

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 11

**Determination of the remuneration of the Chairman of the Board of
Statutory Auditors and of the Effective Auditors**

Shareholders,

Pursuant to Article 2402 of the Italian Civil Code, the Shareholders' Meeting determines the annual remuneration for the Chairman of the Board of Statutory Auditors and for the effective auditors. They also receive reimbursement for expenses arising from their duties.

The Board of Directors, taking into account the complexity and the extent of the duties of the Statutory Auditors and the responsibilities belonging to their office, proposes to confirm the gross annual compensation to be paid to the Chairman of the Board of Statutory Auditors and each effective Auditor, for an amount equal to EUR 60,000.00 and EUR 40,000.00, plus the reimbursement of the expenses.

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It is noted that, on 18 April 2008, the Shareholders' Meeting authorised the Board to extend the insurance policy, provided for the management to cover professional risks, to the directors and to the statutory auditors of Snam S.p.A. according to the standard terms and conditions in practice on the insurance market. This policy, which also remains in force for new members of such bodies, provides, overall, for an annual premium and limit of liability of EUR 381,146 and EUR 50 million, respectively.

Shareholders,

You are invited to approve the proposal to fix the annual gross compensation due to the President of the Board of Statutory Auditors and each effective Auditor, respective in EUR 60,000.00 and EUR 40,000.00, plus reimbursement of the expenses.

The Chairman of the Board of Directors

Mr. Lorenzo Bini Smaghi