

THE SNAM SHAREHOLDER

2022

The guide to getting involved in
your investment

Energy to inspire the world



GENERAL INDEX

DEAR SHAREHOLDERS,

the purpose of this Guide is to provide annually both current and potential owners of Snam shares with a summary of relevant information. Starting from 2010, it is part of a series of tools to enhance our communication with retail investors.

We believe that the trust you have showed us must be cultivated through an increasingly effective dialogue. The first part of the Guide outlines the Group's structure, its business and strategic guidelines. The second part presents Snam operating areas and new businesses of the energy transition. The Guide also presents some key features about Snam shares and practical information so that you can get involved in your role as a shareholder.

We hope that these pages will be easy and interesting to read, as well as helpful.

By nature, this Guide is not an exhaustive product. In order to obtain more complete information we invite you to visit our corporate website at www.snam.it or, for specific requests, to contact the Investor Relations department.

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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 capitalisation.

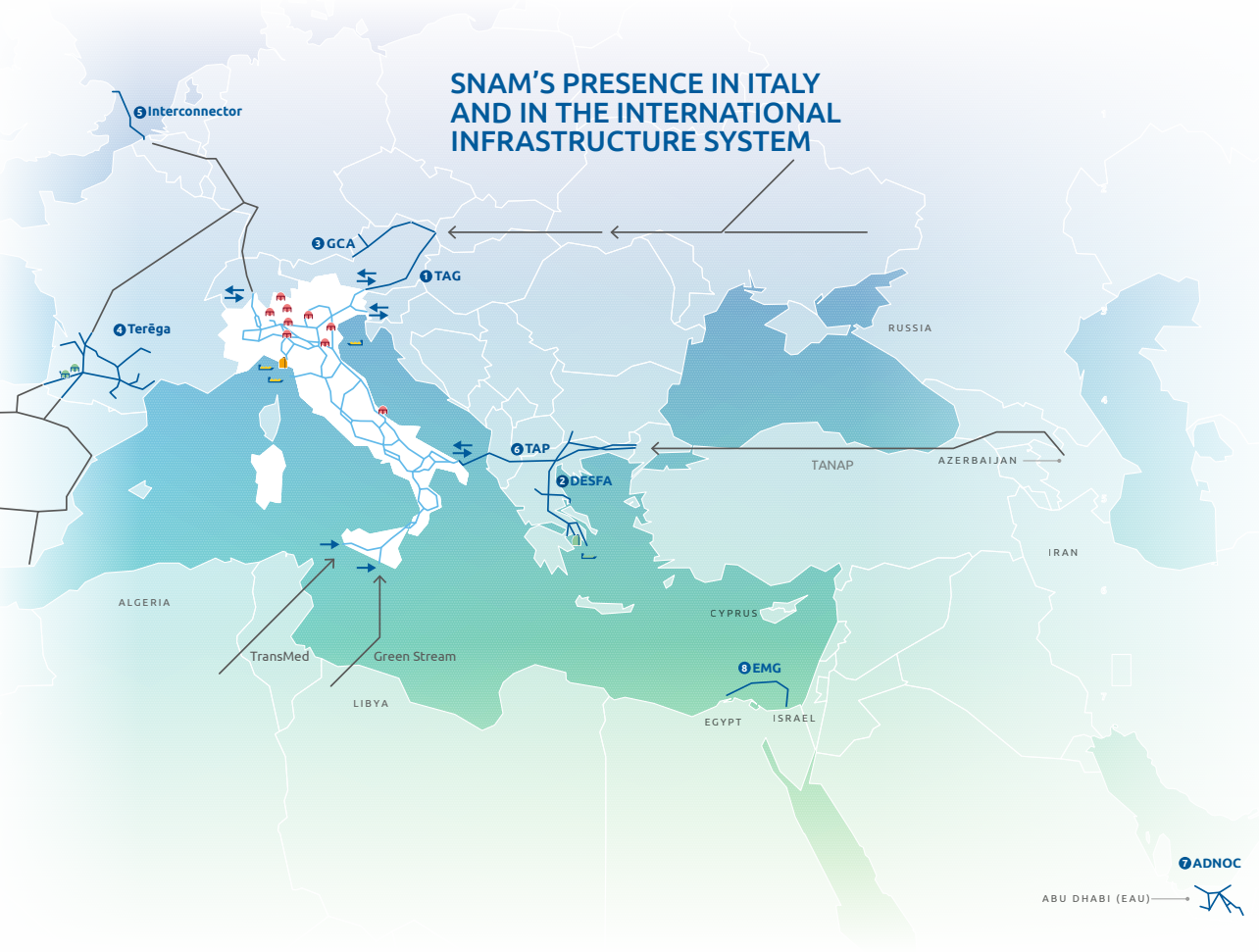
With its 80 years of experience in the development and management of networks and plants, it guarantees security of supply and promotes energy transition in the areas it serves. In addition to transport and storage, Snam is also a major player in LNG regasification. The company is also active in Asia,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

SNAM OVERVIEW

(2021 Data)



ITALIAN NETWORK	TRANSPORT NETWORK	32,767 Km	INVESTMENTS IN INTERNATIONAL PIPELINES
Storage fields	GAS INJECTED INTO TRANSPORT NETWORK	75.77 bcm	Storage fields
Regasification plants	TOTAL STORAGE CAPACITY	16.5 bcm	Regasification plants
LNG terminals	REGASIFICATION PLANT	1	LNG terminals
	EMPLOYEES	3,430	OTHER INTERNATIONAL PIPELINES

TRANSPORT NETWORK - LENGTH

1	2	3	4	5	6	7	8
Trans Austria Gasleitung	desfa	GAS CONNECT AUSTRIA	TEREGA	interconnector fluxys	Trans Adriatic Pipeline	ADNOC	EMG
1,140 Km	1,466 Km	554 Km	5,135 Km	235 Km	878 Km	982 Km	90 Km

SNAM'S ACTIVITIES

Snam has been transporting, dispatching, storing and regasifying natural gas, ensuring energy security in Italy since 1941. In recent years, the Company has begun a process of repositioning itself in the national and international context with the aim of playing an enabling role in the energy transition. In this regard, since 2018, Snam has accelerated, with investments and the acquisition of new expertise, in the development of energy transition businesses such as hydrogen, biomethane, sustainable mobility and energy efficiency.

REGULATED BUSINESSES

Transport: Snam is the leader in transport and dispatching of natural gas in both Italy and Europe. Gas, either imported and produced in Italy, is injected into the national network via 9 entry points. In recent years, the existing transport network has been repurposed in a Hydrogen-ready (H2- ready) manner, thus making it capable of transporting increasing percentages of hydrogen. The analysis indicates that 99% of the network is ready for hydrogen (at 100% of H2 volumes) of which about 70% without significant limitation of operating pressure.

Storage: Snam is the major storage operator of natural gas in Italy and one of the largest in Europe. Total storage capacity in 2021 stands at 16.5 billion cubic metres, the highest in Europe. To ensure energy security, the gas system must be able to respond to any increases in demand quickly. Gas storage is essential for managing fluctuations in demand linked to seasonal dynamics and is a strategic solution against unforeseen events or unexpected increases in demand. The tests carried out confirm the possibility of storing hydrogen at Snam's sites.

Regasification: Snam, through GNL Italia, operates in the Panigaglia plant (La Spezia). Thanks to this terminal and its equity investments in the Livorno (OLT) and Rovigo (Adriatic LNG) plants for Italy and Revithoussa (DESFA) for Greece, Snam is one of the largest continental operators, for total pro quota regasification capacity of around 8.5 billion cubic metres annually.

GREEN PROJECTS

Thanks to the work of Snam4Environment, which specialises in the development of **biomethane** infrastructure and the technical know-how of IES Biogas, Snam is promoting the use of biomethane throughout Italy, contributing to the creation of value and promoting the energy transition of the country. Biomethane also makes a more sustainable mobility possible: Snam4Mobility, a subsidiary of Snam, develops the biomethane and natural gas mobility sector for heavy and light vehicles and the construction of CNG/L (compressed and liquefied natural gas) and bio-CNG/L (compressed and liquefied natural gas) stations. Another area of sustainable mobility in which Snam is investing is **Small-scale LNG** (SSLNG) to promote liquefied natural gas for heavy vehicles leading to a significant reduction in emissions.

The **Hydrogen business unit (H2 BU)** is dedicated to the development of projects for the use of hydrogen both in industrial applications and in the field of sustainable mobility, leveraging on the important prospects that this vector will have for achieving decarbonisation objectives.

Snam has become one of Italy's leading operators in **energy efficiency services** for residential, industrial and public administration sectors through its subsidiary Renovit, which became a B-Corp at the beginning of 2022.

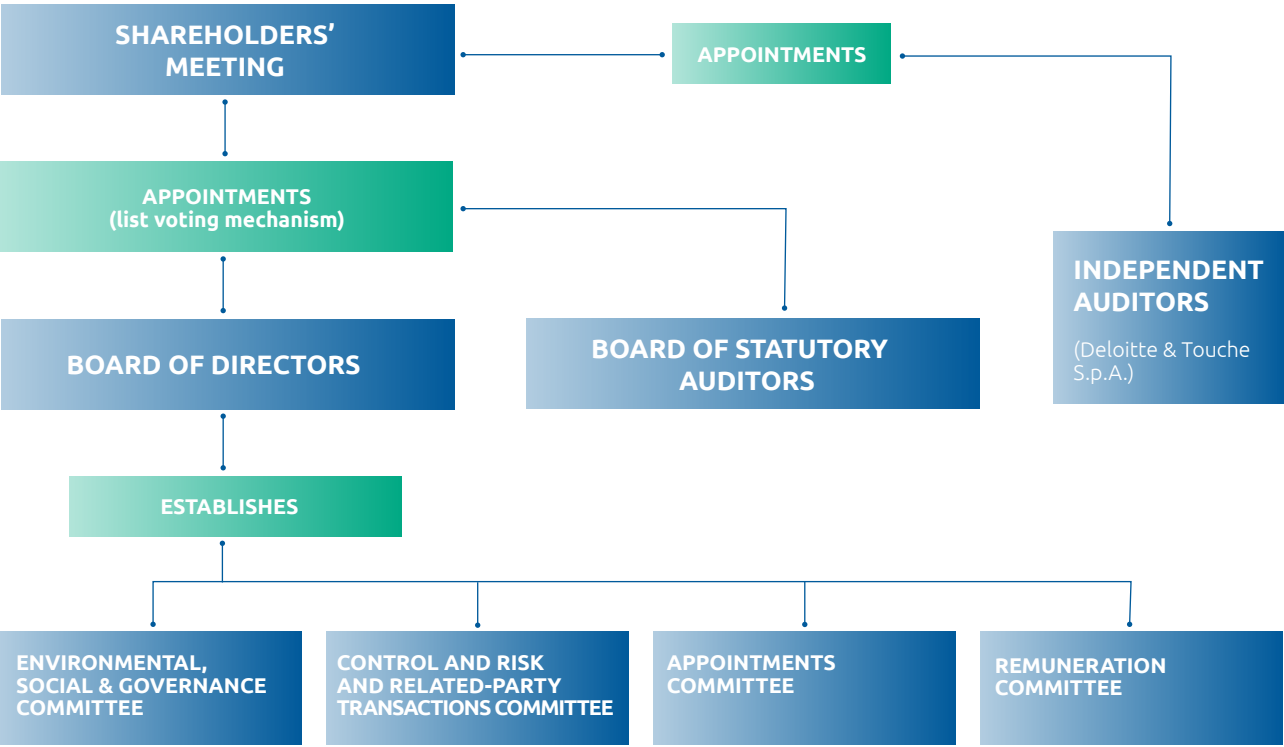
GOVERNANCE

Snam has a continuous commitment to maintaining the highest standards within its Governance System

Snam’s governance system fosters dynamics that create value and facilitate the conditions for the proper and adequate interaction between the company and its stakeholders.

The governance system reflects the “traditional” model and is developed in compliance with the regulations in force and applicable across the sector, in consideration of Italian and international best practices and the principles of the Group’s Code of Ethics.

Furthermore, Snam adheres to the UN Global Compact and operates under the frameworks of OECD Guidelines for Multinational Businesses, the UN Declaration of Human Rights the fundamental Conventions of the ILO. Moreover, the Code of Ethics represents a general principle that cannot be derogated from the 231 model.



Snam’s Board instituted four Committees: Environmental, Social and Governance Committee (ESG Committee), Control, Risk and Related-Party Transactions Committee, Appointments Committee and Remuneration Committee. The composition, roles and function of the Committees are governed by the Board. The Committees are composed of three non-executive directors, the majority of which are independent, except

the Control and Risk and Related-Party Transactions Committee that is composed of independent directors only. The Board is also responsible for appointing the members of the Committees. With the aim of optimising corporate processes, a Board Evaluation process has been implemented also for the three year period 2019-2021, carried out by an independent advisor, aimed at assessing the Board and internal Committee operations.

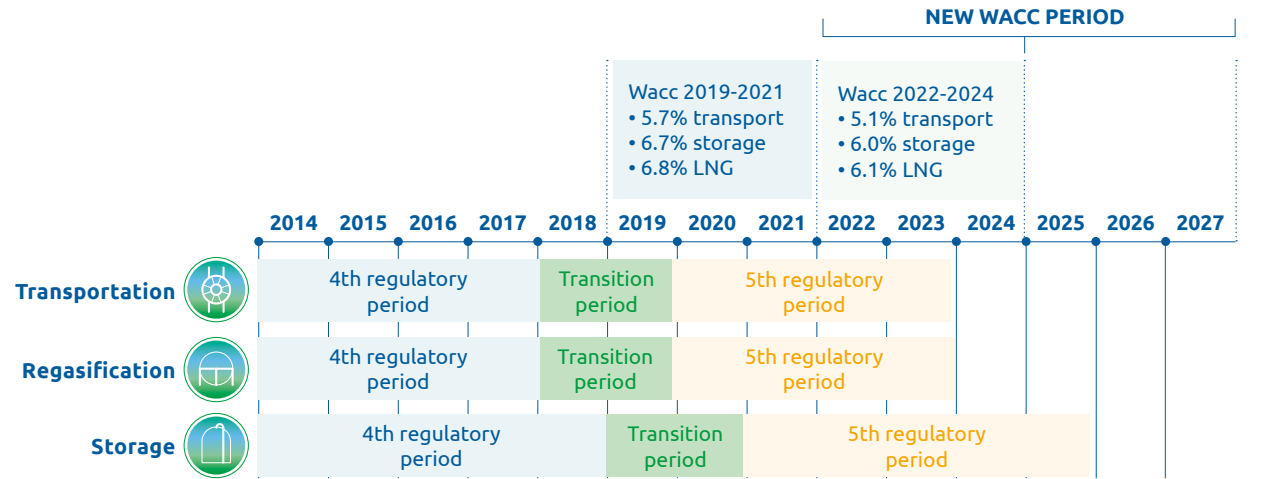
The Shareholders’ Meeting of April 2, 2019 set the number of directors at nine and the term of office expiring at the date of the Shareholders’ Meeting at three years, which will be called in 2022 for the approval of the 2021 financial statements.

For more information about Snam’s Governance, please see the Report on Corporate Governance and Ownership Structure 2021 on the Snam website at: <http://www.snam.it/engovernance-conduct/reports-and-documentation/>

REGULATION IN ITALY

The regulation ensures that the services are provided to third parties according to non-discriminatory criteria

Most of Snam’s revenues are “regulated”. The Regulatory Authority for Energy Grid and Environment (ARERA) regulates the different tariff systems for transportation, storage and regasification services, defining the criteria for setting the tariffs in each regulatory period, which normally lasts four years. The table below shows the primary tariff components for each of the regulated activities carried out by Snam, based on the regulatory framework in force for 2021 and a summary of the changes for 2022 relating, in particular, to the rate of return on invested capital (WACC).



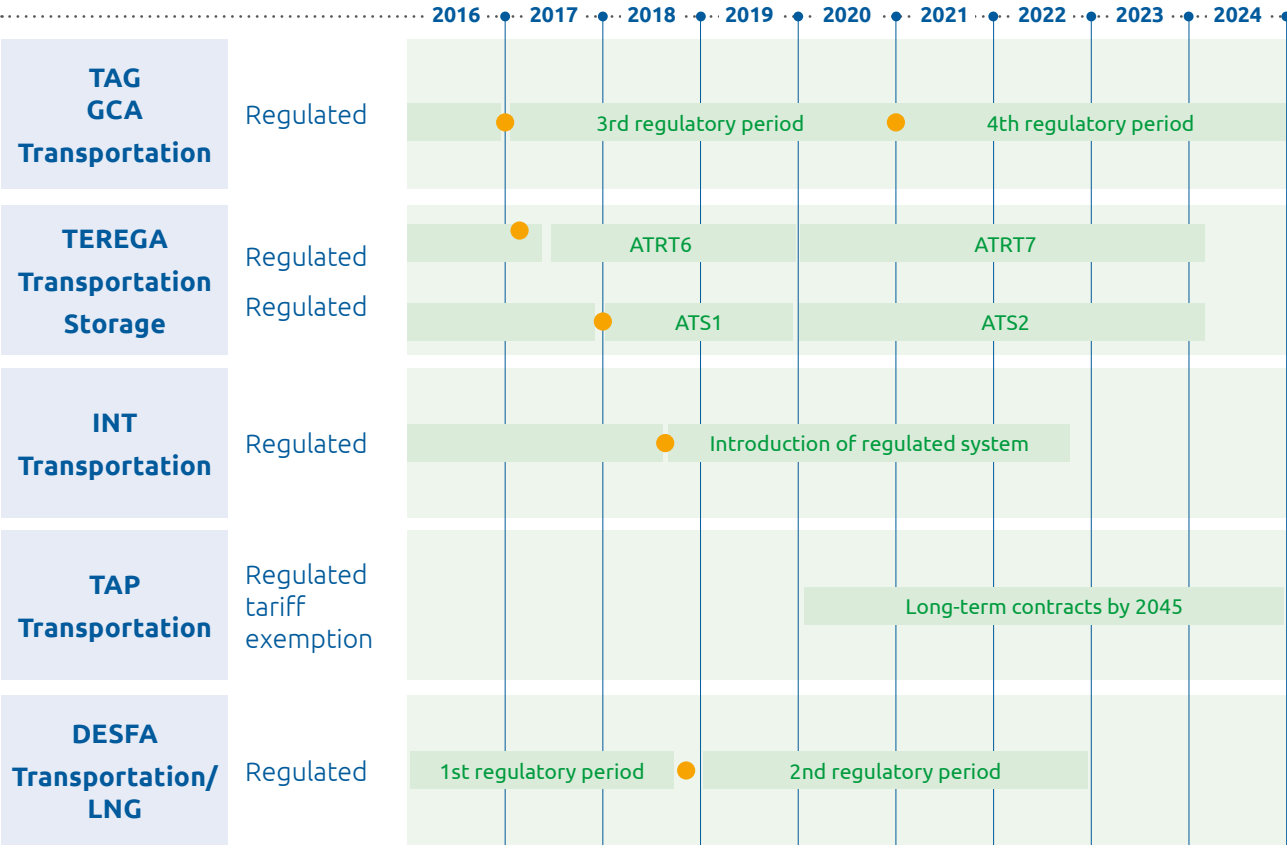
	TRANSPORTATION	REGASIFICATION	STORAGE
End of period of regulation (TARIFF)	5th period: 1 January 2020 – 31 December 2023	5th period: 1 January 2020 – 31 December 2023	5th period: 1 January 2020 – 31 December 2025
Calculation of capital net capital invested recognised for regulatory purposes (RAB)	5th period: Historic cost revalued Working capital recognised 0.8%	5th period: Historic cost revalued Working capital recognised 0.8%	5th period: Historic cost revalued Working capital recognised 0.8%
Remuneration of net invested capital recognised for regulatory purposes (WACC pre-tax)	5th period: 5.7% Years 2020-2021; 5.1% Year 2022 (*) LIC remuneration: - WACC 5.3% Years 2020-2021 - WACC 4.8% Year 2022 (*)	5th period: 6.8% Years 2020-2021; 6.1% Year 2022 (*) LIC excluded	5th period: 6.7% Years 2020-2021; 6% Year 2022 (*) LIC excluded
Incentives for new investments	5th period: (investments during financial year by 2022): +1.5% for 10 years (investments in new capacity of transportation and with cost analysis-benefits >1.5)	5th period: Withholding 40% of revenues Flexibility services (covering revenues not subject to guarantee factors)	5th period: Withholding 50% of revenues from auctions short-term Possible optional strengthening of the percentage, against % reduction, revenue guarantees
Efficiency factor (X FACTOR)	5th period: 0.7% on operating costs (**)	5th period: 3.1% on operating costs	5th period: 1% on operating costs

(*) The rate of return on net invested capital (WACC) from 1 January 2022 was set by the Authority in Resolution 614/2021/R/com, published on 23 December 2021. The duration of the regulatory period for the WACC (PIWACC) for infrastructural regulations for the gas sector was set at six years (2022-2027) and a mechanism was established to adjust the rate halfway through the period, based on current trends.

(**) Referring to the largest transportation company.

REGULATION IN EUROPE

Snam constantly monitors developments in the regulations within the various European countries in which it has a presence through international equity investments



TRANSPORTATION

- RAB differentiated between equity financed portion (Revalued Historical Cost) and debt financed portion (Book Value). Additionally, different treatments are established for old assets (prior to 2012) and new investments
- Different remuneration rates are established for the portion of RAB financed with equity (Cost of Equity(*) 8.94 Real Pre Tax) and the portion financed with debt (Cost of Debt 1.61 Nominal Pre Tax).
- The capex incurred starting from 2021 are remunerated through a "single WACC" rate of 4.982% nominal pre-tax.



TRANSPORTATON

- RAB annually revalued using inflation (Consumer Price Index), taking new investments and amortisation/depreciation into account (Current economic cost method).
- WACC remuneration rate of 4.25% Real Pre-Tax.

STORAGE

- Storage under regulated regime from January 2018.
- WACC remuneration rate of 4.75% Real Pre-Tax; RAB of around 1.3 billion.



TRANSPORTATION

- Under an exemption regime until October 2018.
- Switch from an exemption regime to a regulated regime without volume risk protection, upon maturity of long-term contracts (October 2018).



- Third Part Access exemption on initial capacity (10bcm/y).
- Exemption from tariff regulation on initial capacity and expansion.



TRANSPORT/LNG

- RAB based on historic cost, Work in Progress remunerated by WACC.
- Nominal Pre-Tax Remuneration rate 2019-2022 period: 8.22%, 7.84%, 7.52%, 7.44%.
- RAB approximately 0.8 billion euros (Transportation + LNG).
- Socialisation of the cost of LNG in the transportation tariff (50% from 2020 vs. previous 75%).
- Recovery of the old Recoverable Difference accumulated between 2006 - 2016, around 326 million euros, distributed over 16 years, from 2017 - 2032.

POSITIONING OF EXCELLENCE IN THE ESG INDICES

The integration of ESG aspects in the corporate strategy has generated a significant growth in the presence of SRI investors in the Company's shareholding structure

Snam has since long time integrated sustainability policies in its strategy, thus achieving significant performances, which led to inclusion of Snam shares in the most important sustainability indices through strict assessment processes.

As at 31 December 2021, investors who build their portfolios based on Socially Responsible Investing criteria represent almost 40% of the total number of Snam's institutional shareholders and 17% of the overall number. As part of the 2021 assessment, Snam stock returned to be included the Dow Jones Sustainability Index of S&P Global, improving the 2020 score by 13 points. An important improvement (from 3.2 to 3.9) also concerned the series of FTSE4Good indices, in which Snam has been in since 2002. The commitment to cut emissions, mitigate climate risks and develop the low-carbon economy, is proven also from the confirmation of leadership by the Carbon Disclosure Project, with the score of A- in the climate change part. In 2021 Snam has also joined, for the third year, the CDP supply chain program: the improvement of the score achieved (A) proves Snam's commitment to engaging suppliers on the reduction of emissions and the development of sustainable strategies. For the eighth year in a row, Snam was listed in the "GC 100", index developed by the UN Global Compact in partnership with the research firm Sustainalytics, that lists the 100 companies which globally outstand for executive leadership commitment and consistent baseline profitability. Also in Sustainalytics, the company has significantly improved its ESG risk score, going from 19.0 to 15.9, which indicates an even lower risk profile.

The rating assigned by MSCI moved from AA to A in 2021. Snam is included in five ECPI indices, in the Stoxx Global ESG Leaders indices, in the Euronext Vigeo Eiris120 indices and in the ISS-Oekom index (PRIME level and rating upgraded to B). Lastly, Snam was reconfirmed in the Bloomberg's Gender-Equality Index (GEI) 2022, which tracks the financial performance of the companies most committed to the promotion of gender equality.



A STRATEGIC POSITION IN THE ENERGY TRANSITION

Snam plays an enabler role in the energy transition thanks to its infrastructures, new businesses development and international presence

The achievement of the global climate goals will give rise to significant investments in the decarbonization of the energy industry over the next 30 years. Numerous countries, which represent around 90% of global emissions, have set out measures to contain and, if possible, reverse the global warming process and the resulting impact on climate change.

Major prospects will relate to the energy transition. The main trends relating to achievement of the net zero goals being as follows: the **growth in renewables**, mainly solar and wind energy, in order to decarbonize electricity generation whose weight in the energy mix is expected to go from around 20% to around 50%; the **growth in green hydrogen** to reach a share of the energy mix in the range of 15% and 35%; the development of technologies for the **capture and storage of carbon dioxide**.

Snam has set itself the goal of being a global leader in green gas infrastructures and it is the first company in its sector in the EU to publish a Scope 3 emissions target by 2030 and achieve net zero by 2040. These goals are in line with the target to limit global warming to within 1.5°C as provided for by the Paris Climate Agreement and reinforced by the recent Glasgow Pact. Snam's infrastructure will be an enabling factor for energy transition and will allow the company to make an active contribution towards the reduction in greenhouse gas emissions for the system. The vision is to transport fully decarbonized gas and to make Italy a renewable energies hub by 2050.

In addition, Snam is committed to building market positions along the value chain both of hydrogen and of biomethane and to contributing to the energy transition by providing energy efficiency services for the residential and industrial sectors and for the public administration, as well as by promoting sustainable mobility.



Green gas needed to get to zero

- **Net-zero commitments** from countries with **ca 90%** of global emissions.
- **Electrification** to reach around **50%** of final energy mix.
- **Green gases** required to decarbonize hard-to-abate sectors; up to **1/3** of energy mix by 2050.



Technology costs falling

- **Cost decline of hydrogen** to accelerate to reach \$0.5/kg by 2050 (BNEF).
- Supportive global **policies and incentives** for deployment at scale.



Capex supercycle coming

- Molecules accounting for major share of **\$150tn** global capex needs by 2050.
- **\$130tn** capital committed by financial institutions to net zero.
- **\$5tn** avg. annual capex 2020-50, **more than double** vs current level.



Pivotal role of infrastructure

- Green gas infrastructure as **enabler** of energy transition.
- **Integrated approach** to optimize energy supply, achieve higher returns.

THE PURPOSE OF SNAM AND THE SUSTAINABLE DEVELOPMENT GOALS

"Energy to inspire the world", Snam's purpose included in its Articles of Association in February 2021, encapsulates Snam's experience, engineering tradition and ability to be at the forefront of the energy sector, while providing the tools and innovation needed to achieve the goal of ecological and energy transition of the country's system, with a view to sustainable success. As announced in the "Towards Net Zero" strategy (presented in November 2020) Snam has launched a business diversification process oriented towards decarbonisation, which will lead it to become a zero net emissions company for its activities by 2040, equipped with multi-molecule infrastructures, strongly oriented towards the use of green gases, in particular biomethane and hydrogen, and promoting energy efficiency measures in Italy. In 2021, aspects related to the "Sustainable supply chain" gained greater importance and were included among the material topics, also in consideration of the awareness-raising activities carried out by Snam in this area and the conviction that a

company is responsible not only for its own activities, but also indirectly for the activities of its value chain. This commitment is fulfilled in particular by setting Scope 3 emission reduction targets for its suppliers.

These objectives, supported by a medium (the 2021-2025 Strategic Plan) and long-term (Vision to 2030) investment plan, will be achievable thanks to the Group's expertise, the creation of solid, trusting relationships with local communities, and effective collaboration with suppliers and associate companies.

The major integration of sustainability into the business, which is part of Snam's purpose, is also demonstrated by the ESG Scorecard, a set of annual targets in the environmental, social and governance spheres, designed to provide stakeholders with maximum disclosure on the Group's commitment in these areas and to report transparently on the progress achieved.

In pursuing its purpose, Snam reconciles its strategic choices with its commitment to achieving the **Sustainable Development Goals (SDGs)** defined by the United Nations in 2015. The 17 SDGs and their targets represent an important reference for Snam, which focuses its efforts on those that are closest to its mission, purpose and activities.



SNAM: VISION TO 2030

Up to €23 bn of investment opportunities are expected in three growth areas: energy networks, energy storage and green energy projects

Thanks to its strategic positioning and internalized skills, Snam will be able to take advantage of new and relevant development opportunities throughout the next decade, in which a strong acceleration of the energy transition is required to achieve net zero targets with rising investments; more specifically, in energy transport and storage infrastructure, as well as in projects along the entire green gases value chain. For this reason, in addition to the plan to 2025, which includes investments already in the money today, Snam has developed a longer-term vision.

ENERGY NETWORKS

Evolution towards a multi-commodity infrastructure able to transport not only natural gas in the transition phase, but also biomethane and hydrogen as well as carbon dioxide, wherever necessary. A dedicated hydrogen network will be progressively developed by repurposing existing pipelines. Up to €15 bn of investments, of which €12 bn in natural gas and biomethane transport (replacements with H2 ready standards over 3,000 km of pipelines, maintenance, conversion of six dual fuel compression stations, support to new demand such as the Sardinia project and new connections, as well as initiatives on emission reductions and digitalisation) and €3 bn in hydrogen transport (by repurposing 2,700 km of network from Mazara del Vallo to Passo Gries and Tarvisio for the transport of hydrogen from Italy to higher demand areas in Northern Europe).

STORAGE

Evolution towards a multi-commodity energy storage company (natural gas, biomethane, hydrogen, carbon dioxide), also considering sector coupling solutions, for

instance through batteries. Up to €5 bn of investments, of which €3 bn in natural gas and biomethane storage (consolidation of existing activities, development of H2-ready investments, conversion of six dual-fuel compression stations) and €2 bn in new energy storage (including hydrogen, CO2, natural gas and biomethane).

GREEN ENERGY PROJECTS

Move from pilot to scalable green gas projects (biomethane and hydrogen), along the entire value chain to foster market development and contribute to decarbonisation. Up to €3 bn of investments, leveraging on existing platforms to develop hydrogen initiatives also by means of grants and funding opportunities.

WEIGHTED INVESTMENT OPPORTUNITIES TO 2030		EXPECTED RETURNS	
Energy networks multi-molecule (CH4, bioCH4, H2, CO2)	CH4 and bioCH4 transport	€12bn	Regulated return
	H2 transport	€3bn	Premium regulated return
Energy storage multi-molecule (CH4, bioCH4, H2, CO2)	CH4 and bioCH4 storage	€3bn	Regulated return
	New Energy storage	€2bn*	≥ high single digit
Green energy projects 	Hydrogen	€3bn*	≥ high single digit
		€23bn	

*Not included in RAB

SNAM: STRATEGIC PRIORITIES

€ 8.1 bn by 2025 for the maintenance, modernization and development of the infrastructure, the achievement of carbon neutrality and the acceleration of the energy transition

Snam’s 2021-2025 Strategic Plan, presented last November, pursues a sustainable growth model that aims at value creation by leveraging on:



Long term RAB growth



Green energy projects



Enhanced targets on emissions reduction and commitment to ESG



International profile



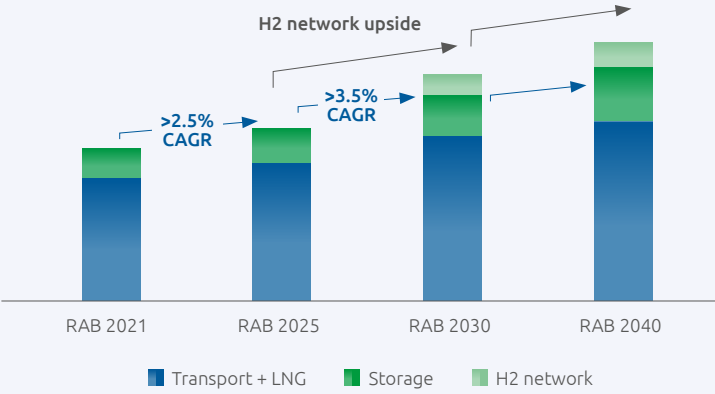
Solid financial structure and sustainable finance

Investments aligned to the European taxonomy account for 47% of the total (an increase compared to 40% in the previous Plan). Regulated activities are substantially in line with the previous Plan even though with a different mix.

Snam’s new capex plan envisages an increase in investments of almost € 700 mln compared to the €7.4 bn of the 2020-2024 Plan, bringing them to **€8.1 billion** in the 2021-2025 period. The Plan includes the maintenance, upgrade and development of its infrastructure, net zero investments and the acceleration of the energy transition.

A GROWING TARIFF RAB

Based on planned investments, an average annual Tariff RAB is expected to grow at an average yearly rate higher than 2.5% in 2021-2025 period, therefore at the same rate of the previous Plan. In the next 2025-2030 period, Snam forecasts a growth of over 3.5%, with further upside opportunities deriving from the development of an infrastructure for the transport of hydrogen.



INVESTMENTS PLAN

€8.1 bn of investments over the 2021-2025 period

ENERGY NETWORKS

€5.6 bn for replacement cycle ramp up

- Key development activities:
 - Sardinia project
 - 3 dual fuel compression stations
- Replacement: about 1,300 km of transport pipelines replaced (Ravenna - Chieti; Rimini - San Sepolcro; S.Salvo - Biccari)
- New connections: 205 CNG and 75 biomethane connections to the grid; 115 other connections to the grid.

ENERGY STORAGE

€1.2 bn to increase performance and refurbish assets

- Key development activities:
 - 3 dual fuel storage stations
 - new/refurbished CH4/H2 wells (storage flexibility and peak volume increase)
- Replacement: upgrading gas processing and monitoring equipment at Fiume Treste, Sabbioncello, Settala, Ripalta; and in Minerbio and Sergnano plants
- Maintenance to maintain safety standards and comply with regulations.

GREEN ENERGY PROJECTS

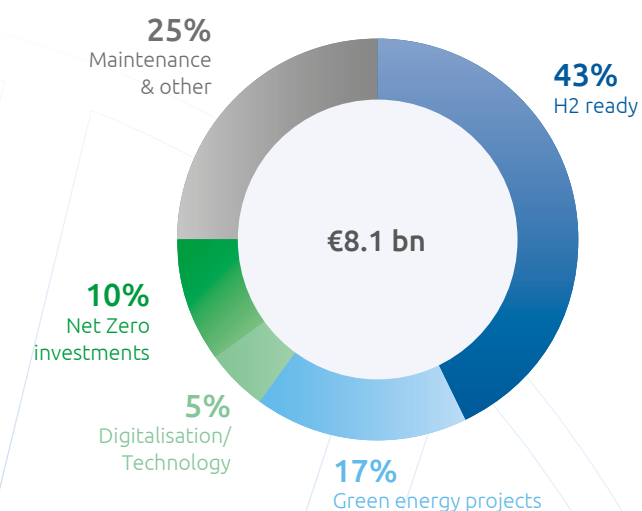
€1.3 bn (vs €700 mln of the previous Plan) with an annual contribution to EBITDA of €150 mln in 2025. Snam has created a broad and diversified platform of activities to offer integrated solutions along the entire green gases value chain.

Biomethane: €850 mln (net of €100 mln for possible grants), €100 mln of which in sustainable mobility infrastructure. The construction of plants with an installed capacity of about 120MW is planned, almost twice as much as the capacity targeted in the previous Plan, also by leveraging on opportunities provided by Italy's Resilience and Recovery Plan (PNRR). The full contribution to the results of such investments is expected in the years following 2025. In biomethane and natural gas mobility for light and heavy vehicles over the plan horizon, the development of L/CNG and bioL/CNG stations will be

completed as well as infrastructure projects to fuel the distribution network with LNG.

Energy efficiency: €230 mln, with visibility on cash flows in the long term. In just three years, Snam has become one of the leading Italian operators in energy efficiency services for residential, industrial and public administration sectors. Its subsidiary Renovit (60% owned by Snam), active in the sector, intends to continue its growth path organically and through acquisitions, by leveraging the opportunities arising from the 110% Ecobonus. In the industrial sector, the installation of approximately 90 MW (+30 MW compared to the 2020-2024 Plan) of distributed energy systems (CHP, PV, fuel cells) is planned; while in Public Administration, Snam will be responsible for participating in public tenders and developing public-private partnerships.

Hydrogen: €250 mln (net of €100 mln of possible grants). Snam has set up a Business Unit dedicated to hydrogen, with the aim of being at the forefront of a sector with great prospects. The areas in which the plan's investments will be concentrated are mobility, in collaboration with Snam4Mobility (trains, refuelling stations for light and heavy vehicles, airports), the industrial sectors (thermal, feedstock, fuel cells) and R&D and venture capital initiatives. The plan includes projects for which Snam submitted request for financing within existing grants (IPCEI, Innovation Fund, Horizon 2020).



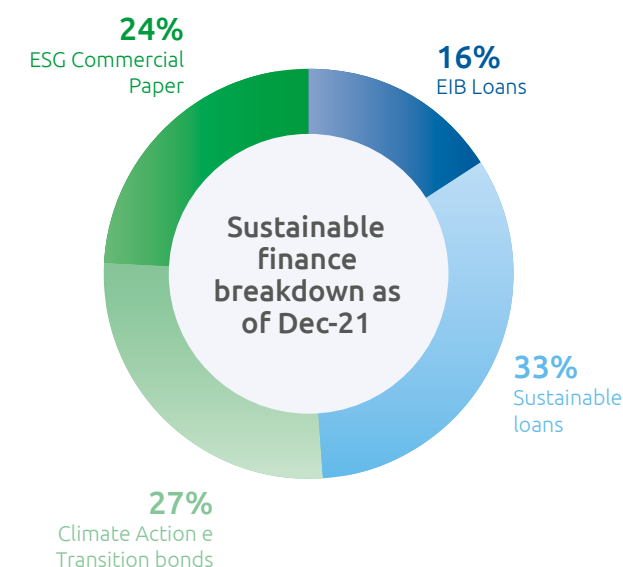
FINANCIAL STRATEGY

Snam aims to minimize the risk profile of the Plan and to preserve the solidity of the balance sheet

FINANCIAL DE-RISKING

The activities to optimise the financial structure implemented over the last six years have led to a reduction in the average cost of the gross debt from 2.4% in 2016 to current average below 1% and expected to be an average of 1.1% over the plan time horizon, thanks to actions implemented to take full advantage of favourable market conditions. Further possible savings could result from treasury optimisation, as well as additional diversifying sources and increasing sustainable finance instruments.

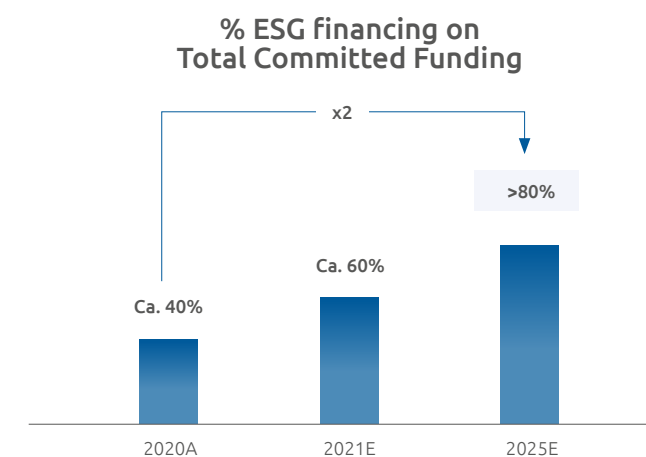
- Strong liquidity profile with undrawn committed lines covering 3 years of bond maturities.
- Financial structure defined via an Asset and Liability Management model: ~3/4 fix rate; >5Y M/LT maturity.
- Cost of debt expected flat over plan horizon at ca. 1.1% (10 bps lower than previous plan).
- Fully committed to current credit rating metrics.
- Upwards revision by Fitch of debt capacity Guidelines for EU Energy Networks given unprecedented investments to accommodate green gases and hydrogen growth.



GREEN FINANCING

With the aim of aligning its financing strategy with its sustainability targets and broadening its investor base, Snam:

- has the ambition to increase the weight of sustainable finance from current 60% (around €11 bn), achieved three years ahead of target, to over 80% of the funding available over the plan period, through the issuance of new Sustainable Linked bonds;
- is committed to ensuring that all future issuances are ESG-linked;
- has so far issued four Transition Bonds and a Climate Action Bond for overall €2.85 bn, helping to set the rules for bond issuance aimed at financing of projects with positive environmental benefits;
- has published the new Sustainable Finance Framework under which the company may issue both instruments to finance specific projects (Taxonomy-aligned Use of Proceeds issued by the EU Commission) and general corporate purpose instruments, linked to sustainability indicators (KPIs) for the issuance of so-called Sustainability Linked bonds, of which the first €1.5 bn were issued in January 2022;
- maintained in May 2021 the reduction in the margin of €3.2 bn Sustainable Loan, already achieved in the two previous years following the achievement of objectives linked to social and environmental sustainability parameters.



INTERNATIONAL STRATEGY

In the period 2021-2025, Snam expects to maintain the strategy it has already launched, which will be consistent with its current investment criteria and with its positioning on ESG topics

Snam has further strengthened its position as a leader in energy infrastructure on an international level over the last six years, with a diversified portfolio of assets and a consolidated track record of partnerships in different countries with industrial and financial players.

Snam’s current partnership portfolio offers various strategic options: from access to new green projects, given its position in markets where renewables and hydrogen production costs are competitive, to positioning on the main energy routes in the Mediterranean area, which can play a strategic role as hydrogen corridors in the medium / long term.

ENABLERS OF INTEGRATED PROJECTS	Investment	Geographical area	Value and growth levers	Investment year and equity investments		Industrial and financial partners
		 United Arab Emirates	Integrated hydrogen projects	2020	12.3%	 
		 Tunisia	H2-ready pipeline	2021	49.9% of the equity investment of Eni	
		 France	Ideal location for the hydrogen transition, leveraging a favourable geographical position	2013	40.5%	 
		 Grecia	Strategic positioning along the southern gas corridor	2018	35.6%	  
		 Greece, Albania, Italy	Development opportunities for hydrogen and decarbonisation	2015	20.0%	  
		 Austria	Further cost optimisation and disciplined investment	2014	84.5%	
		 Austria	Portfolio optimisation by leveraging Verbund	2016	19.6%	
		 UK, Belgium	Connecting UK gas markets with continental European markets	2012	23.7%	
OPPORTUNITIES IN TRANSITION AND COST/PORTFOLIO OPTIMISATION						

- Investment strategy** consistent with the following criteria:
- committed to current credit rating metrics;
 - risk adjusted returns at least in line with Italian regulated assets;
 - unlocking industrial opportunities;
 - regulated or contractualised business model (without exposing to commodity risk);
 - consistent with its ESG strategy.

SHAREHOLDER REMUNERATION

The strategy outlined envisages a strengthened growth profile of earnings per share and a significant value creation for shareholders

The positioning along the entire value chain of the energy transition, the continuous improvement of the results of the core business and new activities, the greater internationalisation and the strong focus of the optimization of the financial structure will allow Snam to obtain sustainable growth in the main indicators in the period Plan. This growth is expected to further accelerate to 2030 through the contribution of new investments.

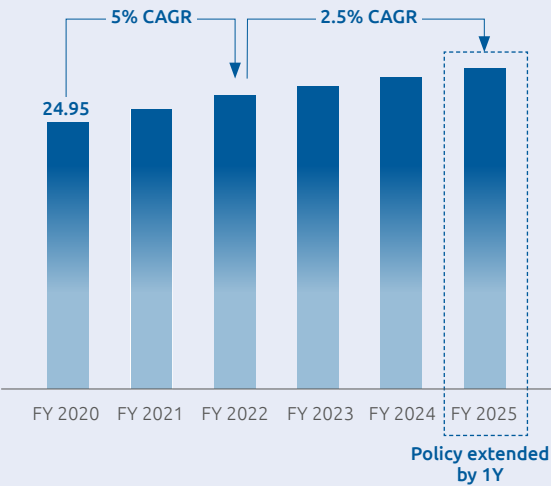
	GUIDANCE 2022	2021-2025 PLAN
INVESTMENTS	€~1.5 bn (1.2 bn capex regulated, 0.3 bn green energy projects)	€8.1 bn 2021-2025
TARIFF RAB	€~21.4 bn	>2.5% CAGR 2021-2025
NET INCOME	€~1.1 bn	~3% CAGR 2022-2025
NET DEBT	€14.8 bn	<70% Net debt/Fixed asset (including book value of associates)

Snam has increased cumulated investments, from €7.4 to €8.1 bn, compared to the previous Plan, due to acceleration in storage, and investments in green energy Projects, and expects a growth of the RAB at an average yearly rate higher than 2.5% in 2021-2025 period, accelerating to over 3.5% between 2025 and 2030 (with further upside opportunities from the development of a network for the transport of hydrogen). The guidance on the group’s 2022 net profit, in view of the positive results achieved in 2021 and the reduction in WACC for the new regulatory period, is confirmed at around 1.1 billion euros, assuming constant perimeter and the stability from the contribution by Austrian associates, a constant gas demand and output based incentives of 40 million euros.

The Company has set a dividend policy with an annual growth of 5% until 2022, and a minimum growth of 2.5% in the period 2022-2025, assuming a Debt/RAB below 70% in the Plan’s period.

DIVIDENDS POLICY

- Snam confirms its commitment to guarantee to shareholders an attractive and sustainable remuneration and the payment of an interim dividend. The new Plan provides:
- the growth of the dividend per share of 5% until 2022;
 - a further minimum growth of 2.5% in the period 2022-2025.



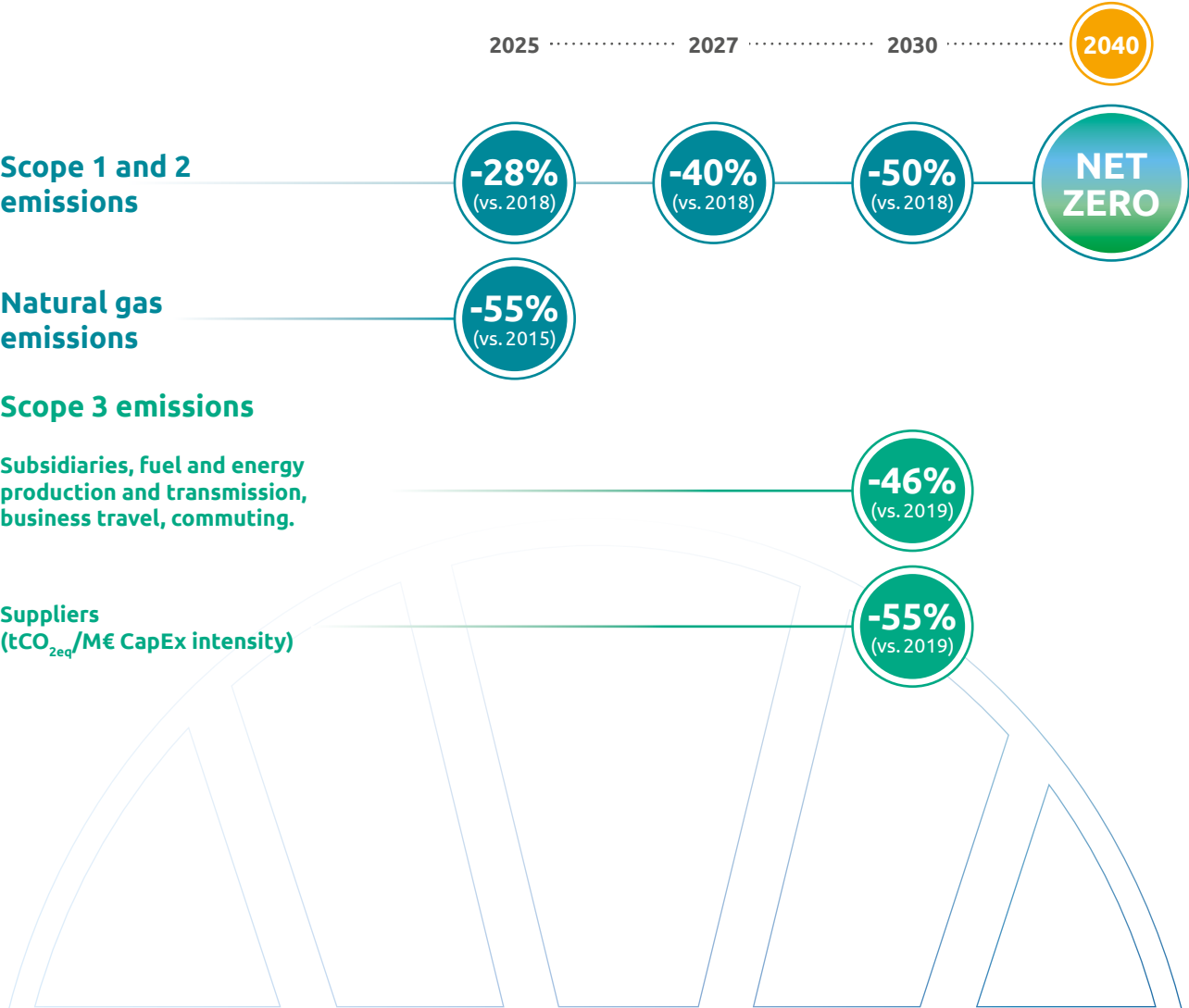
NET ZERO CARBON AND ESG SCORECARD

Enhanced targets on emissions reduction, with new targets: -28% of Scope 1 e Scope 2 by 2025; -46% of Scope 3 of associates and -55% of Scope of suppliers by 2030. Updated the Scorecard ESG on 14 areas

After committing, as one of the first in its sector, to achieving the objective of zero net Scope 1 and 2 (direct and indirect energy) CO₂ equivalent emissions by 2040, Snam has set targets for 2030 on indirect Scope 3 emissions (emissions outside the direct control of the company, for Snam mainly attributable to suppliers and associates). Snam is committed to reducing emissions of its associate companies (and other small categories such as emissions on generation and transmission of fuels and energy, business trips as well as commuting from staff) by 46% and the emissions (by economic intensity) of its suppliers by 55% by 2030 versus 2019 levels. Snam is the first EU TSO to set Scope 3 emission reduction targets covering its suppliers. Snam's objectives are in line with the target of limiting global warming to within 1.5° C. Snam has also raised its target for reducing methane emissions from 45% to 55% by 2025 (on a 2015 basis), which is more ambitious than the UNEP (UN Environment Programme) targets (- 45%).

Finally, Snam has defined a new Scope 1 and Scope 2 intermediate target of Co₂ emissions reduction to 28% by 2025 (benefiting also from the acceleration of methane emissions programme).

THE NET ZERO CARBON STRATEGY TARGETS



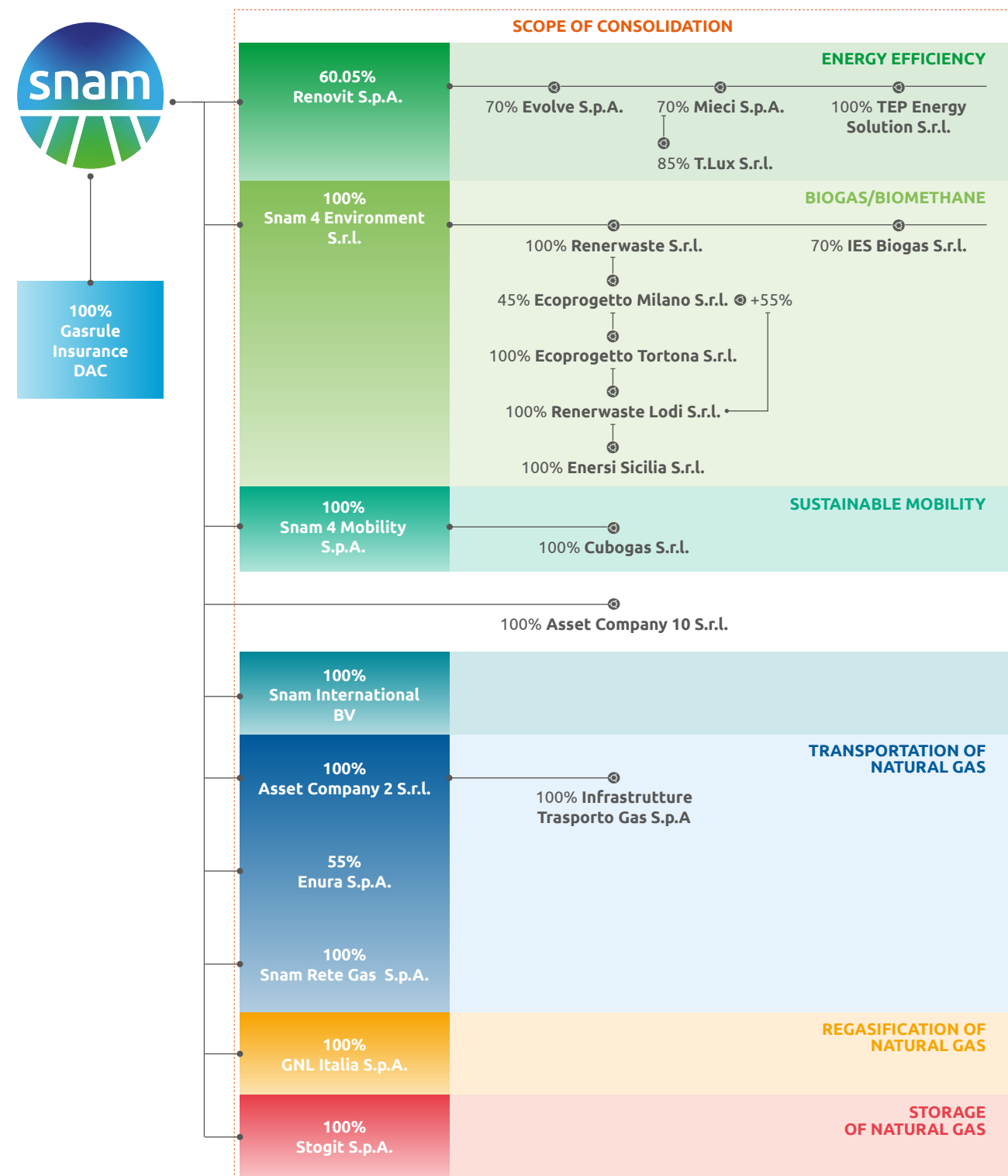
ESG SCORECARD

Snam has updated its “scorecard” to 2025 on 14 areas with quantitative objectives to provide stakeholders with a holistic view of the commitment and growing sensitivity towards ESG, enabling them to monitor the results. Sustainable Finance is the new area added to the scorecard for which the company gets committed to increase the weight in total funding to 65% in 2022 and over 80% in 2025.

Efforts are foreseen in all areas by 2025. With regards to the environment, for example, an increase is planned from 24,000 to 73,000 tons of CO₂ saved from energy efficiency activities. In social terms, there is an enhanced focus on employees, supply chain, safety and community: for example, through increasing the percentage of women in executive and management positions from 25% in 2022 to 27% in 2025, and an increase in accredited social enterprises on the vendor list (from 40% of procurement cost in 2022 to 50% in 2025). As regards governance, it is confirmed that in 2025 at least 40% of the work of the Board of Directors will be dedicated to ESG issues and reputational due diligence will be performed on 100% of third parties. ESG factors represent 20% of the variable component of the management remuneration both in the short and the long-term.

ENVIRONMENT				SOCIAL				GOVERNANCE			
		2022	2025			2022	2025			2022	2025
1	% reduction of NG emissions vs 2015	-40%	-55%	10	% participation in welfare initiative	52%	56%	19	% of BoD time dedicated to ESG matters in strategy meetings and induction sections	at least 40% annually until 2025	
2	% NG recovered from maintenance activities (avg. last 5y)	>40%	>40%	11	% employee engagement index	NMD	NMD	20	Average annual customers satisfaction rate in terms of service quality	7.95	NMD
3	MWh of electricity production by photovoltaic plants	>860	>860	12	IpFG (Combined Frequency and Severity Index)	< average last 5 years	< average last 5 years	21	% of reliability levels on gas supply	99.9%	99.9%
4	% retrofit and methane fuelled cars out of total car fleet	55%	88%	13	% of women in executive and management roles	25%	27%	22	% of third parties on which reputational checks have been performed	100%	100%
5	Production of biomethane (Mscm)	33,1	229	14	% of women in succession planning (first and second line)	26%	27%	23	% of ESG Financing on the total Committed Funding	65%	80%
6	Reduction of CO ₂ equivalent from energy efficiency interventions (Kton)	24	73	15	% of spending to local suppliers on total procurement	40%	50%				
7	Cumulated number of installed CNG and LNG stations	85	175	16	% of local suppliers involved on total suppliers	45%	55%				
8	Available LNG capacity for SSLNG market (mln m3)	0	250	17	Introduction of ESG criteria in scoring models (% on spending)	10%	30%				
9	% of vegetation restoration of the natural and semi-natural areas involved in the construction of pipelines routing	>99%	>99%	18	Numbers of employees hours devoted to Snam Foundation's initiatives supporting local communities	4,600	5,100				

CORPORATE STRUCTURE



The changes in the scope of consolidation of the Snam Group at 31 December 2021 compared with that at 31 December 2020 relate to the entry into the scope of consolidation of Asset Company 10 S.r.l., a sub-holding 100% owned by Snam, which acquired the investment in Industrie De Nora on 8 January 2021. This highly strategic partnership allows Snam to increase its exposure to the mega-trends of the energy transition, in particular for the production of green hydrogen and for water treatment, leveraging De Nora's leadership and technical expertise in alkaline electrodes, essential components for the production of alkaline electrolyzers.

IL BUSINESS DI SNAM

TRANSPORT

Also in 2021 Snam guaranteed the security of energy supplies

Snam, through its subsidiaries Snam Rete Gas and Infrastrutture Trasporto Gas, is the leading Italian natural gas transportation and dispatching operator, and owns almost all the transportation infrastructures in Italy, with over 32,700 kilometres of high- and medium pressure gas pipelines (approximately 93% of the entire transportation system).

Snam manages the gas pipeline network via 8 districts, 48 maintenance centres throughout Italy, 13 compression stations and a dispatching unit.

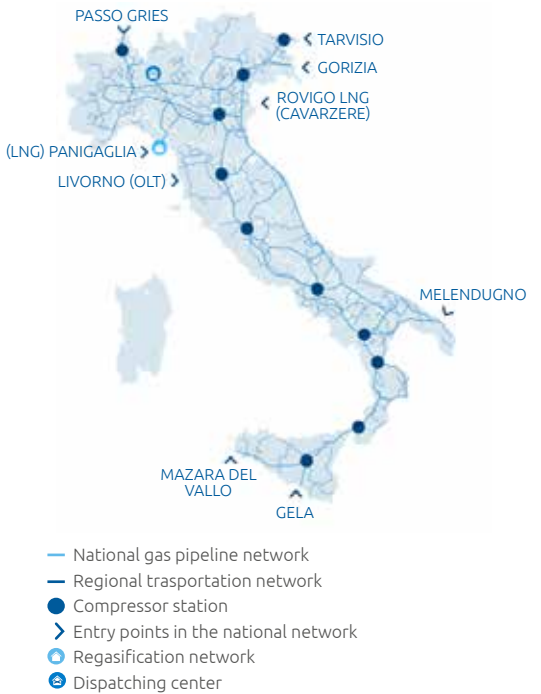
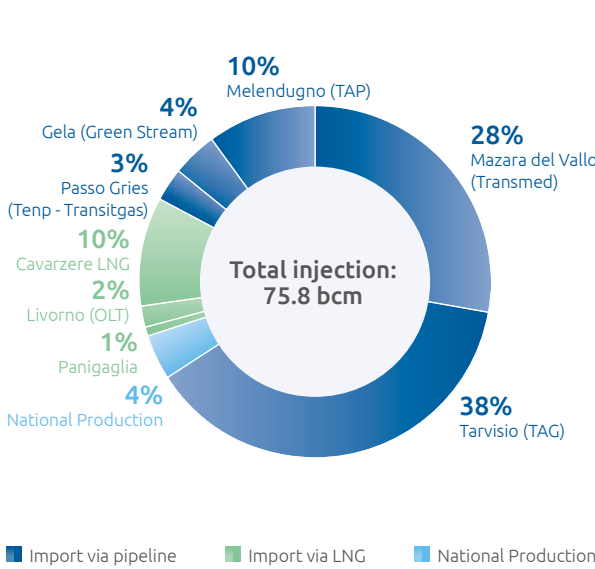
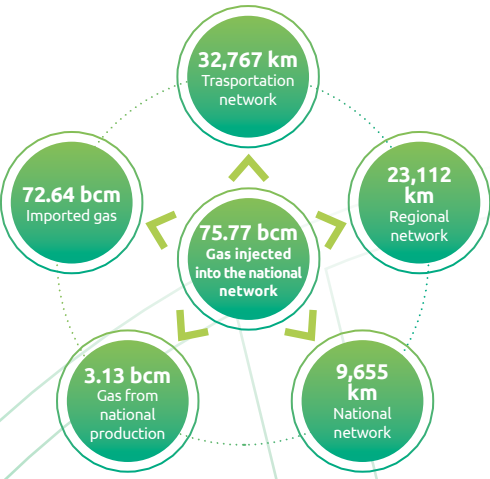
Gas coming from abroad is injected into the network at nine entry points, in correspondence with the 6 methane pipeline interconnection points and the three interconnection points for the LNG regasification terminals. Once it has been imported or regasified, the gas is transported to the local distribution networks, the regional network redelivery points or large end users (thermoelectric power stations or manufacturing plants).

Snam awards transportation capacity to shippers who apply. In this way, users acquire the right to inject or withdraw a quantity of gas not exceeding the daily rate allocated on any day of the thermal year. The conditions for access to the service are contained in the Network Code. Shippers have the possibility of making gas sales and trades at a Virtual Trading Point (PSV) of the National Network, thanks to the dedicated IT platform.

The transport capacity of the network has made it possible, also for the year 2021, to fully satisfy the demand for capacity on

the part of users. In addition to the average transportation capacity offered at entry points connected with foreign countries and with LNG terminals equal to 368.7 million cubic metres/day; Snam has made further transport capacities available at entry points interconnected with national producers for a total of 20.0 million cubic metres average/day and with the production of biomethane for a total of 1.2 million of cubic metres average/ day.

During the years, transportation operators have been constantly increasing, going from around 30 operators in 2003 to around 230 operators in 2021 (including shippers and traders). In 2021, 88 connection agreements were entered into for the creation of new delivery/ redelivery points or for upgrading existing ones, 23 contracts for the injection of biomethane and 28 relating to CNG service areas.



TAP: KEY INFRASTRUCTURE FOR THE DIVERSIFICATION OF SOURCES



- TAP is a key infrastructure that brings gas from Azerbaijan to Europe, significantly enhancing diversification of supply thanks to long term contracts (25-years) providing 10 bcm/y capacity and additional short term capacity (at least 0.5 bcm/y) to be offered.
- Since the entry into operation TAP has contributed to close the TTF - PSV spread allowing export flows from Italy.

STORAGE

Snam is the European leader in gas storage with a total capacity in 2021 of 16.5 bcm

16.5 bcm

TOTAL STORAGE CAPACITY

4.5 bcm

STRATEGIC STORAGE CAPACITY

8.7 bcm

GAS INJECTED INTO THE FIELDS

18.86 bcm

GAS MOVED THROUGH THE STORAGE SYSTEM

12.0 bcm

AVAILABLE STORAGE CAPACITY

10.1 bcm

GAS WITHDRAWN

9

OPERATING CONCESSIONS

The storage system makes it possible to compensate for the different requirements for gas supply and consumption: whilst supply has a substantially constant flow throughout the year, gas demand is concentrated mainly in the winter period. Storage also ensures that quantities of strategic gas are available to compensate for any lack of or reduction in non-EU supply or crises in the gas system. Snam carries out its activity through an integrated system of infrastructures, composed of deposits, wells, gas treatment plants, compression stations and the operational dispatching system. Snam has nine storage concessions located in Lombardy (five), Emilia-Romagna (three) and Abruzzo (one).

In 2021 Snam took action to promote the replenishment of national storage facilities for the purpose of being able to manage seasonal peaks in demand. The replenishment level at the end of the injection campaign (October 2021) was 87.52%, well above the European average (77.02%).

The market oriented approach adopted allowed the Company to increase the mix of customers owing a Storage contract (not only shippers serving end users but also traders who maximise revenues from buying and selling gas to the PSV - virtual trading point) as well as attracting major European players.

Total storage capacity at the end of 2021, holding strategic storage equal, came to 16.5 billion cubic metres. A result that attests to Stogit's ability to respond the needs of the national market, underlining the value of the business in guaranteeing security of supply.

The tests carried out confirm the possibility of storing hydrogen at Snam's sites.

REGASIFICATION

GNL Italia provides a key contribution to diversification and flexibility of gas supply

17,500 m³

MAXIMUM DAILY REGASIFICATION CAPACITY OF THE PANIGAGLIA TERMINAL

1.05 bcm

QUANTITY OF LNG REGASIFIED IN 2021 IN PANIGAGLIA

3.5 bcm

MAXIMUM ANNUAL QUANTITY OF NATURAL GAS THAT CAN BE RELEASED INTO THE TRANSPORT NETWORK

Regasification represents the final activity in the liquefied natural gas (LNG) chain. In the exporting country, the natural gas extracted from the fields is liquefied at a temperature of -160°C in order to allow for its transport via tanker to the regasification terminal. Once offloaded from the tanker, the LNG is heated and returned to the gaseous state in order to be injected into the transport network. The regasification service therefore also includes the offloading of the LNG from the tanker, operational storage (i.e. storage for the time needed to vaporize the LNG), regasification and injection into the national network.

The Panigaglia plant, built in 1971 and owned by GNL Italia, is able to regasify 17,500 m3 of LNG every day; under conditions of maximum efficiency, it can supply more than 3.5 billion cubic metres of natural gas into the transportation network every year. The total amount of gas regasified at the Panigaglia plant in 2021 was 1.05 billion m3 (2.55 billion m3 in 2020). In 2021, 25 methane tankers were unloaded (60 unloaded in 2020). The reduction in the volume of activity is attributable to price dynamics that are strongly conditioned by a high demand for LNG from the Asian market with values at a premium compared to the European market, against a 2020 that has benefited from a more competitive cost of LNG compared to natural gas, as well as new mechanisms for allocating regasification capacity through special auction procedures.

The capacity allocation mechanisms based on auctions as well as the new businesses in the SSLNG sector, linked specifically to the possible future uses in heavy transportation and maritime transport, will lead to a scenario of further growth in the consumption of LNG in future years.

BIOMETHANE AND SUSTAINABLE MOBILITY

In the area of sustainable mobility, Snam has continued to expand its network of refuelling stations for vehicles powered by natural gas and biomethane, positioning itself as one of the leaders in the development of green gases at the service of the decarbonisation of the system. In 2021, Snam has increased its biomethane production from 0.44 mcm in 2020 to more than 7 mcm, achieved also thanks to the increasing investments for the construction of infrastructure and plants and the acquisitions managed by Snam4Environment.

Investments of approx. €850 mln are planned to 2025 to build biomethane plants with an installed capacity of 120 MW.

In 2021, contracts were signed for the development of 37 refuelling stations, including one LNG station in Germany. In total, 65 CNG and LNG refueling stations are installed at the end of 2021. Snam4Mobility has continued its activities to promote and distribute LNG in favour of sustainable mobility for the transport of ships, trucks and trains, with the aim of reaching 250 ktonnes of LNG capacity available for the SSLNG market by 2025. In 2021, the authorisation process for the Panigaglia terminal continued, while that for the first micro-liquefaction plant in Campania was completed.

To monitor the progress of the sustainable mobility business, a specific target has been included in the ESG Scorecard for the installation of 175 CNG and LNG stations, 250 bcm of available LNG capacity for the SSLNG market and 229 mcm of biomethane production by 2025.

SNAM AND SIAD FOR THE DEVELOPMENT OF LNG AND BIO-LNG

In March 2021, Snam and SIAD, a leading chemical group in the production and supply of industrial gases and in the engineering, healthcare, LPG and Natural Gas sectors, have signed a framework agreement to start a technological collaboration in the small-scale and medium-scale liquefaction sector. The aim of the agreement is to foster the diffusion of LNG and Bio-LNG as alternative fuels for sustainable mobility and other end uses.

The agreement aims to build small- and medium-scale plants for the liquefaction of natural gas and biomethane on a global scale, on behalf of third-party customers. The plants will be modular and standardised, with capacities ranging from 50 ktpa (kilo-tons per year) to 100 ktpa in the case of small-scale plants and 200 ktpa and above for midscale plants. As part of the collaboration between Snam and SIAD, a project will be launched in Campania in 2021, with a capacity of 50 ktpa, which has already obtained European funding. The plant, which will be operated by Snam, will ensure the security of LNG and Bio-LNG supplies to other regions in Southern Italy.

Thanks to their versatility, liquefaction systems, in addition to powering sustainable mobility, will also be functional for other uses, such as the conversion of power generation from diesel to natural gas and some energy-intensive industrial processes.

ENERGY EFFICIENCY

In the energy efficiency business, Snam offers such services through Renovit, the company created together with CDP Equity, which provides energy efficiency services in the residential, industrial, tertiary and public administration sectors.

In 2021 alone, thanks to the activities of Renovit and its subsidiaries Tep Energy Solution, Mieci and Evolve, approximately 14 thousand tonnes of CO2 emissions were avoided, a significant increase compared to 2020 (5 ktonnes CO2eq).

Investments of €230 mln are planned to 2025, with long-term cash flow visibility.

Renovit has also been certified by B Corporation following the B Impact Assessment and the audit conducted by B Lab, the international body that awards certification to companies that operate according to the highest standards of social and environmental performance, responsibility and transparency.

In this first year of activity, Renovit has placed particular focus on the **development of ESG issues**, which have concerned, in particular:

The process of assessing environmental and social performance to obtain B Corporation certification.	B IMPACT ASSESSMENT
The Renovit 4 Safety project is aimed at assessing the Group's culture and management system and defining a path for improvement in the area of worker health and safety, with specific indications of necessary actions to be implemented in the short and medium term.	HEALTH AND SAFETY
The creation of new green areas in Italy already began in 2019 by joining the "Mosaico Verde" reforestation campaign promoted by Legambiente . The project was carried out in 2021 in cooperation with Arbolia S.p.A. and led to planting about 1,000 new trees of native species in Taranto and about 1,800 in Milan as part of the "Forestami" project, with an overall absorption of CO² of about 30 tonnes per year .	FORESTATION

HYDROGEN

Snam has continued to develop research projects and feasibility studies for green gas technologies. In particular, the Hydrogen business unit launched two projects to develop the hydrogen value chain: Hydrogen innovation Center and HyAccelerator. In addition, during the year, new partnerships have been signed for the application of hydrogen in aeronautics, transport and industry. Among these, the agreements with Industrie De Nora for the study and construction of a Gigafactory is particularly important for Snam's positioning in the hydrogen value chain. In addition, the Company has launched the activities envisaged by the four calls for tenders won in 2020 under the European funding programme Fuel Cells and Hydrogen Joint Undertaking (FCH JU), which aim to contribute to the production of green hydrogen from renewable sources, the use of green gas as an alternative fuel, the use of fuel cells to ensure the safety and reliability of energy supply, and to assess the technical feasibility and implementation potential of large-scale storage of green hydrogen in porous geological reservoirs.

About 250 million euros of investments are planned by 2025, mostly to kick-off in 2024.

In the field of hydrogen, Snam has applied for and won three other tenders for the LIFE, Innovation Fund and Horizon Europe programmes, which provide for the development and construction of a refuelling station for hydrogen powered vehicles, specifically buses, trains, heavy and light vehicles.

2021 has also been a crucial year for sustainable hydrogen mobility, in which Snam4Mobility has been working to identify land and both public and private partners with which to build the first plants. The main projects in the portfolio are currently the subject of feasibility studies and work has begun to assess and materialise funding opportunities.

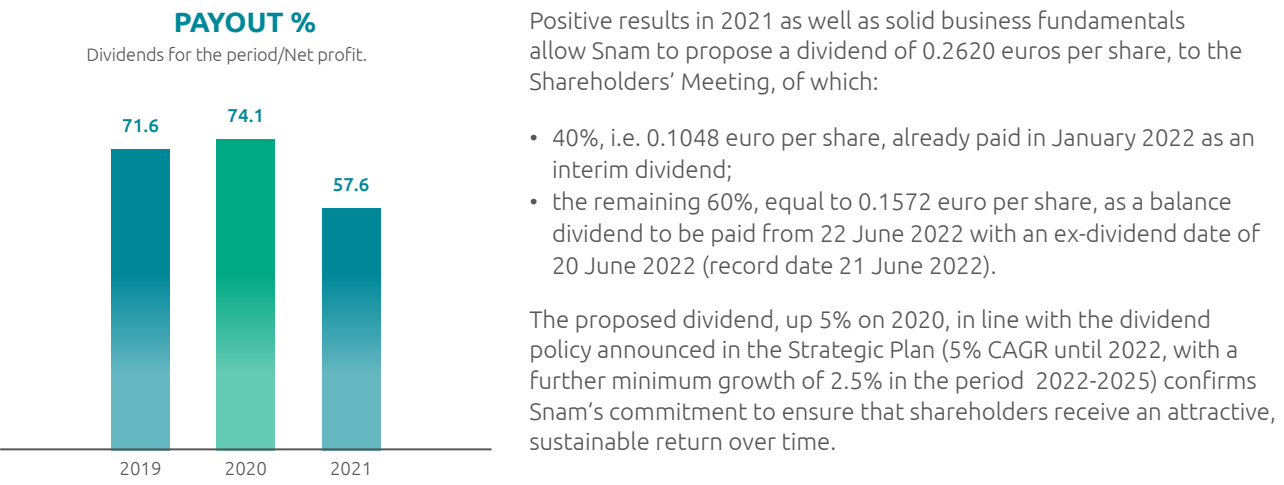
THE PARTNERSHIP WITH DE NORA AND THE GIGAFACTORY PROJECT

In November 2020, Snam acquired a stake (currently equal to 35.6%) in De Nora, an Italian multinational leader in energy transition technologies. De Nora is the world's largest supplier of electrodes for the main industrial electrochemical processes, and is among the leaders in the supply of water filtration and disinfection technologies. Leveraging on consolidated electrochemical knowledge and its production capacity, the company has developed and qualified a portfolio of electrodes and components for the production of hydrogen through water electrolysis. In this sector, the company also has a 34% stake in the joint venture with Thyssenkrupp Nucera, one of the world leaders in the design and installation of alkaline electrolyzers, involved in several projects for the production of green hydrogen. De Nora has an installed capacity of 2GWe of electrodes and 1GW of electrolyzers through Nucera. The industrial partnership with De Nora allows Snam to increase its ability to develop integrated projects also at an international level in the context of the energy transition. De Nora achieved excellent performance in 2021 (+ 20% in revenues and + 43.5% in EBITDA compared to 2020) thanks to the growth in revenues of all business units and cost control. Snam intends to support its future growth, which could include an IPO (Initial Public Offering) during 2022, compatibly with market conditions. Snam also offered support for the construction of an Italian Gigafactory of electrolyzers for the production of green hydrogen.

SNAM ON THE STOCK EXCHANGE

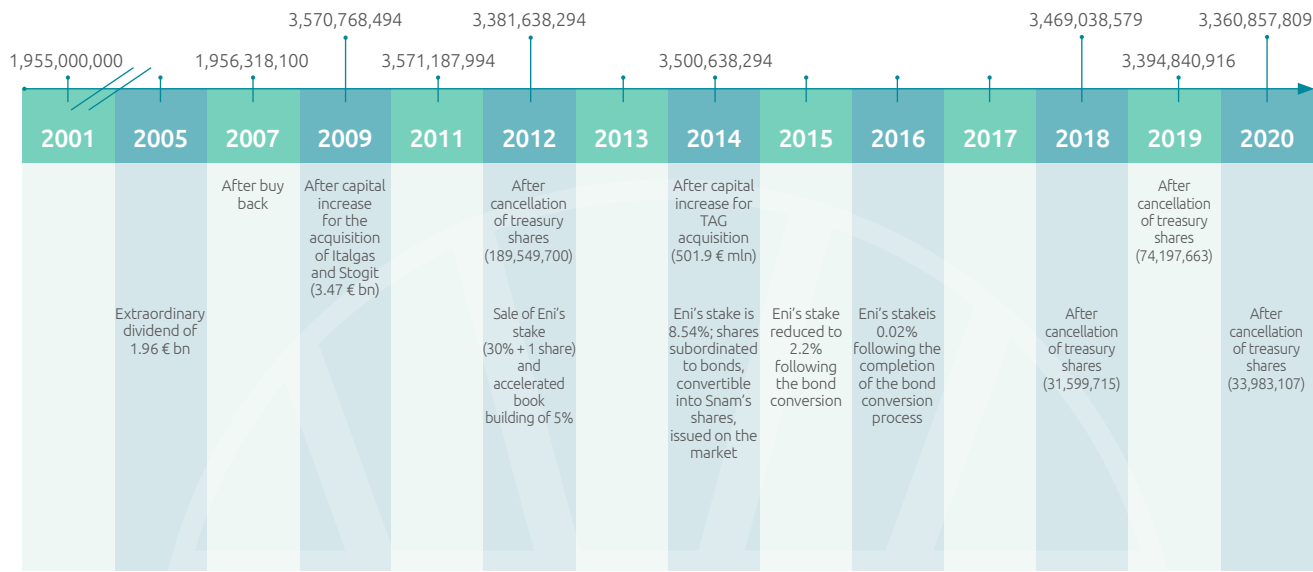
Snam shares have returned great value to shareholders over time. From 11.9 billion euros in 2012 to 17.1 billion euros as of 31 March 2022 the increase in market capitalization. Over €15 billion euro total amount of dividends distributed over more than 20 years as listed Company.

REMUNERATION THROUGH DIVIDENDS

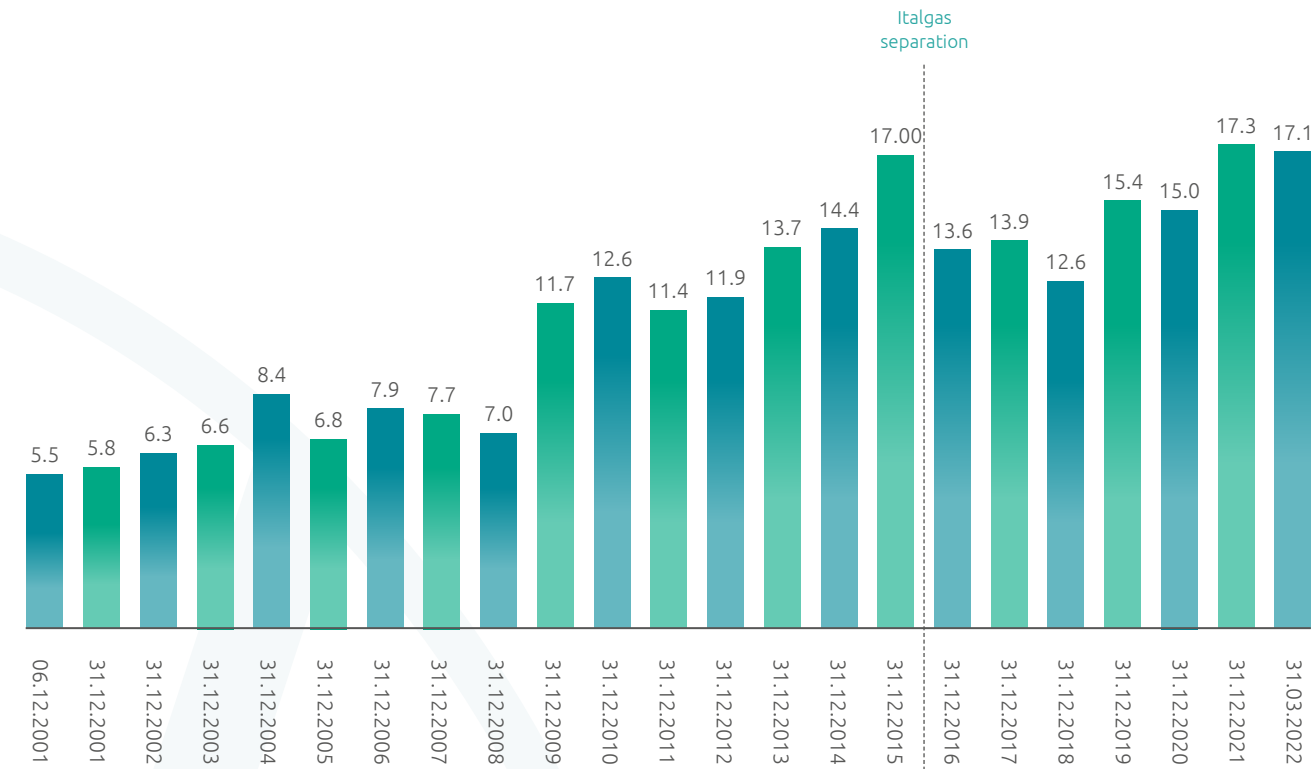


STOCK MARKET PERFORMANCE

SHARE CAPITAL EVOLUTION



MARKET CAPITALIZATION* (€ BILLION)



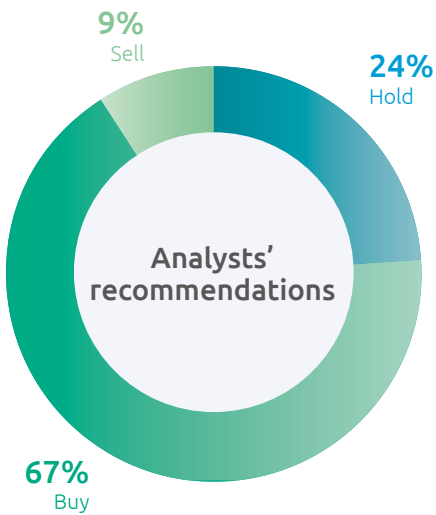
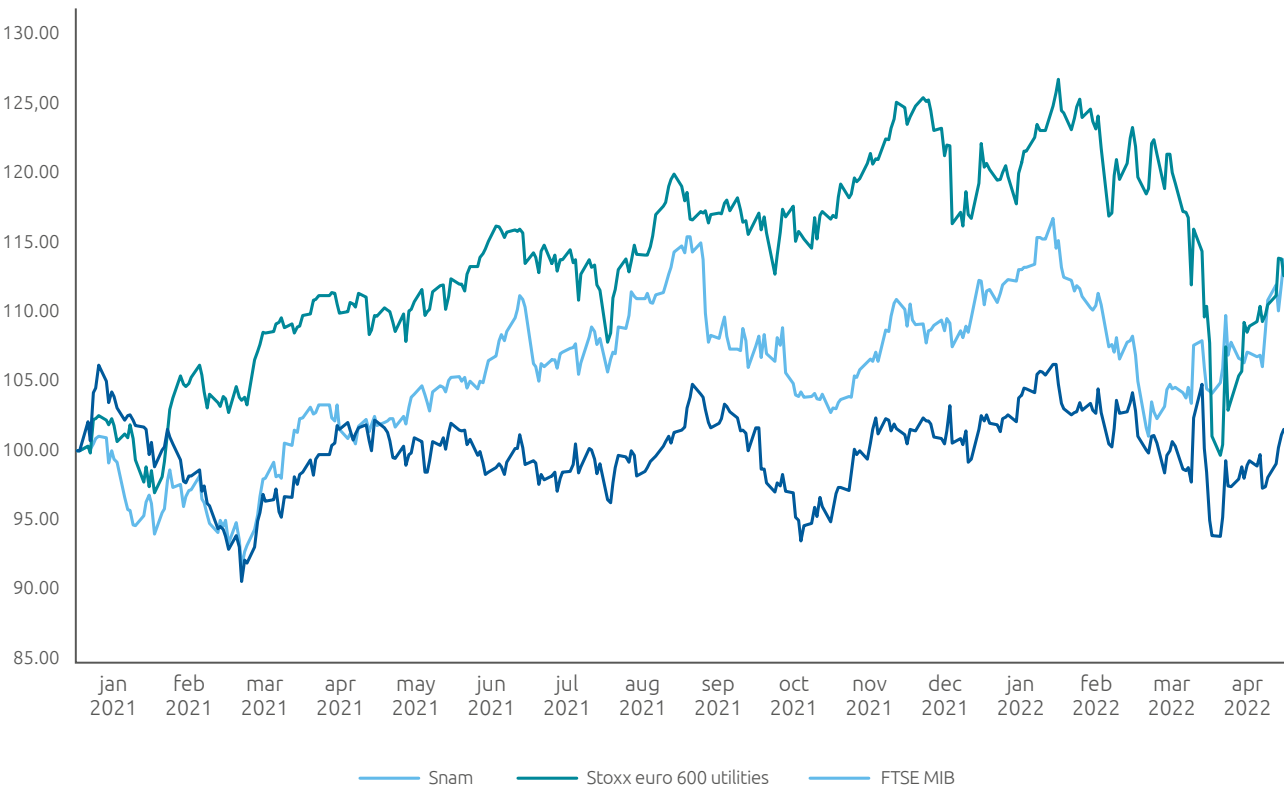
* Product of the number of outstanding shares multiplied by the official share price.

SHAREHOLDERS

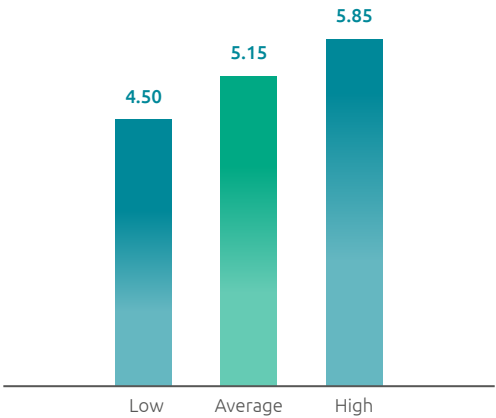
As of 31 December 2021 Snam share capital amounts to 2,735,670,475.56 euro and is divided into 3,360,857,809 ordinary shares, with no nominal value. Snam is one of the few Italian listed companies with free float higher than 50%. Snam’s shareholding structure is broad and well-diversified, by both investor type and geographical distribution. With a 67% free float, today the market controls the most relevant stake of Snam share capital. Institutional investors hold an overall 50.1% stake and are mostly international. Retail investors, who have always had a sizeable weight in Snam’s share capital, currently account for a 16.8% share, including the holdings (7.5%) of Romano Minozzi. CDP Reti is the shareholder controlling the single largest stake in Snam (31.4%). ESG investors represent 39.9% of Snam’s institutional investors.

SNAM VS. FTSE MIB AND STOXX EUROPE 600 UTILITIES

31 December 2020 - 31 March 2022 (Base 31 December 2020=100)

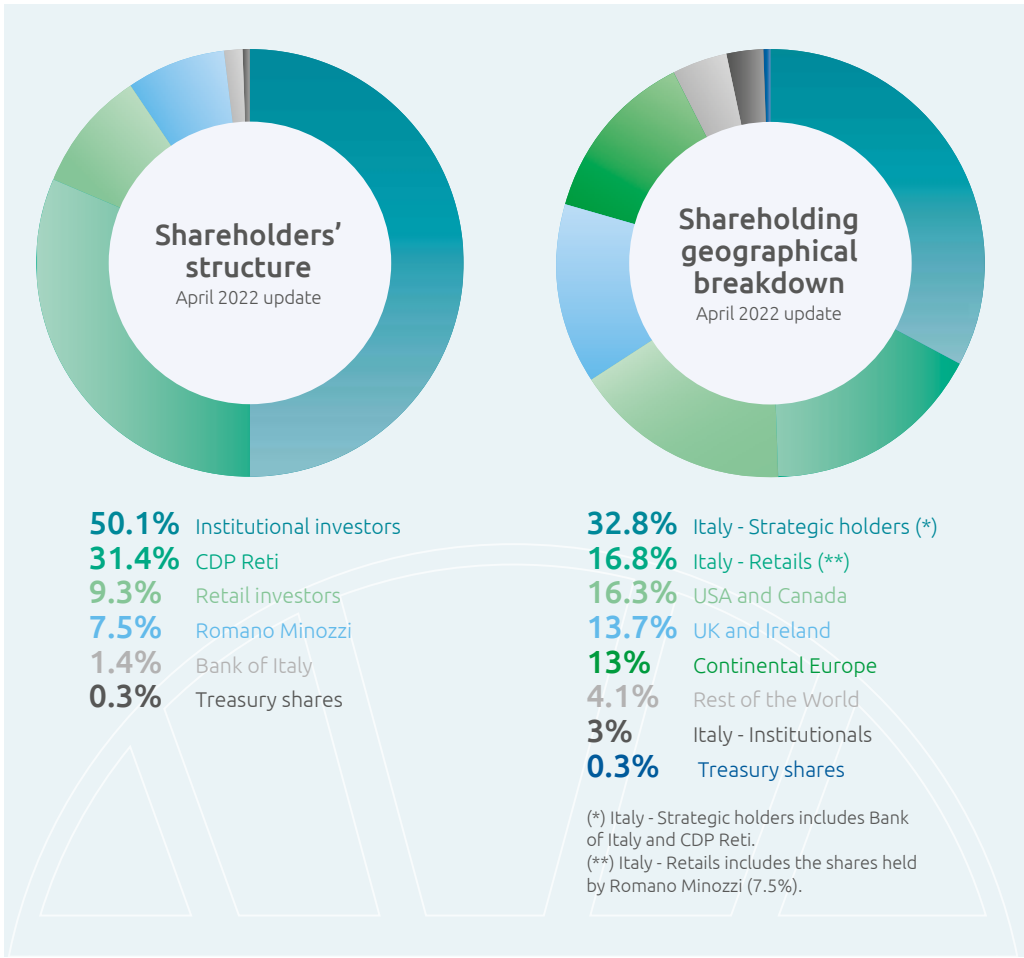


TARGET PRICE AS AT 31 MARCH 2022 (€)



The Snam stock is covered by 21 brokers.

Snam's closing price as at 31 March 2022 is 5.23 euro.



RELEVANT PARTICIPATIONS (SHAREHOLDERS OWNING MORE THAN 3% OF SNAM CAPITAL)

(April 2022 update)	
CDP Reti	31.4% (1,053,692,127 shares held)
Romano Minozzi	7.5% (250,687,453 shares held)
Lazard	5.382% (180,865,955 shares held)
Blackrock	5.161% (173,447,961 shares held)

Sources: Information available and communications received pursuant to Article 120 of the Testo Unico della Finanza (Consolidated Finance Act).

THE FINANCIAL STRUCTURE

As at 31 December 2021, the Group’s net financial position was € 14,021 mln, resulting from a gross financial debt of € 15,358 mln and liquid funds and equivalents of € 1,337 mln

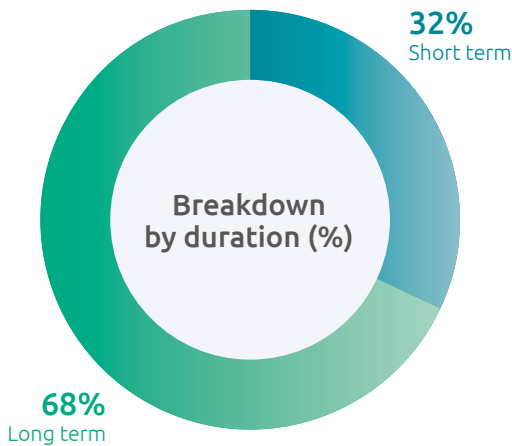
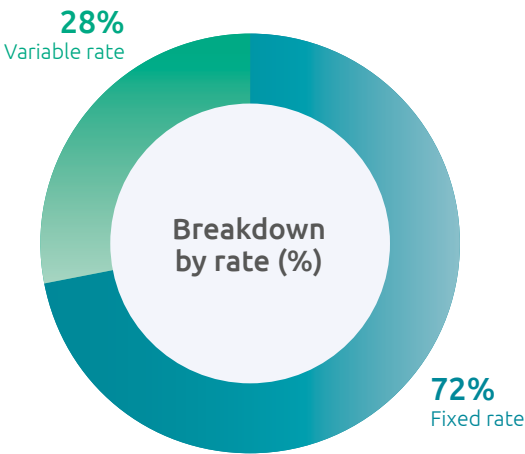
CAPITAL MARKET

In June 2020 Snam completed the issuance of its first Transition Bond, which follows the first Climate Action Bond issued in 2019, for an amount of 500 million euros, with an annual coupon of 0.75% and maturity on 17 June 2030. Moreover, in November 2020, Snam issued a second Transition Bond for an amount of 600 million euros, with an annual coupon of 0% with a re-offer of 99.728% and maturity on 7 December 2028. This issue was the longest 0% coupon bond ever issued by an Italian issuer at the time of issuance. In February 2021, Snam issued a dual-tranche Transition Bond for a total of 750 million euros and in June 2021 a Fourth Transition Bond for 500 million euros. More recently in January 2022 and following the new framework published a few weeks, Snam issued its first Sustainable Linked Bond in a dual tranche format for a total of € 1.5 billion and an average cost close to 1%.

	MOODY'S	STANDARD & POOR'S	FitchRating
Last update	13 January 2022	27 February 2022	11 February 2022
Rating on long-term debt	Baa2	BBB+	BBB+
Rating on short-term debt	P-2	A-2	F2
Outlook	Stable	Positive	Stable

BANKING MARKET

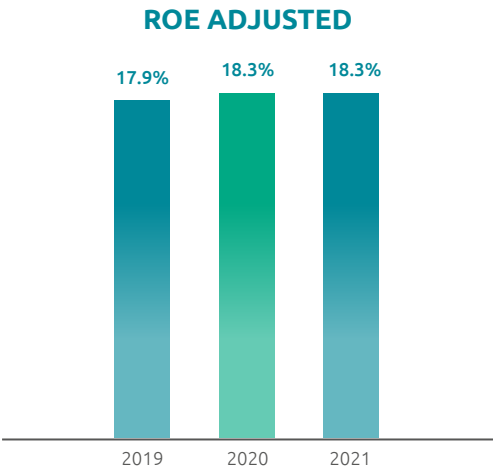
At 31 December 2021, Snam has unused committed long-term credit facilities (“Sustainable Loan”) for an amount of approximately €3.2 bn. During the year, as part of the process to optimise the financial structure of Group, their duration was extended without an increase in margins. Moreover, in May 2021 Snam maintained the reduction of the margin for the “Sustainable Loan” that had been obtained previously in May 2020 following the achievement of the objectives linked to social and environmental sustainability parameters. Finally, Snam has €150 million, not yet used at the end of 2021, relating to the framework loan signed with the EIB in June 2021. In order to increase the sustainable finance, the Euro Commercial Paper programme was renewed in 2020, rising from 2 billion to €2.5 bn, linking it to environmental and social sustainability targets in line with the Sustainable Loan and with the instrument obtaining an ESG rating of EE assigned by the ESG rating company Standard Ethics. As at 31 December 2021, Snam had an active Euro Medium Term Notes (EMTN) programme with a total nominal maximum value of €12 bn, of which it has used approximately €8.7 bn.



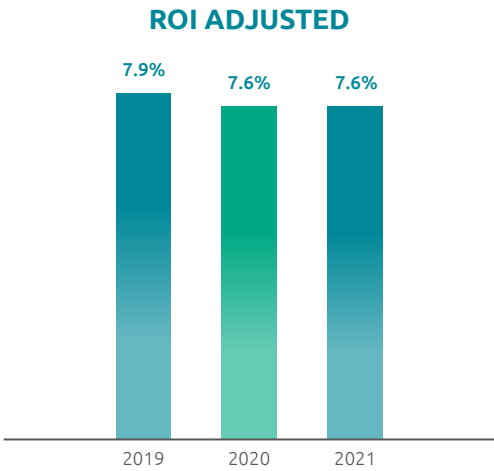
INCOME STATEMENT FIGURES

2019		2020		2021		2021 adjusted vs 2020 adjusted	
Adjusted (*)	(million euros)	Reported	Adjusted (*)	Reported	Adjusted (*)	Abs. change	Change %
2,491	Regulated revenues	2,548	2,548	2,869	2,869	321	12.6
30	Non-regulated revenues	30	30	28	28	(2)	(6.7)
2,521	Core business revenues	2,578	2,578	2,897	2,897	319	12.4
85	New business revenues	192	192	400	400	208	
2,606	TOTAL REVENUES	2,770	2,770	3,297	3,297	527	19.0
(351)	Core business operating costs	(437)	(393)	(654)	(647)	(254)	64.6
(86)	New business operating costs	(180)	(180)	(400)	(400)	(220)	
(437)	TOTAL OPERATING COSTS	(617)	(573)	(1,054)	(1,047)	(474)	82.7
2,169	EBITDA	2,153	2,197	2,243	2,250	53	2.4
(752)	Amortisation, depreciation and impairment losses	(773)	(773)	(820)	(820)	(47)	6.1
1,417	EBIT	1,380	1,424	1,423	1,430	6	0.4
(165)	Net financial expense	(158)	(126)	(102)	(102)	24	(19.0)
216	Net income from equity investments	249	249	294	294	45	18.1
1,468	Profit before taxes	1,471	1,547	1,615	1,622	75	4.8
(375)	Income taxes	(370)	(383)	(115)	(400)	(17)	4.4
1,093	Net profit	1,101	1,164	1,500	1,222	58	5.0
1,093	- Attributable to the parent company shareholders	1,101	1,164	1,496	1,218	54	4.6
	- Non-controlling interests			4	4	4	

(*) The values exclude special items.



Adjusted Return On Equity (ROE) has been calculated as the ratio of net profit and the average of net equity at the start and at the end of the period considered.



Adjusted Return On Investment (ROI) is the ratio of EBIT and the average of net invested capital at the start and at the end of the period considered.

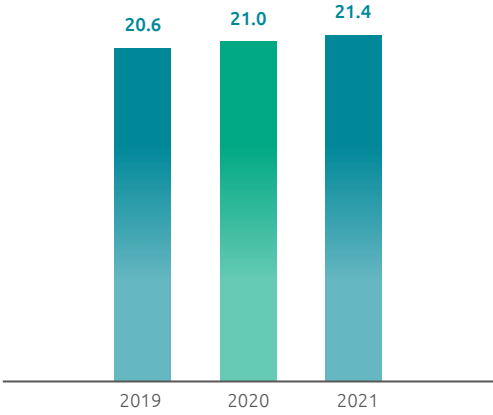
BALANCE SHEET FIGURES

(million euros)	31.12.2020	31.12.2021	Abs. change
Fixed capital	20,265	21,296	1,031
Property, plant and equipment	16,815	17,204	389
- of which right-of-use leased assets	21	20	(1)
Non-current inventories - Compulsory inventories	363	363	
Intangible assets and goodwill	1,125	1,167	42
Equity investments accounted for using the equity method	1,923	2,560	637
Other financial assets	426	403	(23)
Net payables for investments	(387)	(401)	(14)
Net working capital	(861)	1	862
Liabilities for employee benefits	(40)	(36)	4
NET INVESTED CAPITAL	19,364	21,261	1,897
Equity	6,472	7,240	768
- attributable to Parent company shareholders	6,469	7,203	734
- non-controlling interests	3	37	34
Net Financial Debt (*)	12,892	14,021	1,129
- of which financial liabilities for leased assets (**)	21	20	(1)
COVERAGE	19,364	21,261	1,897

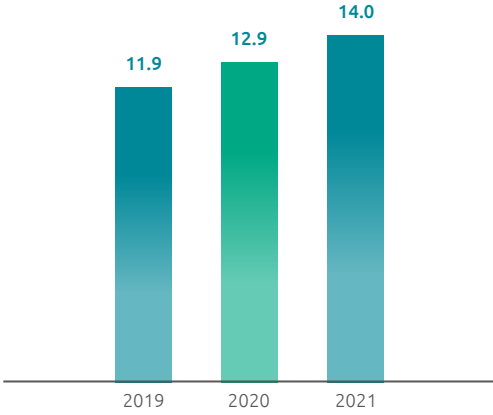
(*) Determined in accordance with Consob Communication No. DEM/6064293 of 2006, as amended on 5 May 2021. Accordingly, the related value as of 31 December 2020 was restated, generating an increase in net debt of 5 million euros due to the exclusion of short-term financial receivables.

(**) Including non-current lease liabilities (14 million euros) and the current portion of non-current lease liabilities (6 million euros).

TARIFF RAB (€ BILLION)



NET FINANCIAL DEBT (€ BILLION)

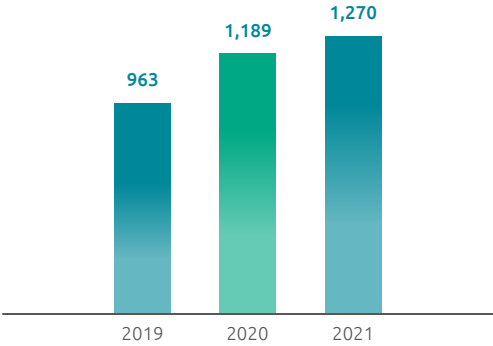


CASH FLOW

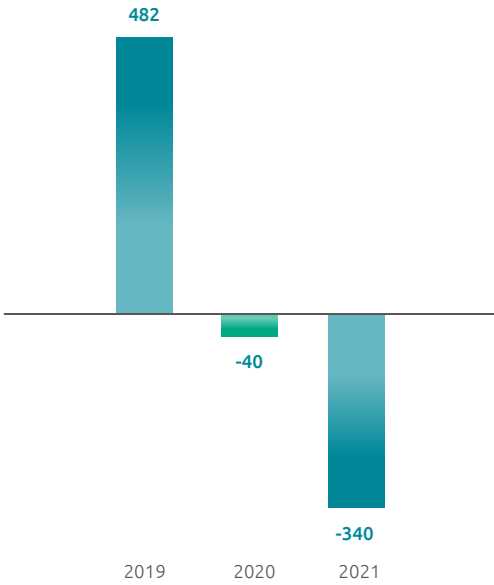
(million euros)	2020	2021
Net profit	1,101	1,500
Adjusted for:		
- Amortisation, depreciation and other non-monetary components	525	527
- Net capital losses (capital gains) on asset sales and write-offs	13	13
- Dividends, interest and income taxes	502	206
Change in net working capital	(224)	(613)
Dividends, interest and income taxes collected (paid)	(320)	(295)
Cash inflow from operating activities	1,597	1,338
Technical investments	(1,166)	(1,244)
Technical disinvestments	2	
Acquisition of subsidiaries and businesses, net of liquidity acquired	(30)	
Equity investments	(193)	(453)
Change in long- and short-term financial receivables	(303)	12
Other changes relating to investment activities	53	7
Free cash flow	(40)	(340)
Repayment of financial liabilities for leased assets	(7)	(7)
Change in current and non-current financial liabilities	1,133	(584)
Equity cash flow (a)	(893)	(775)
Change in liquidity companies leaving the scope of consolidation		(1)
Net cash flow for the year	193	(1,707)

(a) Includes cash flow from payment of dividend to shareholders.

TECHNICAL INVESTMENTS (€ MILLION)



FREE CASH FLOW (€ MILLION)



GET INVOLVED IN YOUR SNAM INVESTMENT

INTERIM FINANCIAL REPORT AT 31 MARCH 2022

- 11 May 2022 Board of Directors
- 12 May 2022 Press release and Conference call

DIVIDEND 2021

- 20 June 2022 Coupon payment date
- 22 June 2022 Dividend payment

HALF-YEAR REPORT AT 30 JUNE 2022

- 27 July 2022 Board of Directors, Press release and Conference call

INTERIM FINANCIAL REPORT AT 30 SEPTEMBER 2022

- 9 November 2022 Board of Directors
- 10 November 2022 Press release and Conference call

STRATEGIC PLAN 2022-2026

- 30 November 2022 Board of Directors
- 1 December 2022 Strategy presentation

THE STEPS TO INVESTING

You can buy Snam shares on the stock market, through a financial intermediary: a bank or an authorized SIM (Società di Intermediazione Mobiliare, i.e. a broker)

HOW TO BUY SHARES

It is very easy to buy shares: all you need is to have a bank account. You have to indicate how many shares you want to buy and, if appropriate, the price at which the transaction should be completed.

To buy Snam shares you need to have an account with an authorized intermediary: a bank or a SIM. You can place the purchase order through the intermediary or through the online trading systems that the intermediaries make available for their clients. In the purchase order you have to specify the number of shares you want to include in your portfolio, indicating a price limit and a time limit for the order's validity, if appropriate. A market-to-limit order will be executed buying the maximum number of shares available at the lowest price at that time. The intermediary issues the "executed order" when completed. Shares listed on the stock market are "dematerialized" securities – therefore following the purchase you will not receive any actual printed share certificate. The intermediary's written confirmation is proof that the shares should be credited to the shareholder's account.

HOW TO COLLECT DIVIDENDS

Once you have become a shareholder, the dividend will be paid automatically to your account. Once you hold a certain number of shares, you do not need to do anything in order to receive the respective dividends.

If you still own the shares when the coupon is detached, on payment date the amount will be directly paid to your account through the financial intermediary managing your brokerage account.

YOU CAN MONITOR THE PERFORMANCE OF YOUR INVESTMENT IN SNAM BY:

- visiting the Snam website, www.snam.it, section Investor Relations;
- visiting Borsa Italiana website, www.borsaitaliana.it, section quotes/stocks;
- consulting leading financial newspapers and websites.

HOW TO KEEP YOURSELF INFORMED AND PARTICIPATE IN CORPORATE EVENTS

Information tools are available through different communication channels

CORPORATE WEBSITE

Snam's website www.snam.it is the preferred reference point to visitors looking for real-time Company's news and contents useful for deeper knowledge. Also in 2021 Snam confirmed its position as one of the leading companies in Italy and Europe in the field of corporate and financial digital communication. For the eighth consecutive year, the company is on the podium of the Italian Webranking, a ranking organised by Lundquist in collaboration with Comprend, distinguishing itself for its transparency on the web. With 91.6 points out of 100, Snam confirmed its second place in both the Italian and the Europe 500 rankings, the European version of the survey, and also reached second place in the "20 Years Italy" ranking, totaling 17 appearances in the top 10 Italy over the last 20 years.

"SNAM SHARE" SECTION

From the INVESTOR RELATIONS section you can go to the sub-section "SNAM SHARE". Snam shares' performances can be calculated and displayed over a certain time span, even

comparing them with those of peers and of benchmark indices.

INVESTORS PUBLICATIONS

Among contents of its INVESTOR RELATIONS section Snam website presents the subsection INVESTORS PUBLICATIONS, in which you can find the complete series of this Guide "The Snam Shareholder".

SNAM APPS

Snam has developed two apps, "The Snam Network App" and "Snam Reports", for iPad, tablet and iPhone. The apps are downloadable for free.

THE PRESENCE ON SOCIAL MEDIA

Snam is increasingly active on Twitter, posting and interacting with stakeholders, especially during events and shows. You can learn more and follow news about Snam also on Facebook and LinkedIn. Group videos and photos are shared on YouTube, Instagram and Flickr, while presentations are available on Slideshare.

Paper copies of the disclosure documents are available at the Company's registered office or with Borsa Italiana S.p.A. If you wish to receive information documents by mail, please ask the Investor Relations department. For a better understanding of technical terms, you can refer to the glossary available on the corporate website homepage.

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GLOSSARY

Economic-financial terms

Treasury shares Shares owned by the Company, which it has repurchased for a variety of objectives.
Compound Annual Growth Rate (CAGR) Compound Average Growth Rate.
Corporate governance Set of rules that monitor and guide the companies' management and control. The corporate governance systems establish the segregation of duties and rights amongst the corporate roles by assigning tasks, responsibilities and decision-making powers.
Market capitalization Value of a listed company that is obtained by multiplying the share price by the number of outstanding shares.
Ordinary and extraordinary dividend The ordinary dividend stems from earnings. In the case of an extraordinary dividend, however, shareholders receive, rather than a share of net profit, a part of the Company's distributable reserves. This amount may come from provisions made in prior years, from the disposal of Company assets or from other corporate strategies.
Dividend yield It measures the yield of an equity investment linked to the dividend distribution, in terms of percentage ratio of dividend for the fiscal year to the share price at the end of the year.
Capital gain It measures the return of an equity investment linked to price changes, in terms of the percentage ratio share price at the beginning of the period to share price at the end of the period.
Total shareholder return (TSR) It measures the overall percentage return of an equity investment, calculated on an annual basis, considering both the price change, measured in terms of capital gain, and the dividend yield, assuming that the distributed dividend is re-invested in the stock at the ex-dividend date.
WACC Weighted Average Cost of Capital.

Technical terms

Compression Stations Facilities that increase the pressure of gas in the pipelines to bring it to the necessary level to ensure the required gas flows or facilities that lower the gas pressure to allow the injection into storage fields. The Compression Stations are positioned along the National Pipeline Network and generally comprise several compression units.
Dispatching centre Operating centre continuously controlled, which is responsible for monitoring, overseeing and remote control of the transport network. The dispatching centre receives telecommunication information about the gas pressure, capacity and temperature as well as about the state of the valves at the interception of the pipelines and of the Compression Stations. On the back of the information received and according to transport programs, the Dispatching Centre regulates gas flows, remotely controlling valves and compression units.
Natural gas Mixture of hydrocarbons, composed mainly of methane and with some small amounts of ethane, propane and higher hydrocarbons. The natural gas injected into the pipeline network must respect a set quality to guarantee its compatibility with the gas already in the pipelines.
Liquefied natural gas (LNG) Natural gas, which has been liquefied by cooling at - 161°C under normal atmospheric pressure in order to make it suitable for transportation by special ships (tankers) or for storage in tanks. In order to be injected into the transportation network, the liquid product must first be reconverted into its gas state in regasification plants and brought up to the pressure in the pipelines.
Redelivery point The physical point or local group of physical points on the network where the Transporter redelivers the transported gas to the Shipper and where it is measured.
Natural Gas Transportation Network The network consists of pipelines, compression stations and infrastructure, which work both at national and regional levels, to ensure the transportation of gas by interconnections to the international networks, to production and storage facilities, to the redelivery points (for gas distribution and consumption).
National Gas Pipeline Network The network comprises pipelines and plants that are sized and checked to meet the requirements for imports, exports and the main national production and storage facilities; the pipelines transfer large quantities of gas from entry points to large areas of consumption.
Regional Transportation Network The network consists of a pipeline that allows natural gas to be transported across geographic areas, typically at a regional level.
Shipper or User User of the gas system. Shippers purchase natural gas from producers, importers or other Shippers and sell it to other Shippers or to final users, including electricity producers and industrial plants, which are usually connected to the Transport Network, or to the residential and commercial clients, which are connected to the local distribution network, or to other Shippers.
Modulation storage Modulation storage aims to respond to changing hourly, daily and seasonal demands.
Mining storage Mining storage is necessary for technical and economic reasons in order to enable the optimum cultivation of Italy's natural gas fields.
Strategic storage Strategic storage aims to compensate for a lack of or reduction in supplies, either from import or for crises in the gas system.

Regulatory terms

Thermal year Period of time into which the regulatory period is divided for the businesses of natural gas transport, storage and distribution as well as for LNG regasification.
Regulated activities Activities subject to regulation by the Regulatory Authority for Energy, Networks and Environment. In the gas business transportation, distribution, storage and regasification are regulated activities.
Network Code Document governing the rights and obligations of the parties involved in providing the transportation service.
Regulatory period Period of time for which the regulation is defined by the Authority for each different sector.
Regulatory Asset Base (RAB) Value of net invested capital calculated as per the criteria established by the Regulatory Authority for Energy, Networks and Environment for companies operating in the transportation and dispatch of natural gas, LNG regasification, storage and distribution in order to set the reference revenue.



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April 2022

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