

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 18 JUNE

2020

SINGLE CALL

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

Shareholders' Meeting

ORDINARY SESSION

Item 4

Report on remuneration policy and compensation paid:

4.1 First section: report on the remuneration policy (binding resolution);

4.2 Second section: report on the compensation paid (non-binding resolution)

Dear Shareholders,

The Report on remuneration policy and compensation paid (the “*Remuneration Report*”) has been prepared by the Board of Directors on the proposal of the Compensation Committee, in accordance with the provisions of Art. 123-ter of Italian Legislative Decree no. 58 of 24 February 1998 (the “*CLF*”), as recently amended by Italian Legislative Decree no. 49 of 10 May 2019 implementing Directive (EU) 2017/828 of the European Parliament and Council of 17 May 2017 (the “*Shareholder Rights Directive 2*” - “*SRD 2*”) and by Art. 84-*quater* of the Issuers' Regulations adopted by Consob with resolution no. 11971 of 14 May 1999.

The “*Remuneration Report*” file, to which reference is made, is available to the public at the Company’s registered office, on the Company’s web site www.snam.it (in the “*Governance and Conduct*” – “*Shareholders’ Meeting*” Section), as well as at the authorised storage mechanism “*eMarket Storage*” (www.emarketstorage.com).

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Please remember that following the changes made to Art. 123-*ter* of the CLF by said Italian Legislative Decree no. 49/2019, the Remuneration Report is now structured into two separate sections and contains:

- in the first section, the Company's policy on the remuneration of the members of the Board of Directors, the Chief Executive Officer and General Manager, the Executives with strategic responsibilities and the members of the Board of Statutory Auditors, with reference to the year 2020, as well as the procedures used to adopt and implement this policy. This section, pursuant to the combined provisions of the new subsections 3-*bis* and 3-*ter* of Article 123-*ter* of the CLF, is subject to the binding vote of the Ordinary Shareholders' Meeting;
- in the second section, the compensation paid to the members of the Board of Directors, the Chief Executive Officer and General Manager, the Executives with strategic responsibilities (for the latter in aggregate form) and the members of the Board of Statutory Auditors in FY 2019 or related thereto; this section, pursuant to the new subsection 6 of Article 123-*ter* of the CLF, is subject to the non-binding vote of the Ordinary Shareholders' Meeting. The party appointed to carry out the statutory audit of the financial statements, PricewaterhouseCoopers S.p.A., has verified that the directors have prepared the second section of the Remuneration Report.

In view of the foregoing and with reference to this item on the agenda, the Shareholders' Meeting shall proceed to vote in two separate sessions, on the basis of the proposals set out hereto.

4.1 First section: Report on the remuneration policy (binding resolution)

Report of the Board of Directors on the proposals
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We hereby submit the following proposal for your approval:

“The Shareholders’ Meeting of Snam S.p.A.,

- *having examined the “2020 Report on the remuneration policy and compensation paid” prepared by the Company’s Board of Directors in accordance with Art. 123-ter of Italian Legislative Decree no. 58 of 24 February 1998 and Art. 84-quater of the Issuers’ Regulations adopted by Consob with resolution no. 11971 of 14 May 1999;*
- *having examined and discussed in particular the first section of said Report, containing, in accordance with subsection 3 of said Art. 123-ter, the Company's policy on the remuneration of the members of the Board of Directors, the Chief Executive Officer and General Manager, the Executives with strategic responsibilities and the members of the Board of Statutory Auditors, with reference to the year 2020, as well as the procedures used to adopt and implement this policy;*
- *having taken into account the fact that, in accordance with the combined provisions of subsections 3-bis and 3-ter of Art. 123-ter of Italian Legislative Decree no. 58 of 24 February 1998, the vote of the Shareholders' Meeting on said first section of the “2020 Report on the remuneration policy and compensation paid” is binding;*

resolves

to approve the first section of the Snam S.p.A. “2020 Report on the remuneration policy and compensation paid” prepared by the Company’s Board of Directors in accordance with Art. 123-ter, subsection 3 of Italian Legislative Decree no. 58 of 24 February 1998.”

4.2 Second section: report on the compensation paid (non-binding resolution)

We hereby submit the following proposal for your approval:

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“The Shareholders’ Meeting of Snam S.p.A.

- *having examined the “2020 Report on the remuneration policy and compensation paid” prepared by the Company’s Board of Directors in accordance with Art. 123-ter of Italian Legislative Decree no. 58 of 24 February 1998 and Art. 84-quater of the Issuers’ Regulations adopted by Consob with resolution no. 11971 of 14 May 1999;*
- *having examined and discussed in particular the second section of this Report, containing, in accordance with subsection 4 of said Art. 123-ter, the indication of the compensation paid to the members of the Board of Directors, the Chief Executive Officer and General Manager, the Executives with strategic responsibilities (for the latter in aggregate form) and the members of the Board of Statutory Auditors in the year 2019 or relating to such;*
- *having taken into account the fact that, in accordance with subsection 6 of Art. 123-ter of Italian Legislative Decree no. 58 of 24 February 1998, the vote of the Shareholders’ Meeting on said second section of the “2020 Report on the remuneration policy and compensation paid” is not binding;*

resolves

to vote in favour of the second section of the Snam S.p.A. “2020 Report on the remuneration policy and compensation paid” prepared by the Company’s Board of Directors in accordance with Art. 123-ter, subsection 4 of Italian Legislative Decree no. 58 of 24 February 1998.”

The Chairman of the Board of Directors

Mr Luca Dal Fabbro