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**REGULATIONS  
OF THE  
APPOINTMENTS AND COMPENSATION COMMITTEE  
OF SNAM S.P.A.**

Document Approved by the Board of Directors of Snam S.p.A. in the meeting of 12 october 2022

These Regulations, last approved by the Board of Directors on 12 October 2022, govern the composition and appointment, method of operation, duties, as well as the powers and means of the Appointments and Compensation Committee (the “**Committee**”), an internal committee of the Board of Directors of Snam S.p.A. (the “**Company**”).

The Committee was established by resolution of the Board of Directors pursuant to art. 13.9 of the Bylaws, in accordance with the recommendations of the New Corporate Governance Code of listed companies approved by the Corporate Governance Committee, in the *pro tempore* applicable version (the “**Corporate Governance Code**”).

### **Article 1 - Composition and appointment**

1.1. The Committee is composed of three non-executive directors, all independent, or alternatively the majority of whom are independent in accordance with the Corporate Governance Code; in the latter case the Committee’s Chairman (the “**Chairman**”) is chosen from among the independent directors. This without prejudice to the equivalent internal controls provided for in the Guidelines on “*Transactions involving the interests of the Directors and Statutory Auditors and transactions with related parties*”.<sup>1</sup>

1.2. At least one Committee member shall have adequate knowledge and experience in finance or remuneration policies, assessed by the Board of Directors at the time of his/her appointment.

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<sup>1</sup> Art. 4.1 of the Guideline “*Transactions involving the interests of the Directors and Statutory Auditors and transactions with related parties*”, approved by the Board of Directors of Snam S.p.A., pursuant to and for the purposes of article 2391 bis of the Italian Civil Code and Consob Resolution no. 17221 of 12 March 2010 entitled “*Regulation on transactions with related parties*”, as subsequently amended, establishes, firstly, that “*In the case of Transactions relating to the remuneration of Snam Directors and Executives with strategic responsibilities, this opinion is given by the Compensation Committee, without prejudice to the responsibility of the Control, Risk and Related Party Transactions Committee to check that the approval process for the Transaction complies with this Guideline. In this situation, the provisions of this Guideline referring to the Control, Risk and Related Party Transactions Committee are also understood to refer to the Compensation Committee*” and, secondly, that “*If the Control, Risk and Related Party Transactions Committee is not entirely constituted by Directors Not Related, the Control, Risk and Related Party Transactions Committee is joined by Non Related and Independent Directors in order of seniority until it is made up solely of Directors Not Related. Where it is not possible to fulfil this condition, the Control, Risk and Related Party Transactions Committee shall inform the Board of Directors which will arrange for the assignment to be given to an Independent Expert.*”

1.3. The Board of Directors shall appoint and revoke the members and the Chairman of the Committee. The Chairman of the Board of Directors, even if considered to be independent, may not chair the Committee.

## **Article 2 - Operation**

2.1. The Chairman plans and coordinates the Committee's activities, represents it, convenes and directs its meetings and ensures that adequate information on the items on the agenda is provided to all members. If absent or in case of his or her impediment, the oldest member present shall preside.

2.2. The Secretary of the Board of Directors or a resource it has selected from the Legal Department acts as Secretary of the Committee (the **Secretary**) and assists the Chairman in the execution of his or her duties.

2.3. The Chairman may invite to individual meetings the Chairman of the Board of Directors, the Chief Executive Officer ("**CEO**") and the other Directors as well as, informing the CEO, the representatives of the relevant company departments, external consultants or any other person, even from outside the company, whose presence may contribute to the better performance of the Committee's duties.

The Chairman will ensure that the other members of the Committee are informed of the persons invited to the meetings.

The Chairman of the Board of Statutory Auditors and the other standing auditors may in any case attend Committee meetings.

It is understood that no Director may take part in Committee meetings at which proposals relating to his or her remuneration are made, unless these proposals concern the majority of the members of the Committees established under the Board of Directors.

The chairmen of the committees set up within the Board of Directors may call joint meetings of such committees.

All the aforementioned persons are bound by the confidentiality obligations set out in Article 5 below.

2.4. The Committee shall meet, when convened by the Chairman, as per the calendar approved annually by the Committee itself - with the frequency needed to discharge its duties - and, in any event, when a meeting is necessary or opportune.

The proposal concerning the planning of meetings and the related calendar is brought to the attention of the Committee by the Chairman, who is supported in this by the Secretary. The Secretary ensures coordination between the Committee's meetings and the meetings of the Board of Directors, as well as between the Committee's meetings and those of other committees established within the Board of Directors.

2.5. The call notice is sent by the Secretary on the Chairman's instructions in such a way as to ensure the confidentiality of the data and information contained therein.

As a rule, the notice is sent by e-mail to the Committee members and made available to them by uploading it to the section of the digital portal to which the Committee members have access on a confidential basis at least 5 (five) days before the date set for the meeting. In case of need and urgency, said notice may be sent, via e-mail, at least 12 (twelve) hours before the time set for the meeting. The notice is sent for information to the Chairman of the Board of Directors, the CEO, and the Chairman of the Board of Statutory Auditors.

Before its transmission, the Secretary shall check that the matters to be dealt with relating to the meetings of the Board of Directors have been included in the agenda.

2.6. The call notice contains an indication of the place, generally the Company's registered offices, the date and the time of the meeting, as well as the list of the matters to be dealt with. The Committee may meet by videoconferencing and/or teleconferencing, provided that all participants can be identified, have access to the documentation under consideration and are able to follow the discussion and participate in real time in the discussion of the topics

considered. In any case, the speakers are required to attend the company offices in person, unless exceptions are authorised by the Chairman. The meeting is considered held in the place where the Chairman is located. If the call notice states that participation shall occur by telecommunication devices only, it is not necessary to indicate the place of the meeting in the call notice or in the related minutes; in that case, the meeting is considered by convention to have taken place at the Company's offices.

In case of urgency, if it is not possible for the Committee to meet by videoconference or teleconference call, the Chairman may ask the members of the Committee, informing also all those who received a copy of the call notice, to give their opinion on one specific item via electronic mail, on the condition that the decision proposal is sufficiently detailed and that all the documentation relative to the item is made available to them pursuant to the following subsection 2.7.

2.7. Any documentation on the matters on the agenda shall be made available to the members of the Committee by the Secretary, by uploading it to the private section of the digital portal to which the Committee members have confidential access, or in other agreed forms, in any case in such a way as to ensure the confidentiality of the information and data transmitted, at least 5 (five) days before the date of the meeting, except in cases of necessity and urgency. However, it is understood that, if the information notice is not made available within the aforementioned deadlines, the Chairman will ensure that adequate and timely in-depth analyses will take place at the meeting.

If the documentation made available to the Committee members is particularly complex and extensive, the Chairman, with the help of the Secretary, shall ensure that it is accompanied by a summary setting out the most significant and relevant points so that the items on the agenda can be examined.

2.8. The Committee meeting is validly constituted if the majority of the members in office are present and takes decisions by an absolute majority of those present. In case of deadlock the Chairman shall have the casting vote.

The Committee members shall ensure an average attendance at Committee meetings of no less than 80% of the meetings held during the financial year, unless they have justified reasons.

2.9. The Secretary shall draw up the minutes of the meetings. For the sole purpose of facilitating the minuting of the meeting, the Committee meetings, at the request of the Chairman, may be recorded by audio equipment; any such recordings and any transcriptions shall be kept only until the relevant minutes are approved. The draft minutes are submitted to the Chairman and the other members for any observations, and the minutes are normally approved at the next Committee meeting.

The minutes are signed by the Chairman and the Secretary of the meeting and are made available to the members of the Board of Directors and the Board of Statutory Auditors in the appropriate section of the Digital Portal.

### **Article 3 - Duties**

3.1. The Committee conducts, first and foremost, preliminary investigations for the Board of Directors and provides it with advice and recommendations on the composition and size of the Board of Directors and on equal treatment and opportunities among genders.

In particular:

- a) it helps the Board of Directors define the optimal composition of the Board of Directors itself and its internal committees, to be communicated to the Shareholders at the appointment of the Board of Directors, in view of the preparation, by the Board of Directors each time it is due for renewal, of guidelines on the quantitative and qualitative

composition of the Board deemed optimal, taking into account the self-assessment results;

- b) it helps the Board identify candidates for the position of director, should the office of one or more directors be vacated during the year (art. 2386, subsection 1 of the Italian Civil Code), ensuring compliance with the requirements for the minimum number of independent directors and for the quota reserved for the less represented gender;
- c) it proposes to the Board of Directors the plan for the succession of the CEO and any other executive directors, setting out at least the procedures to be followed in the event of the early termination of the office (contingency plan);
- d) at the proposal of the CEO, in agreement with the Chairman of the Board of Directors, it submits to the Board of Directors the candidacies for the administrative bodies of subsidiaries included in the consolidation area, other investee companies considered strategic by the Board of Directors and foundations of which the Company is the founding partner.

The proposal formulated by the Committee is necessary.

In order to support the process of identifying candidacies:

1. in January and July of each calendar year a plan is submitted to the Committee detailing the appointments that will be submitted to it for review during the half year;
2. during the year, before the call notice of each Committee meeting to examine the proposed candidacies is submitted for the Chairman's signature, the names and *curricula vitae* of the candidates are submitted for the attention of the Chairman who examines these proposals and may, where deemed necessary, request meetings and interviews with the candidates;

The candidacies brought to the attention of the Committee must comply with the requirements laid down in Annex B “*Designation of members of the administrative and*

*control bodies of the investee companies” of the “Corporate Governance and Unbundling” Guidelines adopted by the Board of Directors and in force at the time, that require the assessment of: (i) the technical-professional skills; (ii) managerial experience gained and company role, also in relation to the context in which the company whose members are being appointed operates; (iii) the commitment required to fulfil duties, in relation to positions previously held; (iv) the advisability of rotation in the positions; (v) representation of the less represented gender.*

- e) periodically and, in any case, at least once a year, it analyses the identification of the strategic investee companies and, where deemed appropriate, makes proposals to the Board of Directors;
- f) it examines the candidacies for the appointment of the Senior Vice President of Internal Audit, giving the Board of Directors its opinion; the review of the candidacies is carried out, where deemed appropriate, in meetings with the candidates held by the Chairman together with the Chairman of the Control, Risk and Related Party Transactions Committee. The Chairman of the Board of Statutory Auditors is invited to these meetings;
- g) it prepares and proposes:
  - directives on the maximum number of offices in administration or control bodies in other listed companies or of a significant size that can be compatible with an effective performance of the office required by the role of Company director, considering the commitment involved;
  - criteria for assessing both the requirements of professionalism and independence of the Board members of Snam and its Subsidiaries and the competing activities performed;

- h) it examines and assesses the methodologies that govern the preparation of succession plans of executives with strategic responsibilities of the Company;
- i) within the scope of the diversity and inclusion policies adopted by the Company, including those aimed at reducing the pay gap and promoting professional equality, it ensures their implementation (adoption), with reference to the activities within its remit and monitors their effective implementation.

3.2. The Executive Vice President Human Resources & Organization shall conduct preparatory research and, upon invitation of the Chairman, take part in meetings relating to the activities set out in Article 3.1, letters b), c), d), f), h) and i).

The General Counsel shall conduct preparatory research and, upon invitation of the Chairman, take part in meetings relating to the activities set out in Article 3.1, letters a), c), e) and g).

3.3. The Committee shall also conduct preliminary investigations for the Board of Directors on remuneration and provide it with advice and recommendations, and in particular:

- a) it assists the Board of Directors in the preparation of the remuneration policy for directors, general managers, executives with strategic responsibilities and, without prejudice to the provisions of article 2402 of the Italian Civil Code, members of the control body (“**Remuneration Policy**”), also taking into account the remuneration practices widespread in the reference sectors and for companies of similar size, also considering comparable foreign experiences, with the possible support of an independent consultant;
- b) it 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;
- c) it makes proposals on the remuneration of the Chairman of the Board of Directors, the CEO or any additional directors who hold specific offices, with regard to the various

forms of remuneration and economic treatment, including the setting of performance objectives related to the variable component of this remuneration, where applicable;

- d) it supports the Board of Directors in deciding the remuneration of the members of the committees established within the Board of Directors;
- e) it examines information reported by the CEO and proposes, with a view to promoting sustainable value creation over the medium/long-term:
  - the general criteria for the remuneration of Executives 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;
- f) it proposes the definition of performance targets (in agreement with the Environmental, Social & Governance and Energy Transition Scenarios Committee as concerns the identification of those that include indicators relating to ESG factors), the final accounting of company results and the definition of clawback clauses related to the implementation of incentive plans;
- g) it proposes the definition, in relation to Directors with powers: *i)* of the indemnification to be paid in the event of termination of their employment; *ii)* of the non-competition agreements;
- h) it periodically evaluates the adequacy, overall consistency and practical application of the Remuneration Policy by preparing proposals on this subject to the Board, verifying, in particular, the actual achievement of performance targets relating to the variable component of remuneration;

- i) it performs any duties that may be required by the Guideline concerning related-party transactions adopted by the Company in the case of transactions relating to the remuneration of Snam Directors and Executives with strategic responsibilities;
- j) it proposes to the Board of Directors, subject to the favourable opinion of the Control, Risk and Related Party Transactions Committee and having consulted the Board of Statutory Auditors, temporary derogations from the content of the Remuneration Policy, in compliance with the provisions of art. 123-ter, subsection 3-bis, of Legislative Decree 58/98;
- k) it reports on the exercising of its functions to the Shareholders' Meeting convened to approve the separate financial statements for the year, through the Chairman or another member appointed by the latter;
- l) it monitors the application of decisions made by the Board of Directors with regard to the resolutions passed by the same following the exercise of the Committee's proposal-making, consultative and fact-finding duties.

3.4. The Human Resources & Organization department and the Administration, Accounting, Planning and Control department, conduct preparatory research on the activities set out in Article 3.3.

3.5. The Committee reports on the activities carried out to the Board of Directors, through its Chairman, at least once every six months and no later than the deadline for the approval of the financial statements and half-yearly report, at the meeting specified by the Chairman of the Board of Directors; in any event, after each meeting the Committee Chairman informs the Board of Directors, at the first available meeting, about the activities carried out and the comments, recommendations and opinions put forward by the Committee.

#### **Article 4 - Powers and means**

4.1. The Committee shall be entitled to access the company departments and information needed to execute its duties.

4.2. The Committee is endowed by the Board of Directors with the resources necessary for performing its duties; in particular it may, within the terms laid down, from time to time, by the Board of Directors, have recourse, through the company's structures, to external consultants who are not in situations such as might compromise their independence of judgement. This is without prejudice to the provisions of the Guideline on “*Transactions in which Directors or Statutory Auditors have an interest and transactions with related parties*” relating to the use of independent experts in the cases, conditions and terms provided for therein.

#### **Article 5 - Confidentiality**

The Committee members are bound by the confidentiality obligations applicable to them based on their role as directors.

The other participants at meetings are required to observe the utmost confidentiality with regard to documents, news, information and data they have become aware of in the performance of their duties pertaining to the Committee’s work. The Chairman invites participants, other than Committee members, to comply with this obligation.

All subjects who attend the meetings and/or who have access to the Committee’s documentation are in any case required to comply with the provisions of the laws in force and the procedures adopted by the Company regarding the handling and disclosure of corporate information and also on market abuse, with particular reference to inside information.