

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

**SNAM S.p.A.**

**EXTRAORDINARY AND ORDINARY SHAREHOLDERS' MEETING OF 2 APRIL**

**2019**

**ON SINGLE CALL**

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

**Shareholders' Meeting**

**ORDINARY SESSION**

**Item 9**

**Determination of the remuneration of the members of the Board of Directors**

Dear Shareholders,

in accordance with Article 18, paragraph 1, of the Bylaws, for the duration of their term in office directors receive annual compensation set by the Ordinary Shareholders' Meeting when the directors are appointed; the remuneration so defined is valid until such time as the Shareholders' Meeting decides otherwise. The directors also receive reimbursement for expenses incurred in connection with their duties.

The Board of Directors recalled that the Shareholders' Meeting of 27 April 2016 had approved the proposal of the Board of Directors to fix the gross annual compensation due to each director as 70,000.00 euros, plus reimbursement of the expenses incurred in relation to their office.

The Shareholders' Meeting had approved an adjustment to the remuneration of the Directors also in consideration of the evolving complexity of the Company and Group, which required greater commitment from directors and increased their responsibility.

The aforementioned remuneration is still consistent in terms of the benchmark analysis performed with reference to FTSE MIB companies and in relation to the commitment required by the Company to fulfil the office.

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Taking the foregoing into account, the Board of Directors, considering the remuneration fixed by the Shareholders' Meeting of 27 April 2016 to be adequate, proposes confirming the gross annual remuneration due to each director as 70,000.00 euros plus the reimbursement of expenses incurred in relation to their office.

It is noted that, on 18 April 2008, the Shareholders' Meeting authorised the Board of Directors to extend the insurance policy, provided for the management to cover professional risks, to the directors and to the statutory auditors of Snam S.p.A. according to the standard terms and conditions in practice on the insurance market. This policy, which also guarantees cover for new members of such bodies, provides overall a limit of liability and an annual premium, respectively, of euro 50 million and euro 170,000.

Dear Shareholders,

you are invited to approve the proposal to fix the gross annual compensation due to each director in Euro 70,000.00, plus reimbursement of the expenses incurred in in relation to their office.

The Chairman of the Board of Directors

Mr Carlo Malacarne