

**EXPLANATORY NOTE OF THE BOARD OF DIRECTORS TO THE MEETING OF THE
HOLDERS OF THE FOLLOWING BONDS:**

**€ 1,500,000,000 3.875 PER CENT. NOTES DUE 19 MARCH 2018 (of which €851,357,000 to
redeem)
ISIN: XS0829183614**

€ 70,000,000 2.625 PER CENT. NOTES DUE 10 SEPTEMBER 2018, ISIN: XS0969669463

**€ 1,000,000,000 5.000 PER CENT. NOTES DUE 18 JANUARY 2019 (of which €582,523,000 to
redeem)
ISIN: XS0806449814**

**€ 500,000,000 1.500 PER CENT. NOTES DUE 24 APRIL 2019 (of which €265,309,000 to
redeem)
ISIN: XS1061410962**

YEN 10,000,000,000 1.115 PER CENT. NOTES DUE 25 OCTOBER 2019, ISIN: XS0985872414

**€ 1,250,000,000 3.500 PER CENT. NOTES DUE 13 FEBRUARY 2020 (of which €715,939,000 to
redeem)
ISIN: XS0853682069**

€ 500,000,000 0.000 PER CENT. NOTES DUE 25 OCTOBER 2020, ISIN: XS1508588875

**€ 500,000,000 3.375 PER CENT. NOTES DUE 29 JANUARY 2021 (of which €331,941,000 to
redeem)
ISIN: XS0914294979**

**€ 300,000,000 FLOATING RATE NOTES DUE FEBRUARY 2022
ISIN: XS1568906421**

**€ 1,000,000,000 5.250 PER CENT. NOTES DUE 19 SEPTEMBER 2022 (of which 740,713,000 to
redeem)
ISIN: XS0829190585**

**€ 750,000,000 1.500 PER CENT. NOTES DUE 21 APRIL 2023 (of which €638,185,000 to
redeem)
ISIN: XS1126183760**

**€ 750,000,000 1.375 PER CENT. NOTES DUE 19 NOVEMBER 2023 (of which €592,152,000 to
redeem)
ISIN: XS1318709497**

**€ 600,000,000 3.250 PER CENT. NOTES DUE 22 JANUARY 2024 (of which €426,467,000 to
redeem)
ISIN: XS1019326641**

€ 350,000,000 FLOATING RATE NOTES, DUE 2 AUGUST 2024, ISIN: XS1657785538

€ 500,000,000 1.250 PER CENT. NOTES DUE 25 JANUARY 2025, ISIN: XS1555402145

€ 1,250,000,000 0.875 PER CENT. NOTES DUE 25 OCTOBER 2026, ISIN: XS1505573482

€ 400,000,000 EQUITY LINKED NOTES, DUE MARCH 2022, ISIN: XS1583310807

**Appointment of the Representative Of the Noteholders – determination of the term of office
– determination of the related remuneration.**

Dear Noteholders,

the Board of Directors of Snam S.p.A., with reference to the item entitled “*Appointment of the Representative of the Noteholders – determination of the term of office – determination of the related remuneration*” on the agenda of the bond-holders’ meeting, relating to each of the following bonds:

€ 1,500,000,000 3.875 per cent. notes due 19 March 2018 (of which €851.357.000 to redeem), ISIN: XS0829183614;

€ 70,000,000 2.625 per cent. notes due 10 September 2018, ISIN: XS0969669463;

€ 1,000,000,000 5.000 per cent. notes due 18 January 2019 (of which €582.523.000 to redeem), ISIN: XS0806449814;

€ 500,000,000 1.500 per cent. notes due 24 April 2019 (of which €265.309.000 to redeem), ISIN: XS1061410962;

yen 10,000,000,000 1.115 per cent. notes due 25 October 2019, ISIN: XS0985872414;

€ 1,250,000,000 3.500 per cent. notes due 13 February 2020 (of which €715.939.000 to redeem), ISIN: XS0853682069;

€ 500,000,000 0.000 per cent. notes due 25 October 2020, ISIN: XS1508588875;

€ 500,000,000 3.375 per cent. notes due 29 January 2021 (of which €331.941.000 to redeem), ISIN: XS0914294979;

€ 300,000,000 floating rate notes due February 2022, ISIN: XS1568906421;

€ 1,000,000,000 5.250 per cent. notes due 19 September 2022 (of which 740.713.000 to redeem), ISIN: XS0829190585;

€ 750,000,000 1.500 per cent. notes due 21 April 2023 (of which €638.185.000 to redeem), ISIN: XS1126183760;

€ 750,000,000 1.375 per cent. notes due 19 November 2023 (of which €592.152.000 to redeem), ISIN: XS1318709497;

€ 600,000,000 3.250 per cent. notes due 22 January 2024 (of which €426.467.000 to redeem), ISIN: XS1019326641;

€ 500,000,000 1.250 per cent. notes due 25 January 2025, ISIN: XS1555402145;

€ 1,250,000,000 0.875 per cent. notes due 25 October 2026, ISIN: XS1505573482;

€ 400,000,000 equity linked notes, due march 2022, ISIN: XS1583310807

(each, a “**Series**”) to be held, after a single call, in the headquarters of the company in Piazza Santa Barbara, 7, San Donato Milanese on 27 September 2017, at the time indicated in the call notice, for each Series, would point out that, pursuant to the provisions of the legal regulations on this topic:

- the Representative of the Noteholders is appointed by the noteholders’ meeting (art. 2415, subsection 1, of the Italian Civil Code). If said meeting should not so provide, said representative is appointed by the court, at the application filed by one or more noteholders or directors of the company (art. 2417, subsection 2, of the Italian Civil Code);
- the Representative need not be a noteholder, and may be a natural person or a legal person authorised to provide investment services, or a trust company (art. 2417, subsection 1 of the Italian Civil Code, part one);
- directors, statutory auditors or employees of the issuer, and all those who are in the conditions set out in art. 2399 of the Italian Civil Code (art. 2417, subsection 1, of the Italian Civil Code, part two) cannot be appointed as the Representative of the noteholders, and if so appointed shall be divested of said appointment;
- the Representative shall hold office for the period of time specified by the noteholders’ meeting and in any event for a period of no more than three financial years, and may be re-elected (art. 2417, subsection 3 of the Italian Civil Code).
- the Representative is entitled to remuneration that shall be established by the bond-holders’ meeting (art. 2417, subsection 3 of the Italian Civil Code).

The Representative shall safeguard the common interests of the noteholders against the company and third parties (art. 2418 of the Italian Civil Code) and, in particular:

- a) shall execute the resolutions of the noteholders’ meeting;
- b) shall witness operations to extinguish bonds by drawing lots;
- c) is entitled to attend the shareholders’ meeting;
- d) is entitled to review the bond register, and the register of meetings and resolutions of the shareholders’ meetings, and to obtain extracts thereof (art. 2422, subsection 2 of the Italian Civil Code);
- e) represents the noteholders in legal proceedings, including insolvency proceedings.

In any event, as set out in art. 2419 of the Italian Civil Code, individual proceedings may still be brought by noteholders, provided that said proceedings are not incompatible with the resolutions of the bond-holders’ meeting.

Dear Noteholders,

you are invited to submit proposals, discuss and resolve on the appointment of the Representative of the Noteholders of the related Series, to determine the duration of his or her term of office and his or her remuneration.

You should note that this explanatory note does not contain proposed resolutions or candidacies, since the submission of said candidacies is the responsibility of the noteholders.

You are therefore informed that the delegation form referred to in art. 135-undecies of Legislative Decree 58/1998 will contemplate the assignment of voting instructions, whereby the delegating party indicates the subject proposed or their characteristics.

In accordance with art. 2415, subsection 3 of the Italian Civil Code, the rules prescribed for the extraordinary meeting of the shareholders of the public limited company shall apply to the noteholders' meeting. As a result, provided that each meeting has been convened in a single call, pursuant to the bylaws of Snam S.p.A. and of art. 2369, subsection 1 of the Italian Civil Code, such meeting shall be constituted when at least one fifth of the total par value of the bonds of the related Series issued and not extinguished is present, and resolves with the vote in favour of at least three quarters of the total par value of the bonds represented in the corresponding meeting.

The Chairman of the Board of Directors

Mr Carlo Malacarne