

Reports of the Board of Directors on the proposals relating to items on the agenda of the Shareholders' Meeting

**SNAM S.p.A.**

**EXTRAORDINARY SHAREHOLDERS' MEETING OF 25, 26 AND  
27 MARCH 2013, ON FIRST, SECOND AND THIRD CALL,  
RESPECTIVELY  
AND ORDINARY SHAREHOLDERS' MEETING OF 25 AND 26  
MARCH 2013, ON FIRST AND SECOND CALL, RESPECTIVELY**

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

**Ordinary Part**

**Item 3**

**Compensation Policy pursuant to Article 123-ter of Legislative Decree  
No. 58 of 24 February 1998**

Shareholders,

The Report on Compensation was issued on the basis of Article 123-ter of the Legislative Decree No. 58 of 24 February 1998 ("TUF") and Article 84-quater of the Regulation implementing the TUF (adopted by Consob under Resolution No. 11971 of 14 May 1999 and subsequent amendments), introduced by the Consob resolution No. 18049 of 23 December 2011.

According to paragraph six of Article 123-ter of the TUF, the Shareholders' meeting is asked to resolve on the section of the Report on Compensation concerning the company's policy on compensation for members of administrative bodies, general managers and executives with strategic

Reports of the Board of Directors on the proposals relating to items on the agenda of the Shareholders' Meeting

responsibilities, and concerning the procedures used for the adoption and implementation of that policy. The resolution is not binding.

The document "Report on Compensation" is filed at the registered offices of the Company, Borsa Italiana S.p.A. and on the Company website. Therefore, this report refers to that document.

Shareholders,

You are asked to approve on an advisory basis the section of the Report on Compensation referred to in the third paragraph of Article 123-ter of the TUF.

The Chairman of the Board of Directors

Mr. Lorenzo Bini Smaghi