

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 10

Appointment of the Chairman of the Board of Statutory Auditors

Shareholders,

Pursuant to Article 20.3 of the Bylaws, the shareholders' meeting appoints as Chairman of the Board of Statutory Auditors the effective auditor elected by the methods provided for in Article 13.5, letter b) of the Bylaws from the minority shareholders' lists or by the methods provided for in Article 20.3, of the Bylaws.

Shareholders,

The effective auditor indicated in the minority shareholders' list who obtains the greatest number of votes shall be Chairman of the Board of Statutory Auditors. In the event of the absence of a minority shareholders' list or of the election, for any reason, of statutory auditors using the methods referred

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to in Article 20.3 of the Bylaws, you are invited to appoint as Chairman of the Board of Statutory Auditors the candidate elected by such methods who was proposed by the shareholders.

The Chairman of the Board of Directors

Mr. Lorenzo Bini Smaghi