

# Letter of Assurance



## ***Independent auditor's report on the Sustainability Report of the Snam Group as of 31 December 2019***

To the Board of Directors of Snam SpA

We have been engaged to perform a limited assurance engagement on the Sustainability Report (hereinafter the "Report") of the Snam Group (hereinafter the "Group") for the year ended 31 December 2019.

### ***Responsibility of the Directors for the Sustainability Report***

The Directors of Snam SpA are responsible for the preparation of the Report in accordance with the "Global Reporting Initiative Sustainability Reporting Standards" defined in 2016 by GRI – *Global Reporting Initiative*, ("GRI Standards"), as indicated in the paragraph "Methodological note" of the Sustainability Report.

The Directors are also responsible for the implementation of the internal controls that they consider necessary to prepare a Sustainability Report that is free from material misstatement, whether due to fraud or unintentional behaviours or events.

Moreover, the Directors are responsible for defining the sustainability performance targets of the Group, as well as for identifying the stakeholders and the significant aspects to be reported.

### ***Auditor's Independence and Quality Control***

We are independent in accordance with the principles of ethical and independence set out in the *Code of Ethics for Professional Accountants* published by the *International Ethics Standards Board for Accountants*, which are based on fundamental principles of integrity, objectivity, competence and professional diligence, confidentiality and professional behaviour. Our audit firm adopts *International Standard on Quality Control 1 (ISQC Italy 1)* and, accordingly, maintains an overall quality control system which includes process and procedures for compliance with ethical and professional principles and with applicable laws and regulations.

### ***Auditor's responsibility***

We are responsible for expressing a conclusion, on the basis of the work performed, regarding the compliance of the Report with the requirements of the GRI Standards. We conducted our engagement in accordance with "*International Standard on Assurance Engagements ISAE 3000 (Revised) – Assurance Engagements other than Audits or Reviews of Historical Financial Information*" (hereafter "ISAE 3000 Revised"), issued by the *International Auditing and Assurance Standards Board (IAASB)* for limited assurance engagements. The standard requires that we plan

---

#### ***PricewaterhouseCoopers SpA***

Sede legale e amministrativa: Milano 20149 Via Monte Rosa 91 Tel. 0277851 Fax 027785240 Cap. Soc. Euro 6.890.000,00 i.v., C.F. e P.IVA e Reg. Imp. Milano 12979880155 Iscritta al n° 119644 del Registro dei Revisori Legali - Altri Uffici: **Ancona** 60131 Via Sandro Totti 1 Tel. 0712132311 - **Bari** 70122 Via Abate Gimma 72 Tel. 0805640211 - **Bergamo** 24121 Largo Belotti 5 Tel. 035229691 - **Bologna** 40126 Via Angelo Finelli 8 Tel. 0516186211 - **Brescia** 25121 Viale Duca d'Aosta 28 Tel. 0303697501 - **Catania** 95129 Corso Italia 302 Tel. 0957532311 - **Firenze** 50121 Viale Gramsci 15 Tel. 0552482811 - **Genova** 16121 Piazza Piccapietra 9 Tel. 01029041 - **Napoli** 80121 Via dei Mille 16 Tel. 08136181 - **Padova** 35138 Via Vicenza 4 Tel. 049873481 - **Palermo** 90141 Via Marchese Ugo 60 Tel. 091349737 - **Parma** 43121 Viale Tanara 20/A Tel. 0521275911 - **Pescara** 65127 Piazza Ettore Troilo 8 Tel. 0854545711 - **Roma** 00154 Largo Fochetti 29 Tel. 06570251 - **Torino** 10122 Corso Palestro 10 Tel. 011556771 - **Trento** 38122 Viale della Costituzione 33 Tel. 0461237004 - **Treviso** 31100 Viale Felissent 90 Tel. 0422696911 - **Trieste** 34125 Via Cesare Battisti 18 Tel. 0403480781 - **Udine** 33100 Via Poscolle 43 Tel. 043225789 - **Varese** 21100 Via Albuzzi 43 Tel. 0332285039 - **Verona** 37135 Via Francia 21/C Tel. 0458263001 - **Vicenza** 36100 Piazza Pontelandolfo 9 Tel. 0444393311

and apply procedures in order to obtain limited assurance that the Report is free from material misstatement.

The procedures performed in a limited assurance engagement are less in scope than those performed in a reasonable assurance engagement performed in accordance with ISAE 3000 Revised (“*reasonable assurance engagement*”) and, therefore, do not provide us with a sufficient level of assurance that we have become aware of all significant facts and circumstances that might be identified in a reasonable assurance engagement.

The procedures performed on the Sustainability Report were based on our professional judgement and consisted in interviews, primarily with company personnel responsible for the preparation of the information presented in the Report, analysis of documents, recalculations and other verification procedures.

In particular, we performed the following procedures:

- 1) analysis of the reasons for the coexistence of the NFS (Consolidated Non-Financial Statement required under Articles 3, 4 and 7 of Legislative Decree 254/2016) and the Sustainability Report and the elements that differentiate the two documents;
- 2) analysis of the process aimed at defining the significant reporting areas to be disclosed in the Sustainability Report, with regard to the methods for their identification, in terms of priority for the various stakeholders, as well as the internal validation of the process findings;
- 3) comparison of the financial information reported in the “Snam’s profile” and “Performance figures and indicators” chapters of the Report with the information included in the Group’s Consolidated Financial Annual Report;
- 4) understanding of the processes underlying the preparation, collection and management of the significant qualitative and quantitative information included in the Report.

In particular, we held meetings and interviews with the management of Snam SpA and we performed limited analysis of documentary evidence, to gather information about the processes and procedures for the collection, consolidation, processing and submission of the non-financial information to the function responsible for the preparation of the Sustainability Report.

Moreover, for material information, considering the activities and characteristics of the Group:

- at holding level
  - a) with reference to the qualitative information included in the Sustainability Report, we carried out interviews and acquired supporting documentation to verify their consistency with available evidence;
  - b) with reference to quantitative information, we performed analytical procedures as well as limited tests, in order to assess, on a sample basis, the accuracy of consolidation of the information.
- for the following sites, compression plant of Poggio Renatico (Snam Rete Gas SpA) and storage plant of Minerbio (Stogit SpA), which were selected on the basis of their activities, their contribution to the performance indicators at a consolidated level and their location, we carried out site visits during which we met local management and gathered supporting documentation, on a sample basis, regarding the correct application of the procedures and calculation methods used for the key performance indicators.



### ***Conclusions***

Based on the work performed, nothing has come to our attention that causes us to believe that the Sustainability Report of Snam Group as of 31 December 2019 has not been prepared, in all material respects, in compliance with the GRI Standards as disclosed in the paragraph “Methodological Note” of the Report.

Milan, 11 May 2020

PricewaterhouseCoopers SpA

*Signed by*

Giulio Grandi  
(Partner)

*This report has been translated from the Italian original solely for the convenience of international readers. We have not performed any controls on the English translation of the Sustainability Report 2019 of Snam Group.*