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GUIDELINE ON MARKET ABUSE

Approved by the Board of Directors of 13 March 2018

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1. OBJECTIVE

This Guideline describes the principles and rules relating in particular to:

- I. (a) the identification, management and communication of **Inside Information**; (b) the keeping and updating of the list of people who have access to Relevant Information (the “**Relevant Information List**” or “**RIL**”) and people who have access to Inside Information (the “**List**”) - PART I;
- II. the information obligations and related conduct: (a) the completion of transactions involving shares or debt instruments issued by the Company or derivatives and other related financial instruments, as well as – where applicable – emission allowances, auctioned products based thereon or to derivatives relating thereto, by those who discharge administrative or control duties or by persons closely associated with them; and (b) transactions concerning Company shares or other related financial instruments carried out, even by intermediaries, by those who hold Company shares amounting to 10% of the share capital, as well as by any other subject that controls the Company (“**internal dealing**”) – PART II;

Finally, it contains provisions on: (a) market surveys; (b) updating of the Guideline and final provisions – PART III.

The goal of the market abuse policy is to:

- a) protect investors, in order to avoid situations of information asymmetry and prevent some individuals from availing themselves of information outside of public domain to speculate on the market; and,
- b) protect the Company for any liability it may incur as the result of behaviour of individuals acting on its behalf.

Natural persons committing market abuse offences (e.g., abuse of Inside Information or market manipulation) may be subject to substantial criminal and administrative penalties.

Any offence discussed above, moreover, may engender Company liabilities, pursuant to Legislative Decree 231/2001, if committed in the interest or for the advantage of the Company.

This document is also available on the Company website, at (<http://www.snam.it/it/etica-governance/Controllo-interno-e-compilance/lineaguida-market-abuse>) (1).

The email address presidio.marketabuse@snam.it has been set up for requests for information and/or clarifications on the provisions contained in this Guideline.

In order to ensure the correct application of this Guideline, the Company promotes suitable communication and training initiatives aimed at its employees.

¹ This document was last updated in March 2018 in order, inter alia, to incorporate statutory changes made to the Issuer Regulation with Consob resolution no. 19925 of 22 March 2017 and to take into account the Guidelines on the “Management of Inside Information” published by Consob on 13 October 2017.

2. SCOPE OF APPLICATION

Objective scope

This Guideline is adopted in implementation of current regulations on market abuse and apply to the following financial instruments ⁽²⁾:

- (a) financial instruments admitted to trading on a regulated market or for which a request for admission to trading on a regulated market has been made;
- (b) financial instruments traded on a multilateral trading facility (MTF), admitted to trading on an MTF or for which a request for admission to trading on an MTF has been made;
- (c) financial Instruments traded on an organised trading facility (OTF);
- (d) financial instruments not covered by points a), b) or c) above, the price or value of which depends on the price or value of a financial instrument referred to in those points, or has an effect on such price or value, including, but not limited to, credit default swaps and financial contracts for differences.

This Guideline also applies to conduct or transactions, including offers, relating to auctions on an authorized auction platform such as a regulated market for emission allowances or for other related auctioned products, even when the auctioned products are not financial instruments ⁽³⁾; without prejudice to the specific provisions on offers submitted within the context of an auction, the requirements and prohibitions of this Guideline relating to orders of purchase or sale apply to these offers. The provisions relating to the insider list (see following Annex 1) apply to participants in the emission allowance market as regards Inside Information on the emission allowances deriving from the concrete activities of the aforementioned participants ⁽⁴⁾.

The provisions on emission allowances and participants in the emission allowance market in any case do not apply in the exemption cases provided for in current legislation ⁽⁵⁾.

Finally, for completeness, it should be noted that the provisions of the Market Abuse Regulations (MAR) on market manipulation also apply to:

- (a) spot commodity contracts, which are not wholesale energy products, where the transaction, order or behaviour has or is likely or intended to have an effect on the price or value of the aforesaid financial instrument;
- (b) types of financial instruments, including derivative contracts or derivative instruments for the transfer of credit risk, where the transaction, order, bid or behaviour has or is likely to have an effect on the price or value of a spot commodity contract where the price or value depends on the price or value of those financial instruments; and

² With the exception of the internal dealing obligations for Relevant Shareholders and the Persons Closely Associated with them in relation to which the scope of application is dictated by the Consolidated Law on Finance and relative implementing provisions.

³ Within the meaning of Regulation (EU) No. 1031/2010.

⁴ For the definitions of MTF, OTF, emission allowances, commodity contracts, wholesale energy products, provisions, *benchmark, etc.* see art. 3 of Regulation (EU) 596/2014.

⁵ See Annex 5.

- (c) behaviour in relation to benchmarks⁶.

Subjective scope

In any case, this Guideline applies to Subsidiaries (as defined below) within the scope of direction and coordination activities exercised by Snam itself. The Company's foreign subsidiaries shall apply this Guideline within the framework of local laws.

Where the conditions are met, the Company or Subsidiaries shall adopt specific provisions, supplementary or even to substitute this Guideline, with reference inter alia to (i) the identification, management, communication and segregation of Inside Information relating inter alia to derivatives on commodities, emission allowances, related auctioned products and (ii) compliance with internal dealing obligations concerning transactions involving emission allowances, to auctioned products based thereon or to derivatives relating thereto.

This Guideline will also be brought to the attention of the Subsidiaries and Associates, in order to promote behaviour and information flows that are consistent with those expressed by Snam and the Subsidiaries.

3. DEFINITIONS

- **“Chief Executive Officer”**: Chief Executive Officer of Snam.
- **“Relevant Shareholder”**: those who hold an equity investment, calculated in accordance with current regulations, of at least 10% of the voting share capital of Snam, as well as any other subject that controls the Company.
- **“Funzione Gestione Informazioni Privilegiate (Inside Information Management Department) or FGIP”**: The Chief Executive Officer supported by the CFO and General Counsel within the scope of the responsibilities assigned thereto in this Guideline.
- **“Funzioni Organizzative Competenti Informazioni Privilegiate (Inside Information Competent Organizational Departments or FOCIP)”**: the corporate structures of Snam and of the Subsidiaries involved in mapping types of Relevant Information and determining and managing Relevant Information and Inside Information, as identified in the Matrix annexed to this Guideline pursuant to the following paragraph 4.1.
- **“Working Days”**: all calendar days except for Saturday, Sunday and public holidays (⁷).
- **“Info-Room”**: advisory instrument to support the FGIP. The Info-Room consists of the following departments: Legal Corporate Affairs, Compliance and ERM Department, the Planning, Administration, Finance and Control Department, the Corporate Strategy and

⁶ Article 3 of Regulation (UE) 596/2014. “Benchmark”: any rate, indicator or number, which is published or made available to the public, and periodically or regularly determined by applying a formula to the value of one or more underlying prices or assets, including price estimates, interest rates or other actual, estimated or survey values; these elements are used to determine the amount to be paid for a financial instrument or the value thereof.

⁷ Public holidays are not considered Working Days even when the financial markets are open on such public holidays.

Investor Relations Department and the Public Affairs, CSR and Communications Department, which perform the functions attributed to them in this Guideline with the support of the other FOCIPs responsible in each case.

- “**Inside Information**”: information with the characteristics described below:
 - (i) **concerning financial instruments**: information of precise nature, which has not been disclosed to the public concerning, whether directly or indirectly, one or more issuers or one or more financial instruments and which, if made public, may have a significant impact on the prices of said financial instruments or related derivative financial instruments.
 - (ii) **concerning derivatives on commodities**: information of precise nature which has not been disclosed to the public, and pertains, directly or indirectly, to one or more of such derivatives or directly to the related spot commodity contract, which, if disclosed to the public, may have a significant impact on the price of such derivatives or related spot commodity contracts, if it is information that can be expected to be reasonably disclosed or must be necessarily disclosed in compliance with EU or national legislative provisions, market regulations, contracts, best-practice standards and conventional customs governing the market of commodity derivatives or spot trading.
 - (iii) **In relation to emissions or related auctioned products**: information of precise nature, which has not been disclosed to the public, which, if made public, may have a significant impact on the prices of said financial instruments or related derivative financial instruments. In the case of participants in the emission allowance market with aggregated emissions or rated thermal input equal to or lower than the exemption threshold set by current legislation ⁽⁸⁾, information on their concrete activity is not considered to have a significant impact on the price of emission allowances, auctioned products on the basis of such allowances, or derivative financial instruments.

For the purposes of the foregoing:

- information of precise nature is also information referring to a series of existing circumstances or that may be reasonably believed to materialise, or an event which has occurred or that may be reasonably believed to occur, and if such information is sufficiently specific to allow drawing conclusions on the possible impact of the aforementioned set of circumstances or events on the prices of financial instruments or related derivative financial instrument, as well as related commodity contracts and auctioned products on the basis of emission allowances. In this regard, in the case of a protracted process aimed at accomplishing, or which defines a particular circumstance or event, such future circumstance or future event, as well as any intermediate steps of said process connected with the accomplishment or definition of the future circumstances or events, may be considered information of a precise nature.

⁸ Pursuant to art. 17, paragraph 2, second subsection, of Regulation (EU) 596/2014.

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- information which, if made public, may have a significant impact on the prices of said financial instruments, related derivative financial instruments, related commodity contracts or auctioned products on the basis of emission allowances, is information an investor may reasonably use as one of the elements upon which he/she can base his/her investment decisions.

An intermediary step in a prolonged process is considered inside information if, in itself, it meets the criteria cited above on Inside Information.

By way of example, information about an event or series of circumstances constituting an intermediate step in a lengthy process may relate to:

- the state of contract negotiations;
 - contract conditions provisionally agreed upon;
 - the possibility of the placement of financial instruments;
 - conditions under which financial instruments will be marketed;
 - provisional terms for the placement of financial instruments;
 - consideration of the inclusion of a financial instrument in an index;
 - exclusion of a financial instrument from an index.
- **“Relevant Information”**: information that, on the basis of the relative characteristics, experience and other circumstances, may assume the nature of Inside Information, even at a later time.
 - **“Confidential Information”**: together, Relevant Information and Inside Information.
 - **“Transactions”**: (i) transactions concerning shares or debt instruments issued by Snam or derivatives or other related financial instruments; as well as, where applicable, (ii) transactions concerning emission allowances, auctioned products based thereon or derivatives relating thereto ⁽⁹⁾.
 - **“Relevant Transactions pursuant to the CLF”**: transactions to purchase, sell, subscribe or exchange shares issued by Snam or related financial instruments, as identified in the regulations applicable to Relevant Shareholders and Persons Closely Associated with them ⁽¹⁰⁾.
 - **“Persons Closely Associated with Relevant Shareholders”**: persons closely associated with Relevant Shareholders, as identified pursuant to the applicable regulations ⁽¹¹⁾.
 - **“Informed Persons”**: the people entered on the List.
 - **“Persons Closely Associated with Relevant Parties”**: the people indicated below:
 - (a) the spouse of a Relevant Party or a partner considered to be equivalent to a spouse in accordance with national law;
 - (b) a dependent child of a Relevant Party in accordance with national law;
 - (c) a relative of a Relevant Party who has shared the same household for at least one year on the date of completion of the Transaction;

⁹ As identified pursuant to art. 19 of Regulation (EU) 596/2014 and the relative implementing provisions.

¹⁰ Pursuant to art. 114, subsection 7, of the Consolidated Law on Finance and art. 152-*sexies* of the Issuer Regulation.

¹¹ See art. 152-*sexies* of the Issuer Regulation.

- (d) a legal person, a trust or a partnership;
 - (i) whose management responsibilities are held by a Relevant Party or a person referred to under points (a), (b) or (c) above, or
 - (ii) that is directly or indirectly controlled by a Relevant Party or a person referred to under points (a), (b) or (c) above, or
 - (iii) that is established for the benefit of a Relevant Party or a person referred to under points (a), (b) or (c) above, or
 - (iv) whose economic interests are essentially equivalent to the interests of a Relevant Party or a person referred to under points (a), (b) or (c) above.
- **“List”**: the insider list.
- **“Relevant Information List or RIL”**: the list of people who have access to Relevant Information.
- **“Company or Snam”**: Snam S.p.A.
- **“Subsidiaries”**: Companies over which Snam exerts control within the meaning of Article 93 of the CLF.
- **“Relevant Parties”**: the people indicated below:
 - (a) the members of the Board of Directors and Standing Auditors of the Snam;
 - (b) senior executives of Snam who have regular access to Inside Information concerning Snam directly or indirectly and have the power to take management decisions that could affect the future evolution and prospects of the Company. For Snam the executives with strategic responsibilities as identified by the Chief Executive Officer.
- **“Person In Charge”**: Head of the Corporate Affairs and Governance Department of Snam.

- PART I -

MANAGEMENT OF RELEVANT AND INSIDE INFORMATION

4. GENERAL PRINCIPLES

General Principles

A) Introduction

The management of Inside Information is broken down into the following sub-processes:

- Mapping of the types of Relevant Information
- Identification of Relevant Information
- *Relevant Information List*
- Identification and Management of Inside Information
- List of Inside Information
- Management of Confidential Information and confidentiality measures
- Public disclosure of Inside Information

B) Scope of Application

The following are required to comply with the provisions contained in Part I of this document:

- members of the administration and control bodies of the Company and the Subsidiaries;
- employees of the Company and the Subsidiaries;
- all other people who have access to Confidential Information in virtue of a professional collaboration relationship with the Company or with the Subsidiaries or that in any case perform certain tasks for the Company or the Subsidiaries, through which they have access to the aforementioned Information, such as, for example, consultants.

These parties are required to keep confidential any Relevant Information and Inside Information ("Confidential Information") of which they become aware in any way. In this regard it is specified that, for the purposes of the identification of unlawful market abuse by the competent Authorities, the fact that the Company has not yet qualified the information as inside information when the conduct of the subject occurred is not a critical element.

Confidential Information must be handled adopting all necessary caution, so that its circulation within the company takes place without prejudice to the confidentiality of the information concerned and in compliance with the provisions referred to in Paragraph 4.3.2 below, until the time when such Information is released to the market, in accordance with the Guideline provided for herein.

It is not permitted under any circumstances to grant interviews to the press or make statements of any kind containing Confidential Information that has not been disclosed to the public in accordance with paragraph 4.3.2.1 and Annex 2 of this Guideline.

The aforementioned subjects must take appropriate measures to prevent access to Confidential Information by third parties. In particular, they shall obtain, manage and store Confidential Information only if it is deemed strictly necessary to perform tasks assigned to them and, in any case, limitedly to the length of time required to complete such tasks. In handling Inside Information, Informed Persons must apply the rules of professional diligence required by the specific circumstances in order to ensure maximum confidentiality.

The disclosure of Confidential Information to third parties is only permitted in cases where the latter are bound by confidentiality obligations of a legislative, regulatory, statutory or contractual nature in relation to the management of the aforementioned information and without prejudice to compliance with current regulations, in particular concerning the prohibition on the unlawful disclosure of Inside Information.

The Legal, Corporate Affairs, Compliance and ERM Department ascertains the existence of the aforementioned confidentiality obligations and, where necessary, prepares appropriate contractual clauses applicable to consultants and third parties identified pursuant to this Guideline.

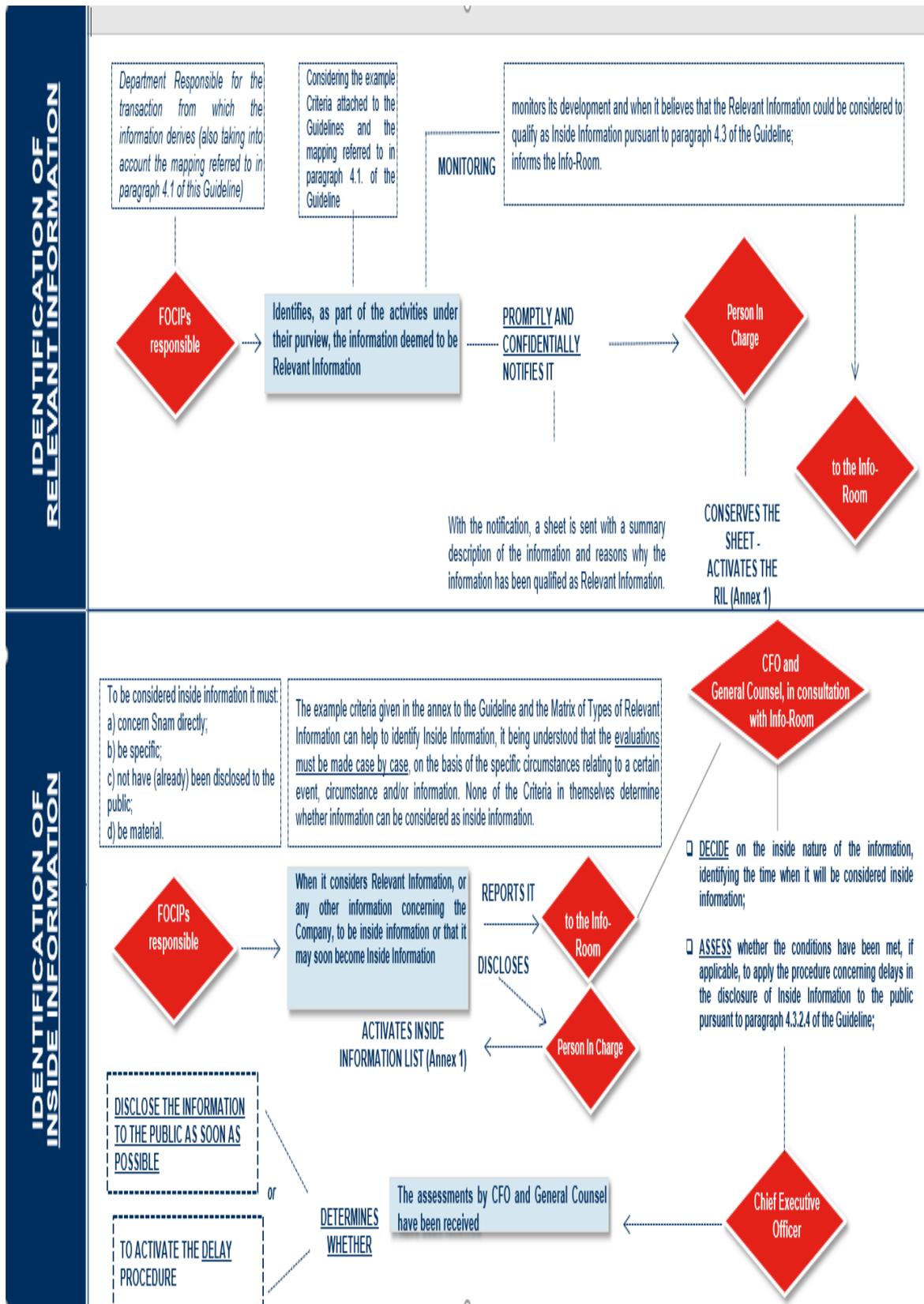
C) Relevant Information List and Inside Information List

In relation to the individuals bound by the above-mentioned confidentiality obligations, Snam – through the Person in Charge – establishes and regularly updates:

- a) a list (“Relevant Information List” or “RIL”), regularly updated on a voluntary basis, of people who have access to Relevant Information in virtue of a professional collaboration relationship with the Company or with the Subsidiaries, even on the basis of an employment contract, or that in any case perform certain tasks for the Company or the Subsidiaries, through which they have access to Relevant Information (for example consultants and external professionals).
- b) a list (“List”) of people who have access to Inside Information in virtue of a professional collaboration relationship with the Company or with the Subsidiaries, even on the basis of an employment contract, or that in any case perform certain tasks for the Company or the Subsidiaries through which they have access to Inside Information, such as, for example, consultants (the “Informed Persons”).

The structure and management of the above-mentioned lists are outlined in Annex 1 of this Guideline.

D) Workflow: Process of identifying Relevant Information and Inside Information



4.1 MAPPING OF THE TYPES OF RELEVANT INFORMATION

In order to promptly comply with the disclosure obligations for Inside Information, Snam identifies and monitors the types of Relevant Information regarding its activities and the relative circulation flows.

For this purpose, the Person in Charge draws on the support of the other FOCIPs and:

- (a) prepares a list of the types of Relevant Information concerning the Company and/or Subsidiaries within the scope of or in relation to which it is more reasonable to expect the emergence of specific Relevant Information and/or Inside Information. This list is prepared through a risk assessment taking into account the different internal and external parties which as a rule, on the basis of ordinary company processes, have access to information in the period prior to any public disclosure and it is contained in the matrix set out in Annex 6 to this Guideline (the “**Matrix**”).
- (b) evaluates, as part of an annual assessment, the need/opportunity to make amendments and/or supplements to the Matrix, taking into account, inter alia, any regulatory interventions, interpretative guidelines and/or application practices that should be disseminated on the matter as well as the type of information considered as inside information by Snam and companies comparable to Snam and any changes to the organizational structure.

4.2 IDENTIFICATION AND MANAGEMENT OF INSIDE INFORMATION

4.2.1 Identification of Relevant Information

In relation to each type of Relevant Information, the FOCIP, understood as the Department responsible for the transaction from which the information derives, (also taking into account the mapping referred to in paragraph 4.1 above) - “**FOCIP responsible**”, identifies, as part of the activities it is responsible for, the information deemed to be Relevant Information (also taking into account the Matrix referred to in paragraph 4.1. above, as well as the example criteria annexed to this Guideline pursuant to paragraph 4.3.1 below) and promptly and confidentially notifies the Person In Charge of it, sending a sheet corresponding to Model A annexed to this Guideline containing a summary description of the information and the reasons why the information has been qualified as Relevant Information.

The sheet is retained by the Person In Charge.

After determining the Relevant Information and sending Model A to the Person in Charge, the FOCIP responsible monitors its development to assess if and when the Relevant Information is likely to be qualified as Inside Information pursuant to paragraph 4.3 below.

4.3 IDENTIFICATION AND MANAGEMENT OF INSIDE INFORMATION

4.3.1 Identification of Inside Information

Snam discloses to the public, as soon as possible, Inside Information directly concerning the Company. Obligations to disclose Inside Information to the public must be fulfilled by disclosing press releases to the market that have been previously approved by the CEO – and with the prior authorisation of the Board of Directors where necessary ⁽¹²⁾ – in accordance with the procedure outlined in Annex 2 to this Guideline, to be drawn up in compliance with the applicable market rules. In consideration of the foregoing, to establish whether, in a specific case, information can be considered insider information and must therefore be disclosed to the public, the existence of the following four conditions should be assessed. The information must:

- a) concern Snam directly;
- b) be specific;
- c) not have (already) been disclosed to the public;
- d) be material, *i.e.* it must be information which, if made public, could have a significant effect on the prices of the financial instruments or the related derivative financial instruments.

For the purposes of the foregoing, annexed to this Guideline are some example criteria (the “**Criteria**”) which can help to identify Inside Information, it being understood that the evaluations must be made case by case on the basis of the specific circumstances relating to a certain event, circumstance and/or information, and that therefore none of the Criteria in themselves determine whether information can be considered as inside information (Annex 3).

The same Criteria become important and should therefore also be taken into consideration when assessing whether information is likely to be classified as Relevant Information within the meaning of the preceding paragraph 4.2.1.

In addition to the foregoing, Snam – where considered to be a participant in the emission allowance market – shall publicly, effectively and promptly disclose Inside Information on the emission allowances it holds in respect of its business, in the cases set out in Annex 5 to this Guideline.

The FOCIP responsible shall report to the Info-Room when it considers that information which was previously determined to be Relevant Information – or not yet determined as such – is Insider Information or may soon become Inside Information.

The CFO and the General Counsel, based on information from the FOCIP responsible and in consultation with the Info-Room:

- decide on the inside nature of the information, identifying the time when it shall be considered inside information;

⁽¹²⁾ If events related to Inside Information require the approval of Snam's Board of Directors. In this case, the Board of Directors shall decide – on the proposal of the CEO – whether to immediately disclose the Inside Information or trigger the delay set out in paragraph 4.3.2.4.

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- assess whether the conditions have been met, if applicable, to apply the procedure concerning delays in the disclosure of Inside Information to the public pursuant to paragraph 4.3.2.4. below.

After receiving the assessments from the CFO and the General Counsel, the Chief Executive Officer makes a determination on:

- the release of Inside Information to the public as soon as possible, in compliance with the provisions of this Guideline; or
- the activation of the delay procedure, pursuant to the following paragraph 4.3.2.4.

4.3.2 Management and Communication of Inside Information

4.3.2.1 Relationships between Business Divisions

The Chief Executive Officer:

- (a) defines the relationships between the Company and institutional investors and relations with the press, relying, for this purpose, upon the Corporate Strategy and Investor Relations and the Public Affairs, CSR and Communications Departments;
- (b) approves communications forwarded by the Public Affairs, CSR and Communications Department or, if warranted by circumstances, submits it to the Board of Directors for approval, in accordance with the process set out in Annex 2 of this Guideline.

In particular, any interaction with the media and other means of communication aimed at disseminating Confidential Information must be expressly authorized by the Chief Executive Officer, including through the Public Affairs, CSR and Communications Department.

The Public Affairs, CSR and Communications Department: (a) interfaces with news media and drafts communications, which it first shares with the relevant departments, concerning Inside Information, in accordance with the provisions in the paragraph below;

the Corporate Strategy & Investor Relations Department: (b) ensures proper compliance with information requirements vis-à-vis the market, arranging for the release of communications concerning Inside Information, as approved by the CEO and/or the Board of Directors, as set forth in the applicable legislation.

The process of preparing and disseminating press releases is described in Annex 2 of this Guideline.

4.3.2.2. Relations between the Company and the Subsidiaries

The delegated bodies of the direct Subsidiaries, also on behalf of the indirect Subsidiaries under their purview, inform the Info-Room without delay of any information relating to events occurring within their sphere of activity or that of the indirect Subsidiaries under their purview which - on the basis of a reasonable assessment - may qualify as Relevant Information or Inside Information ⁽¹³⁾.

The delegated bodies of the indirect Subsidiaries, without delay, inform the delegated body(ies) of the direct reference Subsidiary Company of any information relating to events occurring within their

¹³ Pursuant to Art. 114, subsection 2, of the CLF, listed issuers impart those provisions necessary to ensure that the Subsidiary Companies provide proper information required to comply with disclosure requirements in accordance with the law. Subsidiary Companies promptly provide the information requested.

sphere of activity which - on the basis of a reasonable assessment - may qualify as Relevant Information or Inside Information.

4.3.2.3. Leak

If the Company, or an entity acting in its name and on its behalf, releases Inside Information to third parties over the course of the normal fulfilment of an employment, profession or duty, Snam shall provide the public with integral and effective communication of such Inside Information,

- (i) simultaneously, in case of intentional communication;
- (ii) promptly, in case of non-intentional communication.

This obligation shall not apply if the individual receiving the Inside Information is under confidentiality obligations, or legislative, regulatory, statutory or contractual requirements.

Specifically in relation to the existence of news improperly disseminated to the public domain during market closing or pre-opening, the FGIP – in consultation with the Info-Room and FOCIP responsible – shall assess whether it is appropriate to inform the public about the veracity of the news, integrating or correcting content where necessary, and shall release such news if appropriate. Where the confidentiality of said Inside Information is no longer guaranteed, the provisions set out in paragraph 4.3.2.4 below for the event where the release of Inside Information is delayed shall continue to apply.

The disciplinary system referred to in Model 231 will be applied in the case of employees who should violate the confidentiality provisions laid down in this Guideline.

4.3.2.4. Delay in the disclosure of Inside Information

Snam may, under its own responsibility, delay the disclosure of Inside Information to the public, in compliance with the rules set out in this paragraph, provided that the following conditions have been met:

- a) instant disclosure would probably prejudice the Company's legitimate interests;
- b) delay in disclosure would not have the effect of misleading the public; and,
- c) the Company is able to preserve the confidentiality of Inside Information.

The FOCIPs responsible monitor compliance with the confidentiality requirements applicable to the Inside Information whose disclosure to the public has been delayed, through the adoption of effective measures that will:

- a) prevent access to such information to individuals other than those whose corporate duties made such access necessary; and
- b) ensure that individuals having access to such information are aware of the legal and regulatory duties deriving from it and of the possible penalties to be assessed in the event of abuse or unauthorised release of information.

If in the event of a prolonged procedure aimed at realising, or which defines a particular circumstance or event, when such circumstance or event, as well as the intermediary steps of said procedure aimed at realising, or which defines a particular circumstance or event, constitute Inside Information,

Snam may, under its own responsibility, delay disclosure of said Inside Information to the public, in compliance with conditions and rules set out in this paragraph and based on the decisions taken pursuant to paragraph 4.3.1 above.

The decision to delay the disclosure of Inside Information must be stated in a written document, drawn up with the support of the CFO, the General Counsel and the FOCIP responsible according to the subject of the Inside Information, which must be kept for five years and contain the information set out in Model B annexed to this Guideline.

When disclosure to the public has been delayed pursuant to the provisions of this Paragraph, the General Counsel, after the disclosure of Inside Information to the public, shall promptly inform Consob that the disclosure has been delayed in accordance with the terms set out by current provisions ⁽¹⁴⁾.

If, during the delay, the confidentiality of the Inside Information can no longer be guaranteed, Snam shall release this information to the public as soon as possible, including the hypothesis in which explicit reference is made to Inside Information whose disclosure had been delayed, and such reference is sufficiently accurate to indicate that confidentiality can no longer be guaranteed ⁽¹⁵⁾.

¹⁴ Communication sent to Consob must contain information required by Implementing Regulation (EU) 2016/1055. More particularly: (i) the Company's full name; (ii) information about the individual providing the notification: first name, surname and job title at the Company; (iii) contact information of the individual providing the notification: business email and telephone number; (iv) identification of the Inside Information whose disclosure has been delayed: title of the disclosure by which the public was notified, reference number, date and time of the release; (v) date and time of the decision to delay disclosing the Inside Information; (iv) identity of the individual or body that made the decision to delay the release; (vii) explanation of how conditions discussed in Paragraph 4.3.2.4 have been met.

¹⁵Art. 17, subsection 7, of EU Regulation No 596/2014.

- PART II -

INTERNAL DEALING

5. SCOPE OF APPLICATION

The obligations on internal dealing referred to in Part II apply, in compliance with current regulations, to:

- (i) the “Relevant Parties”, as defined in paragraph 3 above) ⁽¹⁶⁾; and
- (ii) the Relevant Shareholders and Persons Closely Associated with them as defined in paragraph 3 above) ⁽¹⁷⁾.

If Relevant Shareholders or Persons Closely Associated with Relevant Shareholders are also Relevant Parties or Persons Closely Associated with Relevant Parties, only the disclosure obligations imposed on the latter apply ⁽¹⁸⁾.

5.1 DISCLOSURE OBLIGATIONS AND PUBLICATION OF THE TRANSACTIONS

5.1.1 Procedure for notifying Transactions by Relevant Parties and Persons Closely Associated with Relevant Parties

Transactions carried out by Relevant Persons and by Closely Associated Persons – except for the exempt Transactions pursuant to paragraph 5.1.3 below – must be reported to Consob ⁽¹⁹⁾, promptly and in any case no later than three Business Days from the date of the Transaction.

Specifically, Consob must receive the following information relating to the Transactions carried out by them or on their behalf:

- a) the name of the person;
- b) the reason for the notification;
- c) the name of the issuer/emission allowance market participant;
- d) the description and the identifier of the instrument involved in the transaction;
- e) the nature of the transaction(s) (e.g. acquisition or disposal), indicating whether it is linked to the exercise of share option programmes;
- f) the date and place of the transaction(s); and
- g) the price and volume of the transaction(s).

¹⁶ See art. 19 of Regulation (UE) 596/2014 and its implementing provisions, as well as art. 152-*quinquies*.1 of the Issuer Regulation.

¹⁷ See art. 114, subsection 7, of the CLF and articles 152-*sexies* and ff. of the Issuer Regulation.

¹⁸ See art. 152-*septies*, last subsection, of the Issuer Regulation.

¹⁹ Identified pursuant to art. 6 of the delegated Regulation (EU) 2016/522 of the Commission of 17 December 2015.

The Relevant Parties and Closely Associated Persons shall provide the above information to the Company by the end of the **Business Day following** the Transaction date, by email to the Person in Charge at the address segreteria@snam.it, so that it can be disclosed to the public by the Company, promptly and, in any case, no later than three Business Days from the Transaction date under the terms established by current legislation.

Without prejudice to the possibility to make the disclosure directly to Consob, the Relevant Parties and/or Persons Closely Associated with them can delegate Snam to inform the competent Authority on their behalf of the Transactions they have performed and/or that were performed on their behalf. Where they intend to use this option, the Relevant Parties and Persons Closely Associated with them shall formalise this request to the Company in writing by the end of the **Business Day following** the Transaction date. In this case, Snam shall notify the competent Authority promptly and no later than three Working Days after the date of the Transaction. It is understood that Snam cannot be held in any way responsible for the lack of or delayed communication to the competent Authority in cases where Relevant Parties and/or Persons Closely Associated with them do not provide the Company with all the information required by current legislation before the end of the **next Working Day** after the Transaction.

Notifications to the Company, competent Authority or market pertaining to Transactions are sent via electronic means, by using the notification form pursuant to current regulations. Notifications shall be published on the Company's website, in the "*Internal Dealing*" section.

5.1.2 Procedure for notifying Relevant Transactions pursuant to the CLF by Relevant Shareholders and Persons Closely Associated with Relevant Shareholders

Relevant Shareholders are required to notify Consob and publish the transactions on shares issued by Snam and on related financial instruments ("**Relevant Transactions pursuant to the CLF**"), as better defined in paragraph 3 above, except for the Exempt transactions under paragraph 5.1.3. below performed by them and/or by Persons Closely Associated with them, by the end of the 15th (fifteenth) day of the month after the day on which the transaction was made.

Relevant Shareholders can request that the Company notifies Consob and the public directly on their behalf of the Relevant Transactions performed by them and/or by Persons Closely Associated with them.

In this case, Relevant Shareholders are required to provide the Person In Charge with an information notice on the transaction performed, to be sent by e-mail (segreteria@snam.it) by the aforementioned deadline.

The Person In Charge, by the end of the trading day following the day of receipt and on behalf of the Relevant Shareholders, notifies Consob and the market of the information received. The information is released to the public by the Person In Charge through the system for the disclosure of regulated information (SDIR) and the authorised storage mechanism which the Company uses pursuant to current regulations.

Notifications of Relevant Transactions pursuant to the CLF in accordance with this paragraph are made using the method and procedures indicated in Annex 6 of the Issuer Regulation in force at the

time, and in compliance with applicable pro tempore legislation. Notifications shall be published on the Company's website, in the "Internal Dealing" section.

5.1.3 Exempt transactions

The following types of Transactions are not subject to disclosure to the Company, Consob or the public by Relevant Parties and Persons Closely Associated with them:

- transactions with a total value, over the course of one year, below the threshold of 20,000 euros, calculated by adding together, without offsetting, all the Transactions performed by the same subject directly or on its behalf; it being understood that once this threshold has been reached all subsequent Transactions must be disclosed, irrespective of their equivalent value ⁽²⁰⁾;
- other transactions for which the regulations applicable to Relevant Parties and Persons Closely Associated with them do not require notification ⁽²¹⁾.

As regards Relevant Shareholders and Persons Closely Associated with them, the following are not subject to disclosure to Consob and the public:

- Relevant Transactions pursuant to the CLF with a total value below 20,000 euros by the end of the year; subsequent to each disclosure, transactions with a total equivalent value that has not reached a further 20,000 euros by the end of the year are not notified;
- additional Relevant Transactions pursuant to the CLF exempt under applicable regulations ⁽²²⁾.

5.1.4 List of Relevant Parties and information obligations

Through written notice, in accordance with Model C, the Person In Charge informs the Relevant Parties of their inclusion on the list of Relevant Parties kept pursuant to the following paragraph 5.1.5 and that they are subject to the internal dealing obligations set out in this Guideline (sent together with the disclosure) and in current regulations.

Relevant Parties:

- (i) shall sign a statement of acknowledgement and acceptance, prepared in accordance with Model D, which affirms the requirement to inform Persons Closely Associated connected to them of the existence of conditions by which said individuals must comply with their obligation to notify the Transactions and ensure that the Persons Closely Associated promptly comply with their obligations;
- (ii) notify to the Company the names of Persons Closely Associated connected to them and undertake to keep the Company updated concerning any change relating to such individuals; and

²⁰ In terms of reaching the aforementioned amount, ESMA has clarified that Transactions completed directly by (or on behalf of) Relevant Parties will not be counted together with those completed directly (or on behalf of) Persons Closely Associated with them (see ESMA Q&A). The aforementioned threshold is determined by the competent Authorities of the individual Member States. If the competent Authority of reference is an Authority other than Consob, the minimum exemption threshold determined by that Authority shall apply.

²¹ As identified pursuant to art. 19 of Regulation (EU) 596/2014 and the relative implementing provisions.

²² See art. 152-*septies* of the Issuer Regulation.

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- (iii) notify to the Persons Closely Associated in writing, in accordance with Model E, their obligation to notify Transactions, also keeping one copy of the Information Notice letter for their record.

It is understood that the provisions referred to in this Guideline are and will be applicable to such individuals, whether or not they sign the aforementioned documentation.

On the basis of the information received pursuant to aforementioned Paragraph, the Person In Charge shall prepare and regularly update a list of all Relevant Parties and Persons Closely Associated, as indicated in Paragraph 5.1.5.

The Relevant Shareholders inform Persons Closely Associated with them of the existence of conditions by which the latter must comply with their obligation to notify as above.

5.1.5 Activities of the Person in Charge of Internal Dealing

The Person In Charge receives, manages and releases market information relating to the transactions referred to in the previous paragraphs. In particular, the Person In Charge shall:

- a) draw up and update a list of names (i) of Relevant Parties, maintaining a copy of the relative acknowledgement and acceptance statements; and (ii) of the Persons Closely Associated indicated by the Relevant Parties
- b) on behalf of the Company, make the disclosures pursuant to the provisions of this paragraph 5.

5.1.6 Black Out Period and abstention periods

5.1.6.1 Black-Out Period for Relevant Parties

Relevant Parties cannot perform Transactions on their own behalf or on behalf of third parties, directly or indirectly, relating to shares and/or debt instruments issued by Snam or derivatives and other related financial instruments, during a period of **30 calendar days before** the Company has announced the data contained in the annual financial report, the half-year financial report and in other periodic financial reports which Snam must make public by law or pursuant to the rules of the place where trading occurs in which Snam's shares are subject to trading (hereinafter, each a "**Black Out Period**").

If the Board of Directors approves the preliminary data, the Black Out Period shall only apply with respect to the date of publication of the latter and not also with respect to the date of publication of subsequent final data, according to the indications given in the ESMA Q&A ⁽²³⁾.

A Relevant Party can be authorised by the Company to complete a Transaction during a Black Out Period, provided that the procedures outlined in Annex 4 are complied with and the following conditions are applicable:

²³ "With particular reference to the year-end financial report, the "announcement" is the public statement whereby the issuer announces, in advance of the publication of the final year-end report, the preliminary financial results agreed by the management body of the issuer and that will be included in that report. This can only apply if the disclosed preliminary financial results contain all the key information relating to the financial figures expected to be included in the year-end report. If the information announced in such a way changes after its publication, this will not trigger another black out period but should be addressed in accordance with Article 17 of MAR' (Q7.2-A7.2).

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- a. one of the following circumstances is present:
- (i) on a case-by-case basis due to the existence of exceptional circumstances, such as severe financial difficulty, which require the immediate sale of shares of the Company;
 - or
 - (ii) due to the characteristics of the trading involved for transactions made under, or related to, an employee share or saving scheme, qualification or entitlement of shares, or transactions where the beneficial interest in the relevant security does not change; and
- b. the Relevant Party is able to demonstrate that the specific Transaction cannot be conducted at any time other than during the Black Out Period.

Both when disclosing the Company's Financial Calendar to the market and during any changes thereto, the Relevant Parties are promptly notified of the Black-Out Periods for each year by the Person in Charge in writing.

5.1.6.2 *Company Transactions in Black-Out Periods* ⁽²⁴⁾

During the Black-Out Periods referred to in paragraph 5.1.6.1 above, the Company:

- a) may carry out (directly or through a Subsidiary), where the accounting data referred to in paragraph 5.1.6.1 above is not of an insider nature:
- ✓ purchase or sale transactions on shares and/or debt instruments issued by Snam, derivatives and other related financial instruments; and
 - ✓ transactions aimed at placing bonds and other debt instruments of the Company and Subsidiary Companies for which Snam has issued guarantees.

The Chief Executive Officer shall make a determination regarding the above-mentioned transactions, at the proposal of the CFO and General Counsel and after consulting the Info-Room on the non-insider nature of the accounting data.

Otherwise, in cases where the aforementioned accounting data is of an insider nature (e.g. it varies significantly from market expectations), the Company shall refrain from completing (directly or through the Subsidiary) any relevant transaction pursuant to market abuse regulations.

- b) in any case, it may carry out:
- ✓ transactions performed on financial instruments that are not traded on a regulated market, MTF or OTF in Italy or another country of the European Union ⁽²⁵⁾;
 - ✓ purchase or sale transactions on financial instruments carried out with terms that exclude any operational discretion ⁽²⁶⁾;

²⁴ These provisions, where applicable, also relate to derivatives on commodities, emission allowances and related auctioned products.

²⁵ For instance, Private Placements not intended for listing.

²⁶ Operations lacking discretion are those meeting the following requirements:

- a) purchase and sale of Financial Instruments assigned to an investment firm or financial institution making independent decisions and outside of any influence by Snam, as it pertains to the time of purchase;
- b) predetermined share and debt buy-back programs, in which transaction date and amount of shares to trade have been determined at the time information about the program is released to the public;
- c) programs of continuous purchase of treasury Shares through the systematic application of an algorithm not subject to variations during the date of validity of board meeting's resolutions. Purchase transactions can be suspended upon exhaustion of the allocated annual budget, as well as during holidays and periods marked by a seasonal decrease of activities on financial markets.

- ✓ transactions to purchase treasury Shares exempt from the application of prohibitions on abuse of inside information and market manipulation (safe harbour) pursuant to current regulations ⁽²⁷⁾.

In any case it is understood that, in the presence of Relevant Information and/or Inside Information, and in any case before completing, at any time, any transaction on shares and/or debt instruments issued by Snam, derivatives and other related financial instruments, the Company shall ensure compliance with current regulatory provisions on market abuse.

²⁷ Pursuant to art. 5 of Regulation (EU) 596/2014, in order to qualify for exemption from the application of the prohibitions on abuse of inside information and market manipulation:

(i) a program for the purchase of treasury shares must have the sole purpose of:

- a) reducing the issuer's capital;
 - b) meeting all obligations resulting from debt instruments that can be converted into equity instruments; or
 - c) meeting obligations arising from share option programmes, or other allocations of shares, to employees or to members of the administrative, management or supervisory bodies of the issuer or of an associate company;
- and

(ii) the Company must comply with specific information obligations, as required by statutory provisions in force at the time, and with proper limitations pertaining to Share price and amount.

PART III
- FINAL PROVISIONS -

6 MARKET SURVEYS

Market Surveys consist in the disclosure of information, prior to the announcement of a transaction, for the purpose of evaluating the interest of potential investors in a possible transaction, as well as associated terms and conditions.

Notwithstanding the need to make a case-by-case evaluation, Market Surveys may concern, for instance, the following transactions: (i) Company's capital increases, with or without preferential subscription rights; (ii) bond issues; (iii) sale on the market or in blocks of Treasury shares outside of accepted practice; (iv) takeover bids or exchange promoted by the Company or mergers involving the Company, provided that:

- (a) the information is necessary to enable holders of Financial Instruments interested in a potential transaction to form an opinion on their willingness to offer their Financial Instruments;
- (b) the willingness of the holders of the aforementioned Financial Instruments to offer such Instruments is reasonably necessary for the decision to promote the public offer purchase, exchange or merger.

The Head of the Corporate Strategy and Investor Relations department ensures that the Company carries out Market Surveys in compliance with applicable legal requirements, if necessary adopting, to this end, specific guidelines or internal provisions. The aforementioned provisions may also concern cases where the Company is involved in a Market Survey as the person who "receives" the same Survey ("*Market Sounding Receivers*" or "MSR").

7 AMENDMENTS AND IMPLEMENTING PROVISIONS

The Snam CEO shall provide for implementation of the provisions of this Guideline also by application provisions which are adopted according to the Snam Regulatory System and can make purely formal amendments and/or supplements to this Guideline, should they become necessary as a result of changes to the organizational structure of the Company.

The Board of Directors of Snam assesses on an annual basis whether to review this Guideline taking into account, inter alia, any regulatory interventions, interpretative guidelines and/or application practices that should be disseminated on the matter as well as the effectiveness of the Guideline demonstrated in application of the same. To this end, the General Counsel ensures, through its own structures, monitoring of regulatory interventions, interpretative guidelines and/or application practices that should be disseminated on the matter as well as the effectiveness of the Guideline demonstrated in application of the same.

