

SNAM S.p.A.

ORDINARY SHAREHOLDERS' MEETING OF 27 APRIL 2016

ON SINGLE CALL

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

Item 8

Determination of the remuneration of the members of the Board of Directors

Shareholders,

in accordance with Article 18, paragraph 1, of the Bylaws, for the duration of their term in office directors receive annual compensation set by the Ordinary Shareholders' Meeting when the directors are appointed; the remuneration so defined is valid until such time as the Shareholders' Meeting decides otherwise. The directors also receive reimbursement for expenses incurred in connection with their duties.

The Board of Directors stated that the current gross annual remuneration of the directors of 40,000.00 euros was set in a now significantly different context to that of today, and notably in 2010 when the company was still subject to the management and coordination of Eni S.p.A. and performed all of its activities in Italy.

Since 2012, following Eni's loss of control, Snam is no longer subject to the management and coordination of any company, thereby directly assuming the onus of the entire governance and organization of the company and Group. Moreover, over the last years the Company has launched important development and acquisition strategies in the European gas infrastructures market. Considering the described evolution of the complexity of the Company and Group, greater commitment and responsibility is therefore required of the directors.

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

With regard to the gross annual remuneration of the directors, a benchmark analysis was therefore performed with the companies in the FTSE-MIB.

Taking what has been stated above into account, the Board of Directors proposes fixing the gross annual remuneration due to each director at 70,000.00 euros in addition to the reimbursement of expenses incurred in relation to their office.

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 those bodies, provides overall for a limit of liability and an annual premium of respectively Euro 50 million and Euro 317,505.00.

Shareholders,

you are invited to approve the proposal to fix the gross annual compensation due to each director in Euro 70,000.00, plus reimbursement of the expenses incurred in in relation to their office.

The Chairman of the Board of Directors

Mr. Lorenzo Bini Smaghi