105,000	105,000	105,000
Yunpeng He ²⁷	90,000	90,000	90,000
Alessandro Tonetti ²⁷	110,000	110,000	110,000
Antonio Marano ²⁷	120,000	120,000	120,000
Francesca Pace ²⁷	120,000	120,000	120,000

FIGURE 19 - ADJUSTED NET PROFIT

Company performance (Million €)	2021	2020	2019
Adjusted net profit	1,218	1,164	1,093

25 The remuneration reported for the CEO, Marco Alverà, with reference to the year 2020, does not take into account the waiver by the CEO of part of the fixed remuneration (equal to Euro 125,000), in consideration of the COVID-19 emergency as part of the "Let's Shape the Future" initiative. With reference to short-term variable remuneration, the Annual Monetary Incentive (AMI) for each year has been indicated, in accordance with the new provisions of the Issuers' Regulations. With reference to long-term variable remuneration, the incentives actually realised were considered for the purposes of representation. Specifically, for the year 2021, the economic countervalue of the third cycle of the LTI 2017-2019 equity incentive plan (performance 2019-2021) was considered, while for the year 2020, the second cycle of the LTI 2017-2019 equity incentive plan (performance 2018-2020) was considered, and for the year 2019, the first cycle of the LTI 2017-2019 was considered. These values were allocated on the basis of the finalization of the objectives of each cycle, not considering the appreciation of the Snam share during the vesting periods, but rather the fair value of each plan (equal to Euro 3.8548 for the LTI 2017-2019, Euro 3.5463 for the LTI 2018-2020 and Euro 4.3522 for the LTI 2019-2021, respectively). It should be noted that each cycle of the LTI 2017-2019 equity incentive plan provides for a two-year lock-up on 20% of the shares granted, gross of those required to settle tax expenses.

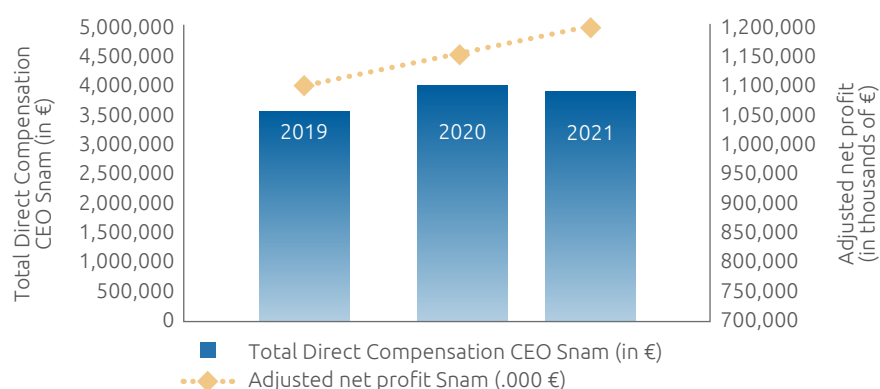
26 The amount indicated in 2020 represents the annualization of the amount paid to the Chairman of the Board of Directors for the period from 18 June to 31 December 2020 (Euro 167,000).

27 The 2019 amount represents the annualization of the amount paid as a director for the period from 2 April to 31 December 2019 and for any remuneration for participation in the Board Committees for the period from 14 May to 31 December 2019.

FIGURE 20 - AVERAGE REMUNERATION OF SNAM EMPLOYEES 2019-2020-2021

Remuneration (€)	2021	2020	2019
Average employee remuneration ²⁸	52,802	54,511	52,166

FIGURE 21 - COMPARISON OF CEO TOTAL COMPENSATION AND COMPANY PERFORMANCE IN TERMS OF ADJUSTED NET PROFIT 2019-2020-2021



- 28 The remuneration data used to calculate the average remuneration of Snam employees is based on a company perimeter that includes the following companies for 2021: Snam Spa, Snam Rete Gas, GNL Italia, Gasrule, Stogit, Snam4Mobility, TEP, IES Biogas, Cubogas, Snam International, Enura, Renerwaste, Snam4Environment, Renovit, Minci and Evolve for a total of 3,429 FTEs. With reference to the years 2020 and 2019, the remuneration data considered refer to the companies Snam Spa, Snam Rete Gas, GNL Italia, Stogit, Cubogas, Snam4Mobility, TEP, TEA Servizi, IES Biogas, Snam Gas & Energy Services, Enura, Gasrule, Snam International, Snam4Environment, Renerwaste, for a total of 3,099 FTEs for the year 2020 and 3,025 FTEs for the year 2019. The average remuneration reported for Snam employees was defined as follows:
- Fixed remuneration figures for each year refer to the expected Gross Annual Salary (RAL) for each employee;
 - All part-time workers' salaries considered were re-proportioned as if they were employed full-time (at 100%);
 - With reference to short-term variable remuneration, the variable remuneration for each year has been indicated for each year, consistent with that represented for the Chief Executive Officer;
 - The following remuneration elements were considered in the computation of short-term variable remuneration: (i) the One-Time Remuneration Policy for the non-executive population disbursed at the time of the annual remuneration policy campaigns, (ii) the Annual Monetary Incentive for Executives (AMI), (iii) the Participation Bonus under the Energy and Oil collective agreement for the non-executive population;
 - With reference to long-term variable remuneration, for the purposes of representation, the incentives actually implemented were considered in line with those considered for the CEO. Specifically, for the year 2021 the economic countervalue of the third cycle of the LTI 2017-2019 equity incentive plan (performance 2019-2021) was considered, for the year 2020 the economic countervalue of the second cycle of the LTI 2017-2019 equity incentive plan (performance 2018-2020), while for the year 2019 the first cycle of the LTI 2017-2019 equity incentive plan (performance 2017-2019) and the disbursement of the IMD 2017-2019 and IMLT 2017-2019 medium- to long-term monetary plans were considered. The values relating to the LTI 2017-2019 equity incentive plan were allocated on the basis of the finalization of the objectives of each cycle, not considering the appreciation of the Snam share during the vesting periods, but rather the fair value of each plan (equal to Euro 3.8548 for the LTI 2017-2019, Euro 3.5463 for the LTI 2018-2020 and Euro 4.3522 for the LTI 2019-2021, respectively). It should be noted that each cycle of the LTI 2017-2019 equity incentive plan provides for a two-year lock-up on 20% of the shares granted, gross of those required to settle tax expenses.
 - The total amount of short-term variable remuneration was divided by the projected number of employees (FTE), regardless of the number of individuals who actually benefited from these remuneration components.

REMUNERATION PAID IN 2021

Table 1 – Remuneration paid to Directors, Auditors and Managers with Strategic Responsibilities

The table below indicates the remuneration paid individually to Directors and Auditors, and collectively to Managers with Strategic Responsibilities²⁹.

It provides an indication of the remuneration paid by Snam to other companies; there is no indication of additional remuneration received by subsidiaries and/or associates as they are fully paid back to the Company. Persons who have held these positions, even for a portion of the year, are included.

In particular:

- the **“Fixed remuneration”** column shows, according to the positions concerned, the fixed emoluments and salaries for employment payable in 2021, before social security contributions and taxes. Reimbursements of lump sum expenses and attendance fees are excluded, since these are not provided for. Details of the remuneration, with a separate disclosure of any indemnities or payments relating to the employment relationship, are provided in a note;
- the **“Remuneration for participation in Committees”** column shows, according to the positions concerned, the remuneration payable to Directors for participation in the Committees set up by the Board. Separate information about remuneration for each committee of which the director is a member is provided in a note;
- in the **“Variable non-equity remuneration”** column, the **“Bonuses and other incentives”** entry shows the incentives for 2021 following assessment and approval of the performance results by the competent company bodies, as specified in greater detail in the table “Monetary Incentive Plans for Directors and Managers with Strategic Responsibilities”;
- the **“Non-monetary Benefits”** column shows, in accordance with competence and taxation criteria, the value of the fringe benefits awarded;
- the **“Total”** column gives the totals for the above items;
- the columns **“Variable non-equity remuneration/Profit sharing”**, **“Other remuneration”** and **“Fair Value of equity remuneration”** give the equivalent value

²⁹ There are no grounds for disclosure on an individual basis pursuant to the legislation in force.

of the shares attributed for participating in the Long-Term Share-Based Incentive Plan pertaining to 2021, as specified, with more details, in the Table “Share-based incentive plans, other than stock options, in favour of Directors and Managers with Strategic Responsibilities”;

- the column “**Severance indemnity**” indicates the indemnities accrued for resignations occurring during the year or when the mandate and/or contract expire.

TABLE 1: REMUNERATION PAID TO DIRECTORS, AUDITORS AND MANAGERS WITH STRATEGIC RESPONSIBILITIES

(amounts in thousands of Euro)

Name and Surname	Notes	Office held	Period for which the office was covered	End of term	Fixed remuneration	Variable remuneration non-equity				Total	Fair Value of equity remuneration	Severance indemnity for end of term or termination of employment
						Remuneration for participation in Committees	Bonuses and other incentives	Participation in the profits	Non-monetary benefits			
Board of Directors												
Bedin Nicola	(1)	Chairman	01.01 - 31.12	04.22	310 (a)						310	
Alverà Marco	(2)	Chief Executive Officer	01.01 - 31.12	04.22	970 (a)		753 (b)	20			1,743	2,030 (c)
Cavatorta Laura	(3)	Director	01.01 - 31.12	04.22	70 (a)	45 (b)					115	
Gori Francesco	(4)	Director	01.01 - 31.12	04.22	70 (a)	35 (b)					105	
Yunpeng He	(5)	Director	01.01 - 31.12	04.22	70 (a)	20 (b)					90	
Marano Antonio	(6)	Director	01.01 - 31.12	04.22	70 (a)	50 (b)					120	
Pace Francesca	(7)	Director	01.01 - 31.12	04.22	70 (a)	50 (b)					120	
Rolli Rita	(8)	Director	01.01 - 31.12	04.22	70 (a)	40 (b)					110	
Tonetti Alessandro	(9)	Director	01.01 - 31.12	04.22	70 (a)	40 (b)					110	
Board of Statutory Auditors												
Gnocchi Stefano	(10)	Chairman	01.01 - 31.12	04.22	80 (a)						80	
Chinellato Gianfranco	(11)	Regular Auditor	01.01 - 31.12	04.22	60 (a)						60	
Patrini Paola Donata	(12)	Regular Auditor	01.01 - 31.12	04.22	60 (a)						60	
Managers with Strategic Responsibilities	(13)				1,020 (a)		533 (b)	34			1,587	1,072
			General total		2,990	280	1,286	54			4,610	3,102

(1) Bedin Nicola - Chairman of the Board of Directors

(a) The amount of Euro 310,000 represents the sum of the fixed remuneration paid to Nicola Bedin for the period from 1 January to 31 December 2021.

(2) Marco Alverà - Chief Executive Officer/ General Manager

(a) The amount of Euro 970,000 corresponds to the fixed remuneration paid to Marco Alverà.

(b) Annual Monetary Incentive (AMI) referable to performance in the year 2021 to be paid in 2022. In this regard, it should be noted that, applying the cash principle, the annual monetary incentive (AMI) paid during 2022, referring to the performance of the year 2021, amounted to Euro 753,202.23.

(c) The fair value amount of equity remuneration includes the fair value of the following plans: (i) 2018-20 cycle for 6 out of 36 months of the 2021 Accrual Plan; (ii) 2019-21 cycle for 12 out of 36 months; (iii) 2020-22 cycle for 12 out of 36 months; (iv) 2021-23 cycle for 6 out of 36 months. See Table 3A for details of the fair value of individual plans.

(3) Cavatorta Laura - Director

(a) for the period from 1 January to 31 December 2021, the amount of Euro 70,000, as annual fixed remuneration established by the Meeting on 02 April 2019.

(b) for the period from 1 January to 31 December 2021, as annual fixed remuneration for participation, as Chairwoman, in the Environmental, Social & Governance Committee (Euro 25,000) and, as member, in the Appointments Committee (Euro 20,000).

(4) Gori Francesco - Director

(a) for the period from 1 January to 31 December 2021, the amount of Euro 70,000, as annual fixed remuneration established by the Meeting on 02 April 2019.

(b) for the period from 1 January to 31

December 2021, the amount of Euro 35,000 as annual fixed remuneration for participation, as Chairman, in the Control, Risk and Related-Party Transactions Committee.

(5) He Yunpeng - Director

(a) for the period from 1 January to 31 December 2021, the amount of Euro 70,000, as annual fixed remuneration established by the Meeting on 02 April 2019.

(b) for the period from 1 January to 31 December 2021, the amount of Euro 20,000 as annual fixed remuneration for participation, as member, in the Environmental, Social & Governance Committee.

(6) Marano Antonio - Director

(a) for the period from 1 January to 31 December 2021, the amount of Euro 70,000, as annual fixed remuneration established by the Meeting on 02 April 2019.

(b) for the period from 1 January to 31 December 2021, as annual fixed remuneration for participation, as Chairman, in the Appointments Committee (Euro 25,000) and as member, in the Control, Risk and Related-Party Transactions Committee (Euro 25,000).

(7) Pace Francesca - Director

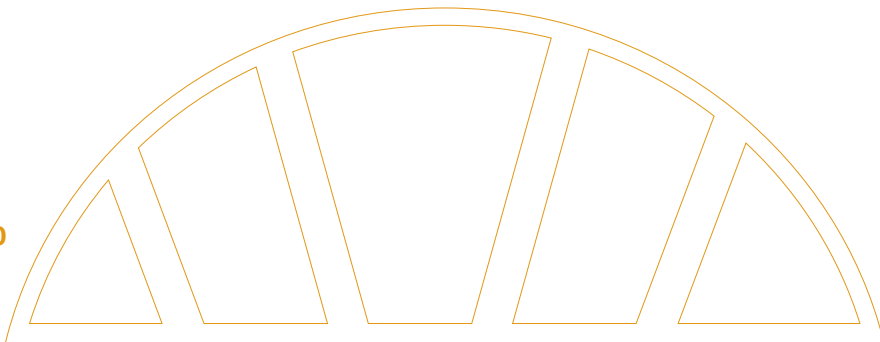
(a) for the period from 1 January to 31 December 2021, the amount of Euro 70,000, as annual fixed remuneration established by the Meeting on 02 April 2019.

(b) for the period from 1 January to 31 December 2021, as annual fixed remuneration for participation, as Chairman, in the Remuneration Committee (Euro 25,000) and as member, in the Control, Risk and Related-Party Transactions Committee (Euro 25,000).

(8) Rolli Rita - Director

(a) for the period from 1 January to 31 December 2021, the amount of Euro 70,000, as annual fixed remuneration established by the Meeting on 02 April 2019.

(b) for the period from 1 January to 31 December 2021, as annual fixed remuneration for participation, as member, in the Environmental, Social & Governance Committee (Euro 20,000) and, as member,



in the Remuneration Committee (Euro 20,000).

(9) Tonetti Alessandro - Director

(a) For the period from 1 January to 31 December 2021, the amount of Euro 70,000, as annual fixed remuneration established by the Meeting on 02 April 2019.

(b) For the period from 1 January to 31 December 2021, as annual fixed remuneration for participation, as member, in the Remuneration Committee (Euro 20,000) and, as member, in the Appointments Committee (Euro 20,000).

(10) Gnocchi Stefano - Board of Statutory Auditors

(a) For the period from 1 January to 31 December 2020, the amount of Euro 80,000, as annual fixed remuneration established by the Shareholders' Meeting on 02 April 2019 for participation, as Chairman, in the Board of Auditors.

(11) Chinellato Gianfranco - Board of Statutory Auditors

(a) For the period from 1 January to 31 December 2020, the amount of Euro

60,000, as annual fixed remuneration established by the Shareholders' Meeting on 02 April 2019 for participation, as Regular Auditor, in the Board of Auditors.

(12) Patrini Paola Donata - Board of Statutory Auditors

(a) For the period from 1 January to 31 December 2020, the amount of Euro 60,000, as annual fixed remuneration established by the Shareholders' Meeting on 02 April 2019 for participation, as Regular Auditor, in the Board of Auditors.

(13) Managers with Strategic Responsibilities

(a) The amount refers to the three owners who, in 2021, were found to be Managers with Strategic Responsibilities at Snam. Added to this amount are the indemnities payable in respect of travel expenses, both nationally and abroad, in line with the relative CCNL for Executives and the Company's supplementary agreements, totalling Euro 15,330.

(b) Annual Monetary Incentive (AMI) referable to performance in the year 2021 to be paid in 2022.

Table 2 - Stock options assigned to Directors and Managers with Strategic Responsibilities

The last share-based plan was granted in 2008 and in 2014 the relevant terms expired for the purchase rights, so since there is no data to report, there is no Table 2.

Table 3A - Incentive plans based on financial instruments, other than stock options, in favour of Directors and Managers with Strategic Responsibilities

The table below indicates the long-term variable incentives provided for the Chief Executive Officer and, at an aggregate level, for Managers with Strategic Responsibilities.

In particular:

- the column "number and type of financial instruments" gives the number of free shares attributed for each plan indicated;
- the column "fair value at assignment date" gives the fair value in Euro of the shares attributed;
- the column "vesting period" shows the length of the vesting period for the long-term incentives attributed during the year;
- the column "financial instruments for the financial year" gives the fair value for the year relating to existing long-term incentive plans, estimated according to international accounting standards which assign the relevant cost in the vesting period.

The total of the column "financial instruments for the financial year" coincides with that shown in Table 1.

TABLE 3A: INCENTIVE PLANS BASED ON FINANCIAL INSTRUMENTS, OTHER THAN STOCK OPTIONS, IN FAVOUR OF DIRECTORS AND MANAGERS WITH STRATEGIC RESPONSIBILITIES

Name Surname Office	Plan	Financial instruments assigned in previous years not vested during the year		Financial instruments assigned during the year				Financial instruments vested during the year and not allocated	Financial instruments vested during the year and attributable	Financial instruments for the year		
		Number and type of financial instruments	Vesting period	Number and type of financial instruments	Fair value at date of assignment (Euro)	Vesting period	Date of assignment	Market price at allocation (Euro)	Number and type of financial instruments	Number and type of financial instruments	Value at maturity date	Fair value (Euro)
Marco Alverà - CEO	2018-2020 Long-Term Incentive Plan BoD 31/07/2018	587,913	1 July 2018 - 30 June 2021	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	583,046	4.9620	347,486
Marco Alverà - CEO	2019-2021 Long-Term Incentive Plan BoD 31/07/2019	446,613	1 July 2019 - 30 June 2022	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	647,916
Marco Alverà - CEO	2020-2022 Long-Term Incentive Plan BoD 12/10/2020	462,108	1 July 2020 - 30 June 2023	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	684,074
Marco Alverà - CEO	2021-2023 Long-Term Incentive Plan BoD 29/07/2021	n.a.	n.a.	412,458	2,105,186	three-year	01/07/2021	4.922 (a)	n.a.	n.a.	n.a.	350,864
Managers with Strategic Responsibilities	2018-2020 Long-Term Incentive Plan BoD 31/07/2018	266,500	1 July 2018 - 30 June 2021	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	264,294	4.9620	157,515
Managers with Strategic Responsibilities	2019-2021 Long-Term Incentive Plan BoD 31/07/2019	241,833	1 July 2019 - 30 June 2022	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	350,835
Managers with Strategic Responsibilities	2020-2022 Long-Term Incentive Plan BoD 12/10/2020	256,122	01 July 2020 - 30 June 2023	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	379,146
Managers with Strategic Responsibilities	2021-2023 Long-Term Incentive Plan BoD 29/07/2021	n.a.	n.a.	231,640	1,106,776	three-year	01/07/2021	4.922 (a)	n.a.	n.a.	n.a.	184,463

(a) Euro 4.922 is the market price at the date of allocation of the plan. The fair value used to determine the total value of the plan was calculated with respect to the Snam share price on the date of delivery of the letters of assignment and is equal to Euro 5.104 for the CEO and Euro 4.778 for Managers with Strategic Responsibilities.

Table 3b - Monetary incentive plans for Directors and Managers with Strategic Responsibilities

The table below indicates the short- and long-term variable monetary incentives provided for the Chief Executive Officer and, at an aggregate level, for Managers with Strategic Responsibilities.

In particular:

- the column “**Yearly bonus - payable/paid**” gives the Annual Monetary Incentives paid in the year on the basis of the finalised report of performance carried out by the relevant company bodies compared with the objectives set for 2021;
- the column “**Bonuses for previous years - no longer payable**” contains no data, since

the conditions were not satisfied for non-payment or partial payment of the bonus in accordance with the provisions of the Plan Regulation;

- the column “**Bonuses from previous years - payable/paid**” contains no data, since there are no long-term variable monetary incentive plans in place;
- the column “**Bonuses from previous years - still deferred**” contains no data, since there are no long-term variable monetary incentive plans in place;
- the column “**Other bonuses**” contains no values, since no other bonuses were paid.

The Total of the columns “**Yearly bonus - payable/paid**” and “**Bonuses for previous years - payable/paid**” coincides with the amount indicated in the “Bonuses and other incentives” column in Table 1.

TABLE 3B: MONETARY INCENTIVE PLANS FOR DIRECTORS AND MANAGERS WITH STRATEGIC RESPONSIBILITIES

Name Surname	Plan	Annual bonus			Bonuses from previous years			Other bonuses
		Payable/Paid	Deferred	Deferral period	No longer payable	Payable/Paid	Still deferred	
Marco Alverà Chief Executive Officer	2021 Annual Monetary Incentive Plan	753,202						
Total		753,202						
Other Managers with Strategic Responsibilities	2021 Annual Monetary Incentive Plan	533,000						
Total		533,000						
TOTAL		1,286,202						

EQUITY INVESTMENTS HELD

The table below sets out, pursuant to Article 84-quater, paragraph four of the Consob Issuers' Regulation, the shareholdings in Snam held, directly or through subsidiaries, trust companies or intermediaries, by Directors, Auditors and Managers with Strategic Responsibilities as well as their spouses (not legally separated) and minor children. This information is taken from the register of shareholders, notifications received and other information obtained from these same persons. Persons who have held these positions, even for a portion of the year only, are included. The number of shares (all "ordinary") is specified for each Director and Auditor individually, and collectively for Managers with Strategic Responsibilities. The persons indicated hold and own the shares.

TABLE 4A: SHAREHOLDINGS HELD BY DIRECTORS AND STATUTORY AUDITORS

Name and Surname	Office held	Investee company	Number of shares held as at 31 December 2020	Number of shares purchased in 2021	Number of shares sold in 2021	Number of shares held as at 31 December 2021
Marco ALVERÀ	Chief Executive Officer	Snam	403,879	667,010 (a)	288,148 (b)	782,741
Francesco GORI	Chief	Snam	0	43	43	0
Donata Paola PATRINI (c)	Regular Auditor	Snam	7,000 (c)	0	7,000 (c)	0
						782,741

Free allocation of Snam ordinary shares following the conclusion of the Vesting Period as provided for in the "2017 - 2019 Long-Term Share Incentive Plan" approved by the Shareholders' Meeting of 11 April 2017. The number represented also includes 83,964 of shares allocated as dividend equivalent.

(b) Shares sold on 30 July 2021, for purposes of meeting the tax liability associated with the share award.

(c) Shares owned by spouse.

TABLE 4B: EQUITY SHAREHOLDINGS HELD BY MANAGERS WITH STRATEGIC RESPONSIBILITIES

	Investee company	Number of shares held as at 31 December 2020	Number of shares purchased in 2021	Number of shares sold in 2021	Number of shares held as at 31 December 2021
Snam Managers with Strategic Responsibilities (a)	Snam	117,741	302,704 (b)	169,858 (c)	250,587

(a) The composition of Managers with Strategic Responsibilities did not change in 2021. There are 3 Managers with Strategic Responsibilities.

(b) Of which 302,354 shares from a free grant of Snam ordinary shares on 30 July 2021 following the conclusion of the Vesting Period as provided for in the "2017 - 2019 Long-Term Share Incentive Plan" approved by the Shareholders' Meeting of 11 April 2017 and 350 shares purchased by a Manager with Strategic Responsibilities following the exercise of the option right (15 April 2021).

(c) Of which 130,617 shares were sold on 30 July 2021, for purposes of meeting the tax liability associated with the share award and 39,241 shares were subsequently sold by two Managers with Strategic Responsibilities.

STERILIZATION RULES FOR SHORT-TERM INCENTIVE PLANS (AMI) AND LONG-TERM INCENTIVE PLANS (LTI)

STERILIZATION RULES FOR SHORT-TERM INCENTIVE PLANS (AMI) AND LONG-TERM INCENTIVE PLANS (LTI)

Details of the individual sterilization objects and their definition are presented below:

Sterilization objects	Definition
Extraordinary M&A transactions ¹	Variation given by the contribution deriving from the management of the company subject to the M&A operation originated by a change in the perimeter and/or the percentage of interest compared to the approved Budget and Multi-year Plans. Costs for the study and structuring of M&A transactions are also sterilized (e.g. legal and tax consultancy, advisory costs, financial expenses for consequent higher indebtedness, etc.)
Measures of the Authorities / Regulations	Regulatory and legislative changes (Italian and foreign) with impact on Income Statement/Balance Sheet/Investments/RAB/Cash Flow
Net allocations (uses) to provisions for risks and charges	Balance between provisions and uses of provisions for risks and charges
Charges for leaving incentives	Charges for facilitated retirement of employees
Capital gains / losses and write-downs Fixed assets	Capital gains/losses and write-downs of fixed assets arising from sales/disposals of assets due to operational and/or regulatory requirements
Inventory write-downs and bad debts	Write-down of inventories and write-down of receivables
Other exogenous and non-recurring factors and extraordinary/unforeseeable phenomena	Effects on the Income Statement/Balance Sheet/Investments/RAB/Cash Flow due to exogenous/external events not related to the ordinary course of business and not foreseeable in the Budget and in the approved multi-year Plans
GNC ²	Effect on Income Statement/Balance Sheet/Cash Flow due to the result of the network balance equation, which represents the non-determinable energy due to measurement uncertainties, the value of which has an unsystematic trend.
Deflator / Inflation	Effects on Income Statement/Balance Sheet/Investments/RAB/Cash Flow due to changes in deflator and inflation parameters compared to approved Budget and Multi-year Plans
Granting of authorizations/permits for construction or operation	Effects on the Income Statement/Balance Sheet/Investments/RAB/Cash Flow due to the non/delayed granting of permits and authorizations
Current assets	Variation in balancing activities, penalties and over/under-billing, variation in advance payments of taxes, UFG and energy charges compared to Budget and approved multi-year plans
Non-recurring financial expenses	Non-recurring financial expenses on debt refinancing operations

NOTE: (1) For long-term equity incentive plans, the performance of New Businesses is calculated considering and not sterilizing the results deriving from extraordinary M&A transactions (equity investments, assets and/or business units). (2) For long-term equity incentive plans, changes in all energy charges are sterilized.

GLOSSARY

1. **Adjusted net profit:** is obtained by excluding special items from reported net profit. The income components are classified under special items, if significant, when: (i) they result from non-recurring events or transactions or from transactions or events which do not occur frequently in the ordinary course of business; or (ii) they result from events or transactions which are not representative of the normal course of business.
2. **Appointments Committee:** consists of two independent, non-executive directors (one of whom is identified as Chairman) and one non-executive director, and provides recommendations and advice to the Board of Directors. The main tasks include: proposing candidates for the office of director when one or more directors leave office during the year, ensuring compliance with the provisions on the minimum number of independent directors and the quotas reserved for the least represented gender; submitting to the Board of Directors candidates for the corporate bodies of subsidiaries included in the scope of consolidation and of foreign strategic subsidiaries.
3. **Benefits:** elements included in the non-monetary component of remuneration, aimed at increasing the well-being of employees and their families in economic and social terms. This category covers all provisions aimed at satisfying pension and welfare needs (supplementary pension, supplementary healthcare, insurance cover), but also 'perquisites', which consist of goods and services made available by Snam to its employees.
4. **Consolidated Finance Act (TUF):** the "Consolidated Law on Financial Intermediation" is Legislative Decree no. 58 of 24 February 1998 (as amended). The TUF introduced "principle-based" legislation on financial matters, which at the primary legislative level establishes only general guidelines, leaving the definition of detailed rules to the Supervisory Authorities (e.g. CONSOB).
5. **Control, Risk and Related-Party Transactions Committee:** comprising three, independent, non-executive directors, it provides recommendations and advice to the Board of Directors, and supports it by carrying out suitable investigations to support its decisions concerning the internal control and risk management system, as well as those relating to the approval of financial relationships.
6. **Corporate Governance Code** approved by the Corporate Governance Committee on 31 January 2020 and applicable from 1 January 2021 (from that date the document replaced the Corporate Governance Code for companies listed by Borsa Italiana S.p.A.), in line with the experience of the main international markets, it indicates the best practices in corporate governance recommended by the Committee for listed companies, to be applied according to the principle of *comply or explain*, which requires an explanation of the reasons for any failure to comply with one or more recommendations contained in the principles or application criteria.
7. **EBITDA (Earnings before interest, tax, depreciation and amortization):** also referred to as "gross operating margin", this is a profitability indicator that reveals the Company's income resulting from its core business alone, gross, therefore, of interest (financial management), taxes (fiscal management), depreciation and amortization of assets.
8. **Employee severance indemnity:** sum of money payable to an employee when they leave a management post.
9. **Environmental, Social & Governance ("ESG") Committee:** the Committee is composed of three non-executive directors, the majority of whom are independent, including the Chair. The ESG Committee carries out propositional and consultative functions towards the Board of Directors with the aim of (i) promoting the continuous integration of national and international best practices into Snam's corporate governance and of environmental, social and governance factors into corporate strategies and (ii) creating value for shareholders and stakeholders in the

medium to long term, in accordance with the principles of sustainable development.

10. **Executive Directors:** Directors invested with specific duties by the Board of Directors.
11. **Fair value of equity remuneration** also referred to as *fair value*. International Financial Reporting Standard no. 2 (IFRS 2) defines fair value as “The amount for which an asset could be exchanged, or a liability settled, or an equity instrument granted, in an arm’s length transaction between knowledgeable, willing parties.”
12. **Fixed remuneration:** includes all fixed annual remuneration, before taxes and social security contributions payable by the employee, and therefore not including annual bonuses, other bonuses, indemnities, fringe benefits, reimbursement of expenses or any other form of variable or occasional remuneration.
13. **Free Cash Flow:** represents the (monetary) cash flow produced by operating and non-operating activities.
14. **Independent Directors:** Snam Directors meeting the independence requirements set out in the Corporate Governance Code, to which Snam adheres.
15. **Injury frequency index:** based on standard UNI 7249, the accident severity index is one of the indicators used to measure safety in the workplace. The aforementioned regulation establishes that this index is calculated as the number of accidents per million hours worked in a given period and/or in a given area and at company level.
16. **Injury severity index:** based on standard UNI 7249, this index is one of the indicators used to measure safety in the workplace. The aforementioned regulation establishes that this index is calculated as the ratio between days of absence from work and hours worked, expressed in thousands.
17. **Issuers’ Regulations:** this is the CONSOB regulation no. 11971 of 14 May 1999 (and subsequent amendments), containing the rules relating to issuers of financial instruments.
18. **Lock up:** the time period during which the assigned shares are subject to restrictions of sale and/or transfer.
19. **Long-term variable incentives:** refers to the *Long-Term Share-Based Plan - LTI*, which entitles participants to receive a predefined number of shares according to the results achieved at the end of the vesting period (see “vesting”).
20. **Managers with Strategic Responsibilities:** individuals who have the power and responsibility, directly or indirectly, for planning, managing and controlling the company’s activities, including directors (executive or not) as identified in Article 65, paragraph 1-quater, of the Issuers’ Regulations, which refers to the definition contained in the Appendix to Consob Regulation no. 17221 of 12 March 2010 containing provisions relating to transactions with related parties, as subsequently amended most recently with Consob Resolution no. 21624 of 10 December 2020. In Snam. 3 entities at the date of approval of this Report, listed herein.
21. **Non-compete agreements:** according to Article 2125 of the Italian Civil Code, this means “an agreement that places limits on an employee’s activities for a period following the termination of the contract”.
22. **Non-executive Directors:** Directors not invested with specific duties by the Board of Directors and not holding individual delegations of management powers.
23. **Pay mix:** the percentage of fixed remuneration and short-term and long-term variable incentives paid.
24. **Performance plan:** the instrument that defines the targets used as the basis for the variable short-term incentives system.

25. **Proxy Advisors:** Companies used by institutional investors that issues specific recommendations based on Shareholders' Meeting documents and their own voting policies, which can have a significant influence on the voting on the Remuneration Report.
26. **Related-Party Transactions:** the procedure "Transactions in which directors and auditors have an interest and transactions with related-parties", adopted pursuant to Article 2391-bis of the Italian Civil Code and the "*Regulation containing provisions on Related-Party Transactions*" (adopted by Consob under Resolution 17221 of 12 March 2010, and later amended by Resolution 17389 of 23 June 2010), which sets out the principles and rules that must be followed by Snam and the companies that it directly or indirectly controls in order to ensure the material and procedural transparency and correctness of transactions carried out by Snam and its subsidiaries with Related-Parties and with Interests of Snam's directors and auditors, taking account also of the objective of avoiding any risk of depleting the company's assets.
27. **Remuneration Committee:** consists of three non-executive directors, two of whom shall be independent (one of whom is chosen as Chair), in accordance with the Corporate Governance Code, and provides recommendations and advice to the Board of Directors in relation to the remuneration of directors and Managers with Strategic Responsibilities. In particular, the Committee submits to the Board for approval the Report on Remuneration and remuneration Paid and formulates proposals relating to the remuneration of directors with delegated powers and members of Board Committees.
28. **Remuneration policy:** the set of remuneration programs for fixed and variable remuneration implemented at company level in order to support the achievement of the strategic objectives.
29. **Salary review:** the process of reviewing the fixed annual remuneration for all eligible management personnel.
30. **Severance indemnity (mandate or office):** sum of money payable to a Director when they leave office.
31. **Short-term variable incentives:** refers to the *Annual Monetary Incentive Plan - AMI*, which entitles participants to an annual bonus according to the results achieved, in the previous year, with respect to the defined objectives.
32. **Stock option:** financial instrument whereby a company grants the beneficiaries the right to purchase shares in that company or another company belonging to the same group at a predetermined price (strike price).
33. **Sustainability indices:** are stock market indices comprising listed companies selected internationally from among those that recorded the best performance in terms of sustainability and corporate social responsibility.
34. **Target level:** the short-term incentive is the standard level of target achievement that gives entitlement to 100% of the incentive.
35. **Threshold level:** the minimum level to be achieved, below which the plan does not provide for the payment of any incentive.
36. **Variable remuneration:** consists of the variable short-term incentive and the long-term incentive (see the related descriptions in this glossary).
37. **Vesting (vesting period):** period running between the assignment and completion of the ownership of the right to receive the reward.

ANALYTICAL CONTENTS BY TOPIC

(Consob Resolution no. 21623, SECTION I)

CONSOB resolution	Information required	Reference
a)	the bodies or persons involved in the preparation, approval and possible revision of the remuneration policy, specifying their respective roles, as well as the bodies or persons responsible for the correct implementation of this policy;	pages 18-20
b)	the possible involvement of a remuneration committee or other committee competent in the subject matter, describing its composition (with a distinction between non-executive and independent directors), responsibilities and operating procedures, and any additional measures to avoid or manage conflicts of interest;	pages 18-23
c)	how the company has taken into account the compensation and working conditions of its employees in the determination of the remuneration policy;	page 24-25
d)	the names of any independent experts involved in the preparation of the Remuneration Policy;	pages 21-22; 35-36
e)	the objectives pursued by the remuneration policy, the principles on which it is based, the duration and, in the event of a review, a description of the changes to the remuneration policy last submitted to the shareholders' meeting and how such review takes into account the votes and assessments expressed by shareholders at that meeting or subsequently	pages 24-26; 36-37
f)	a description of the policies regarding the fixed and variable components of remuneration, with particular regard to the indication of the relative proportion within the total remuneration and distinguishing between short and medium-long term variable components;	pages 26-28; 30-31; 36-37
g)	the policy followed regarding non-monetary benefits;	pages 26-28; 34
h)	with reference to the variable components, a description of the financial and non-financial performance objectives, where appropriate taking into account criteria relating to corporate social responsibility, on the basis of which they are assigned, distinguishing between short and medium to long-term variable components, and information on the link between the change in results and the change in remuneration;	pages 16-17; 28-33
i)	the criteria used to assess the achievement of the performance objectives underlying the granting of shares, options, other financial instruments or other variable components of remuneration, specifying the extent of the variable component to be paid according to the level of achievement of the objectives;	pages 28-33
j)	information aimed at highlighting the contribution of the remuneration policy, and in particular the policy on variable components of remuneration, to the company's strategy, the pursuit of long-term interests and the sustainability of the company;	pages 16-17; 28

CONSOB resolution	Information required	Reference
k)	vesting periods, deferred payment systems, if any, with an indication of the deferral periods and the criteria used to determine those periods and, if envisaged, the mechanisms for ex post correction of the variable component (malus or claw-back of variable remuneration);	pages 30-31; 35
l)	information on whether there is any provision for retaining the financial instruments in the portfolio after their acquisition, with an indication of the retention periods and the criteria used to determine those periods;	page 31
m)	<p>the policy relating to treatment in the event of termination of office or termination of employment, specifying:</p> <p>the duration of any employment contracts and further agreements, the notice period, if applicable, and what circumstances give rise to the right; and;</p> <p>the criteria for determining the remuneration due to directors, general managers and, at an aggregate level, to Managers with Strategic Responsibilities, distinguishing, where applicable, the components attributed by virtue of the office of director from those relating to employment relationships, as well as the components for any non-competition undertakings. Where such remuneration is expressed on the basis of the year, indicate in detail the components of such year calculation (fixed, variable, etc.);</p> <p>iii) any link between such remuneration and the company's performance;</p> <p>iv) any effects of the termination of the relationship on the rights assigned under incentive plans based on financial instruments or to be paid in cash;</p> <p>v) any provision for assigning or retaining non-monetary benefits in favour of the parties or for entering into consultancy contracts for a period subsequent to the termination of the relationship;</p>	pages 33-34
n)	information on the presence of any insurance, or social security or pension coverage, other than mandatory coverage;	pages 26-28; 34
o)	any remuneration policy followed with reference to: i) independent Directors, (ii) participation in Committees and (iii) performance of special duties (Chair, Deputy Chair, etc.);	page 26-27
p)	whether or not the Remuneration Policy has been defined using the remuneration policies of other companies as a reference, and if so the criteria used for the selection and indication of such companies.	pages 26-28; 35-36
q)	the elements of the remuneration policy from which, in the presence of exceptional circumstances, it is possible to make exceptions and, without prejudice to the provisions of Regulation no. 17221 of 12 March 2010, any further procedural conditions under which the exception may be applied.	page 24
r)	With reference to the members of the control bodies, without prejudice to the provisions of Article 2402 of the Italian Civil Code, the section describes any criteria for determining remuneration. If the outgoing control body, in view of the formulation by the shareholders of proposals to the shareholders' meeting regarding the remuneration of the control body, has provided the company with detailed information on the quantification of the commitment required to carry out the appointment, the section contains a summary of such information	pages 27



