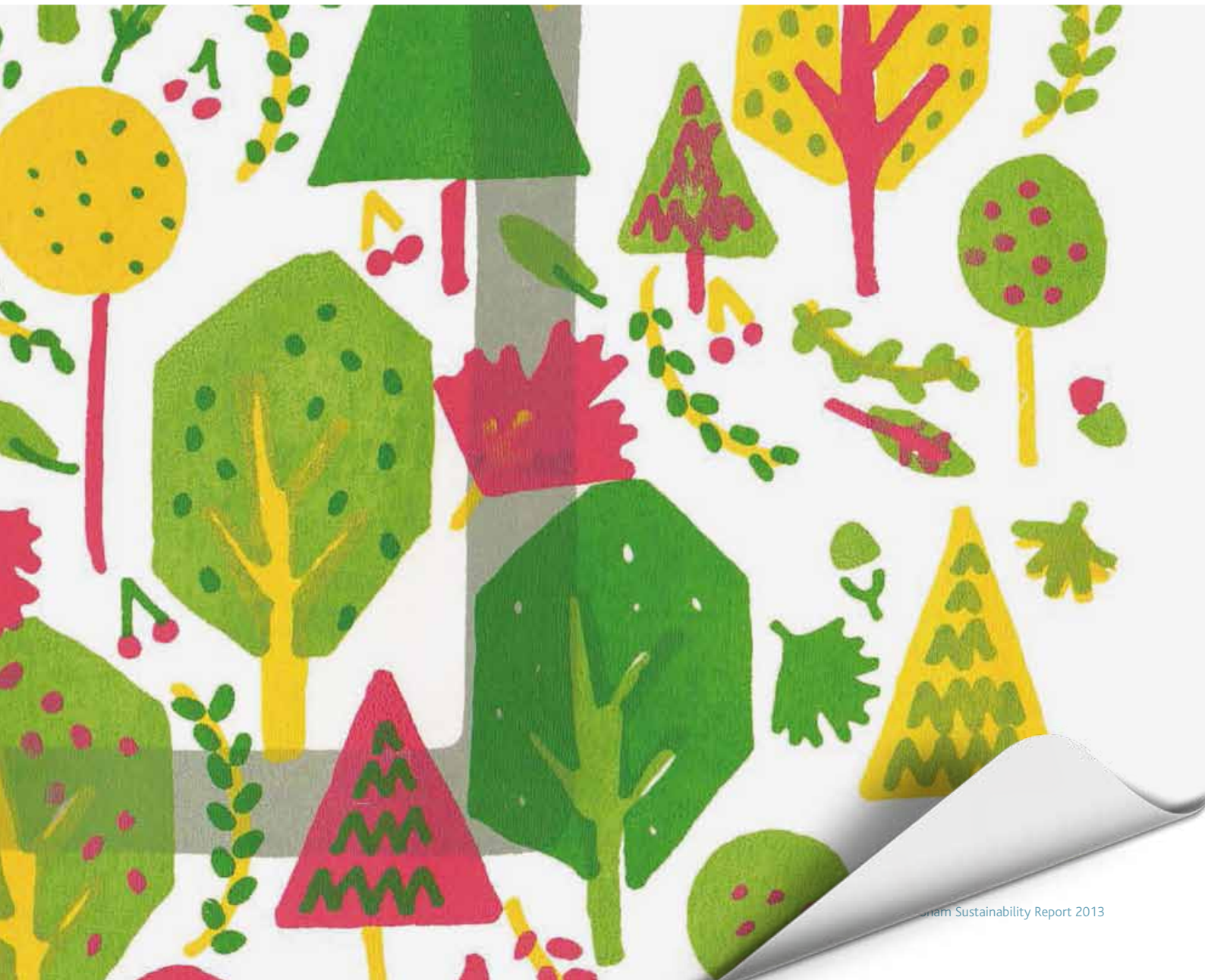


# Sustainability incorporated within the business



For Snam, sustainability is a process of continuous improvement, going beyond the short term and guaranteeing long-lasting results and reputational and business advantages. Strengthening appreciation of and respect for the Company among regional authorities, institutions, the employees themselves and all its other stakeholders is a chance to facilitate the creation of infrastructure, boost the productivity of the “gas” system and reduce environmental and operational risks.

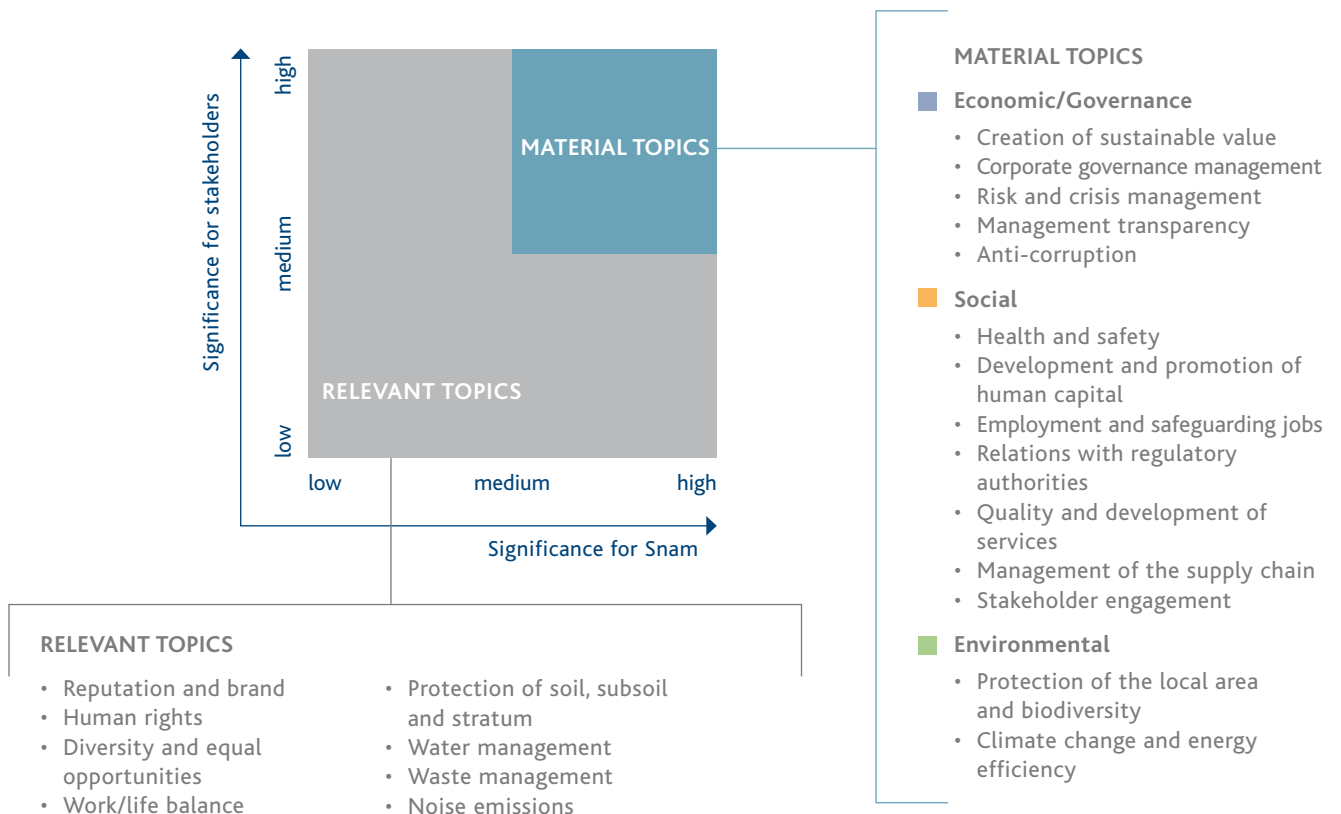
Snam is committed to conducting its activities while promoting dialogue with all of its stakeholders, aiming to take practical action with high added value. To achieve this, Snam has incorporated the Shared Value approach into its sustainability pathway. Snam considers the approach to be in keeping with the Company’s vision of creating value for itself and its stakeholders, through an increasingly close connection between business and corporate social responsibility.



**MATERIALITY** ▷ GRI - G4: 18, 19

Materiality is a key element in strengthening Snam’s sustainability strategy. Taking into account the recommendations of the new G4 reporting guidelines from the GRI (Global Reporting Initiative), which give more emphasis to the reporting of material topics, Snam has begun updating those topics that have historically

fallen within the scope of its sustainability activities, to bring the most important of these into sharper focus. The materiality analysis, which necessarily included management involvement and the point of view of stakeholders, gave rise to the reasoned selection of topics that strengthen Snam’s sustainability commitment and on which its reporting will focus.



**Methods**

The analysis starts by identifying the topics highlighted in the main sustainability guidelines (ISO 26000 and GRI-G4), generally seen as representative of the Company’s external outlook since they are identified in a context of multi-stakeholder debate and dialogue at the international level.

These topics are then put into context in the utilities sector, in which all Snam’s core businesses operate, using the benchmark of 2012 sustainability reporting by the biggest international players in this sector and the questionnaires of the main ratings agencies.

A series of important topics emerged from this initial phase. To define the materiality of these topics, we:

1. Analysed the situation in the sector, public opinion and the pressures on the Company. This not only enabled assessment of the changes in political, economic and social phenomena,

both globally and locally, that could influence Snam’s strategies in the short and long term, but also enabled identification of further topics or the strengthening of topics already identified through analysis of the press, the internet and other media;

2. Analysed the perception of the topics from the point of view of external stakeholders, using commitment tools that pick up the perception of Snam’s image among key spokespeople, designed to gather opinions, uncertainties, ideas and observations in terms of sustainability and governance;
3. Analysed the Code of Ethics and the policies adopted by Snam;
4. Analysed the topics from an internal point of view by interviewing the managers of various departments.

Combined examination of important internal and external factors led to the identification of priority areas with greater materiality for the Company.

## List of Material Aspects according to the GRI-G4 standard

▷ GRI - G4: 20, 21

The outcomes emerged from the materiality check previously described, were subsequently associated to the aspects predefined by G4, choosing those that are most representative in relation to our purpose. The materiality aspects are reported in a list in the table below (column "materiality aspects").

The analysis proceeds specifying the fields in which the

aspects were resulting positive to the materiality check (column "aspect boundary") both internally (relating to the different activities undertaken by Snam) and externally to the organization. Moreover, the limitations emerged with the reporting activity referring to the boundaries of each aspect, were as well reported (when needed) in the table, under the column ("Limitation concerning the aspect's boundaries").

Material Aspects	Aspect Boundary		Limitation of Aspect Boundary	
	Within the Organization	Outside the Organization	Within the Organization	Outside the Organization
Economic Performance	T, D, S, R, C	Investor. Regulation Authority Client	-	-
Indirect economic impacts	T, D, S, R, C	-	-	n.a.
Procurement practices	T, D, S, R, C	Suppliers	-	Reporting not extended second -tier suppliers
Energy	T, S	Suppliers	-	Suppliers' energy consumption not accounted
Biodiversity	T	-	-	n.a.
Emissions	T, D, S, R,	Suppliers	-	Suppliers' nitrogen oxide emissions not accounted
Overall	T, S	-	-	n.a.
Suppliers Environmental Assessment	T, D, S, R, C	Suppliers	-	Reporting not extended second -tier suppliers
Employee	T, D, S, R, C	-	-	-
Labor/Management Relations	T, D, S, R, C	-	-	n.a.
Occupational Health and Safety	T, D, S, R, C	Suppliers	-	-
Training and education	T, D, S, R, C	Suppliers	-	Suppliers' training not accounted
Suppliers assessment for labor practices	T, D, S, R, C	Suppliers	-	Reporting not extended second -tier suppliers
Local communities	T, D, S, R, C	-	-	n.a.
Anti-Corruption	T, D, S, R, C	Suppliers	-	Reporting not extended second -tier suppliers
Compliance	T, D, S, R, C	-	-	n.a.

T Transportation      S Storage      C Corporate  
D Distribution      R Regasification      n.a. Not applicable

## ANALYSIS AND ASSESSMENT OF MATERIAL

Topic	External outlook	Internal outlook
Creating sustainable value	This is the most important topic for all strategic infrastructure operators, which are now required to pursue their mission in a difficult economic and social landscape.	Snam has always focused on promoting sustainable development throughout the value chain. Today, it is earmarking the financial, technical and organisational resources that it needs to respond to future challenges.
Corporate governance management	Corporate governance is now seen as a key variable in investment decision-making, as there is a clear link between good governance and creating and distributing value.	Snam has always regarded its corporate governance system as an essential factor in pursuing its corporate mission, as it ensures a balance between the expectations of shareholders and of parties with legitimate interests in the Company's activities, and, more generally, in the proper functioning of the "gas system". Snam's corporate governance system is based on certain key principles, such as creating fair and transparent Company management. This includes marking out information flows between the corporate bodies and defining the internal control and risk management system effectively. Snam has always been committed to maintaining and strengthening a corporate government system aligned with national and international best practice, which can handle the complexities of the situations in which the Company has to operate, and the challenges associated with a clear and sustainable development strategy.
Risk and crisis management	Companies aim to create closer links between risk management and strategic planning.	Snam monitors this topic closely, and has continued to work in this area to ensure a cycle of continuous improvement in the management of its risk model. As well as establishing a Corporate and Enterprise Risk Management department and implementing a system designed to help senior management to identify, measure, manage and monitor the key risks that could affect the achievement of strategic objectives, Snam recently issued a new Business Continuity Management policy.
Management transparency	This is an important topic in terms of safeguarding legitimate stakeholder interests.	In Snam's case it is even more important given that it operates in regulated markets.
Anti-corruption	Combating corruption is a key global challenge. Nearly all countries have increased their anti-corruption efforts in recent years. Corruption is an obstacle to effective business and fair competition that cannot be tolerated.	Snam has been combating corruption for several years, expressly prohibiting "corrupt practices, illegitimate favours, collusion and requests for personal benefits for oneself or others, either directly or through third parties" in its own Code of Ethics. Specifically, since 2010 Snam has launched its own action against corruption by: - creating the Anti-Corruption Unit within the Legal and Corporate Affairs and Compliance Department; - issuing the anti-corruption procedure and the ancillary procedures; - raising employee awareness with specific information and training activities. Since 2010, about 16,000 hours of training have been delivered on the subject.
Health and safety	Health and safety at work is one of the most recognised and consolidated rights in every sector. The topic is generally regarded as material by definition, particularly in the industrial sectors. It is highly relevant and a major focus for public opinion, as demonstrated by the recent amendment to planned regulations relating to health and safety in the workplace, carried out during the process of conversion to law of Decree-Law 69/13 (the "Fare" Decree).	The topic, which is relevant and significant for Snam's business, is closely monitored. To ensure the timely alignment of its management systems and compliance with the laws in force, Snam is constantly meeting with people, employee safety representatives and stakeholders.

Topic	External outlook	Internal outlook
Developing and making the most of human capital	Developing professional skills and managerial abilities, as well as managing human capital, is particularly important in view of the greater complexity caused by market changes at both national and international level.	Snam invests in activities designed to increase its employees' range of skills and develop their management and professional expertise.
Employment and safeguarding jobs	This is perhaps the most relevant "social" topic, given the persisting negative effects that the economic crisis is having on Italy, particularly in terms of the outlook for youth employment.	Snam maintains its employment levels, and will see substantial generational turnover with the hiring of 250 young people, which will also help with age management.
Relations with regulatory authorities	In a difficult context for the national economy, the regulatory authority is increasingly keen to foster competition in the system.	Snam will have to pay increasing attention to the efficiency of its infrastructure, assessing its investments very carefully and sharing its plans with the Authority.
Quality and development of services	One priority for European policy in the next few years will be growth in competition and flexibility in the sector, benefiting end users (high-quality service and lower costs).	As part of its plan to take on the role of market facilitator, Snam will have to continue to adjust its commercial offering while keeping service quality high.
Management of the strategic supply chain	The opportunity to extend the scope of corporate liability to the supply chain is a factor that has now been taken on board in many sectors of the global economy.	Snam operates almost exclusively at national level, but has for some time been committed – partly due to the role it plays – to transparency and proper management of suppliers and the extension to these suppliers of good practice and culture in terms of safety at work and environmental protection.
Stakeholder relations and involvement	Stakeholder engagement is now playing an even greater role in response to the changing conditions in which companies operate. Increasingly, companies have to interact knowledgeably with a world that is more complex, globalised and dynamic, and made up of multiple problems (environmental, moral, legal and institutional), players and interests needing attention.	Snam works to encourage and reward stakeholder involvement through a corporate culture that aims to express the values of corporate responsibility as fully as possible. Snam uses a wide variety of tools and opportunities for involvement (e.g. the climate analysis, workshops, portals, customer satisfaction surveys, etc.).
Protecting the territory and biodiversity	The infrastructure-related actions that support network development can spark conflict at local level. To avoid this, procedures to involve the communities concerned should be used during the various phases of these actions, from planning and creating pipeline courses to restoring and replenishing habitats. In some cases, compensation is not a principle that is shared by communities that experience environmental damage. Involvement and dialogue make it easier to establish new sites, and to reduce transaction costs.	This topic is constantly monitored, given the nature of Snam's infrastructure-related actions. When it develops new sites, Snam uses procedures that pass stringent environmental and safety compatibility assessments to make them more acceptable for stakeholders. These assessments are made as part of the Environmental Impact Assessment (EIA), after which the administrations in charge issue the authorisations provided for by current regulations. Safeguarding the natural value of areas where it conducts new works is important to Snam. In choosing courses for pipeline development, Snam tries to limit passage through areas of natural importance. When this cannot be avoided, close attention is paid using surveys and biodiversity monitoring.
Climate change and energy efficiency	The environmental emergency has led to the creation of hundreds of protest movements worldwide, giving rise to activism and a civil commitment to change the energy model. Broad-based popular involvement in global movements, which represents much more than just being in environmental association, shows the scale of the challenge and confirm the widespread awareness that the solutions adopted so far are still not enough. Nevertheless, during the last year the topic has been less present among communication channels and public opinion discussions. The reason for this lies in the increasing importance that the economic crisis is playing and in the fact that CO <sub>2</sub> emissions have recently fallen due to the economic downturn.	Snam is a national energy market operator, and is a key adviser to the government in the preparation of National Energy Strategy documents. It is also part of the UN Global Compact initiative. Issues of energy consumption and CO <sub>2</sub> and methane emissions are inherent to the Company's activity. The Company therefore has a very high level of responsibility towards its stakeholders in respect of its commitment to reducing GHG emissions to limit the phenomenon of climate change

## STAKEHOLDERS ▷ GRI - G4: 24, 25, 26

Forming trusting, long-term relationships with all stakeholders and positioning itself to facilitate listening and debate are of fundamental importance to Snam, which acts openly and with transparency towards all key players and aims to maintain and build constructive dialogue both internally and externally. These relations are based on a corporate culture that has always sought to express the values of sustainability and corporate responsibility in the best possible way, to make them an integral part of strategic thinking and corporate management: they help to prevent and manage risks and, at the same time, can create value for stakeholders by taking concrete action.

## MAP OF STAKEHOLDERS



## TOOLS FOR INVOLVING STAKEHOLDERS

Tools of engagement	People	Authorities Institutions	Communities and local areas	Customers	Suppliers	Investors
Website	websites of all Group companies with specific dedicated spaces					
Web areas	Company intranet			Customer portals	Supplier portal	
Institutional documents	Annual Report – Sustainability Report Report on Corporate Governance and Compensation – Financial statements of the subsidiaries					
Media relations	Press releases – press conferences – conference calls – interviews					
Social networks	Information and news					
Newsletter	Energies and special features Objective Safety Economic and financial report					The Snam shareholder News&Facts Financial Markets Review Sustainability – creating shared value
Survey	Workshop Feedback questionnaires			Customer satisfaction	Feedback questionnaires Specific visits	Ratings questionnaires
Meetings	Executive meetings Cascade Project RSU meetings	Institutional presentations Parliamentary and local hearings Meetings with the Electricity and Gas Authority Meetings with local entities Meetings with trade associations Participation and technical committees	Public meetings Open council meetings Meetings with citizens	Workshops	Workshops Exploratory meetings	Road shows One-to-one meetings Conference calls Sector conferences
Awareness campaigns	Objective Safety” Project Health project Corporate volunteering Ecologically		Let’s Clean Up the World Educational Sustainable Pathways series			
Site visits	Safety walk					Investor Day

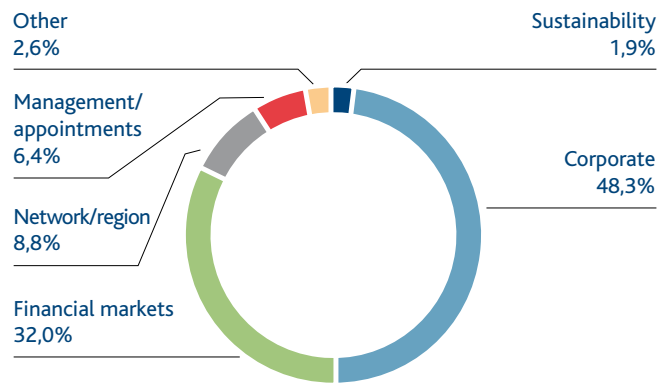
### Communications and media

In the context of stakeholder relations, Snam's proactive communication and constant media presence play a key role that is relevant to all areas of its business. Snam has a presence in all communication media, including new media, and aims to maintain an open, balanced and transparent approach and to offer valuable content.

In 2013 Snam completed a review of its web identity, restyling the websites of nine operating companies, replanning some sections of the Company website and steadily increasing its presence on major social media sites. The review prompted Snam to open new communication channels on Twitter, YouTube, LinkedIn, Google+, Flickr and Instagram, to help disseminate and strengthen awareness of the Group among its stakeholders, supporting its growth strategies and creating new opportunities for dialogue and interaction. As testament to the high quality of this online work, Snam achieved fourth position in Italy and sixth in Europe in the KWD Webranking, which is created by specialist consultancy company Lundquist to reward efficient web-based corporate communications. Snam was also shortlisted in the "major listed companies"

category for the Oscar di Bilancio prize, created by FERPI (Federazione Relazioni Pubbliche Italia), for the quality of its communication to financial stakeholders. In 2013, Snam was the subject of 362 articles in the national and international press, with a marked prevalence of corporate and financial themes. The content and tone of these articles was deemed to be positive or neutral in 98% of cases; moreover, the percentage of positive articles has increased from year to year, from approximately 39% in 2012 to 50% in 2013.

BREAKDOWN OF PRESS ARTICLES BY TOPIC



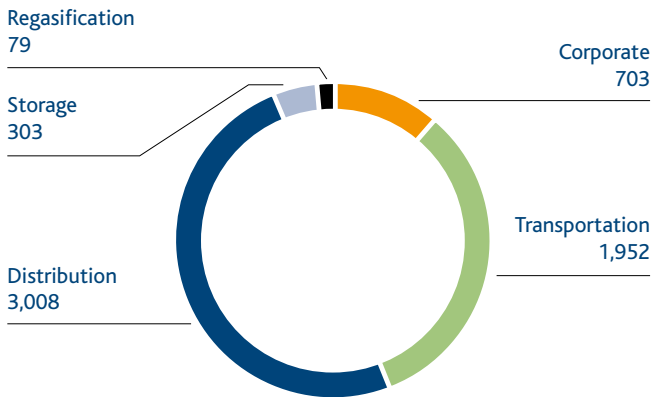


## 2013 STAKEHOLDERS' IDENTITY CARD

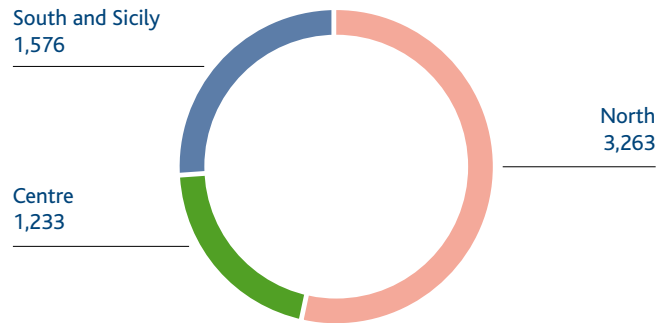
### People

total workforce (no): 6,045

EMPLOYEES BY ACTIVITY (no) ▷ GRI - G4: LA1



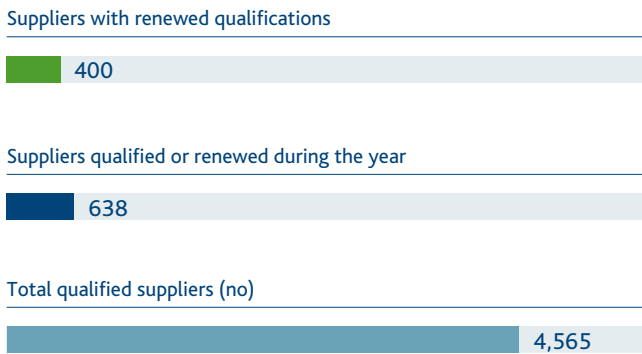
EMPLOYEES BY GEOGRAPHICAL AREA (no) ▷ GRI - G4: EC6



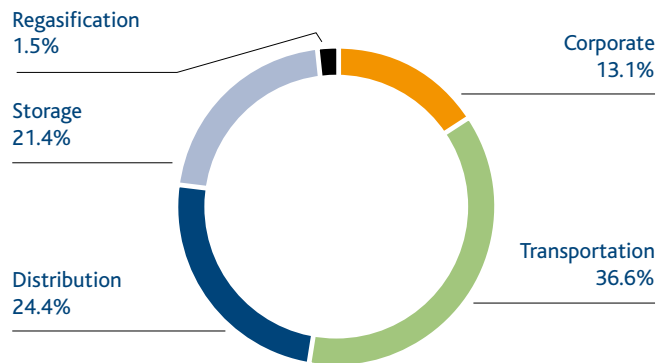
### Suppliers

2013 procurement (€1.35 billion)

QUALIFIED SUPPLIERS BY PRODUCT GROUP (no)

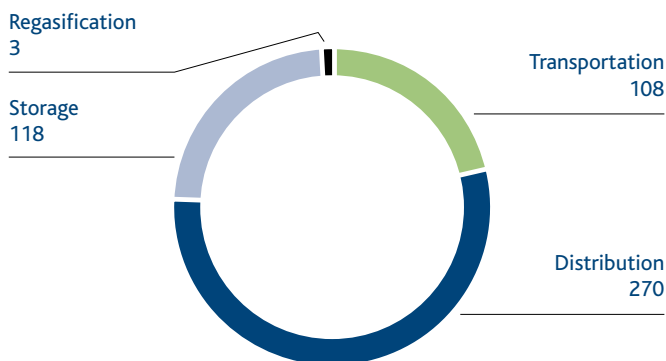


PROCUREMENT BY BUSINESS SEGMENT



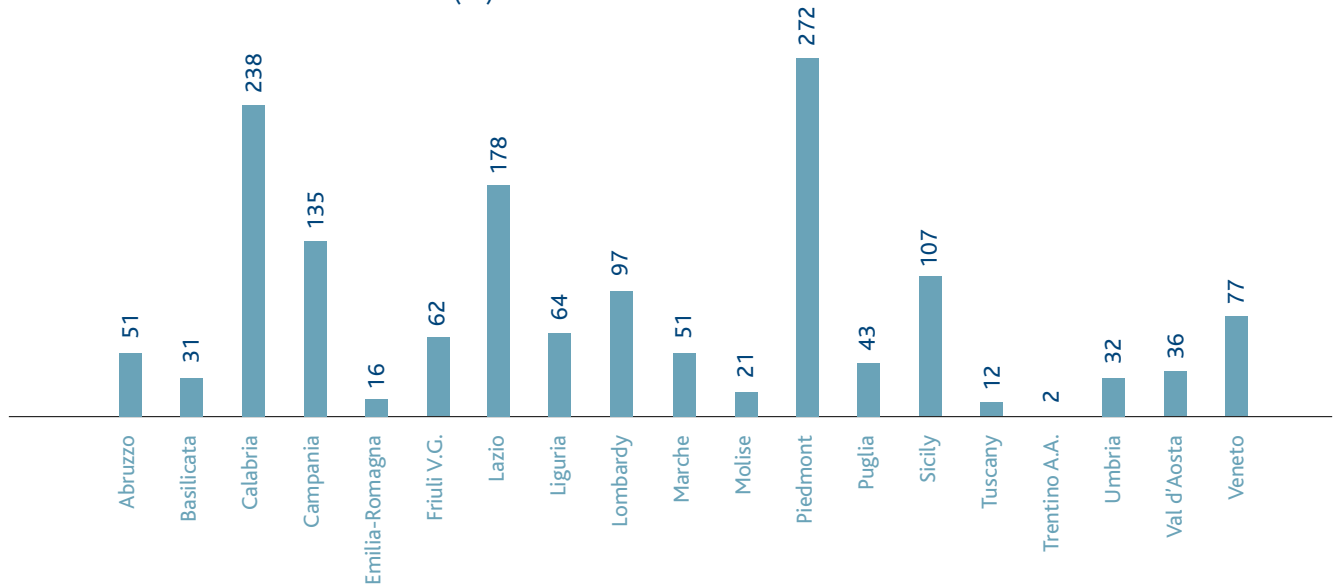
### Customers (n.)

Group total (no) 499



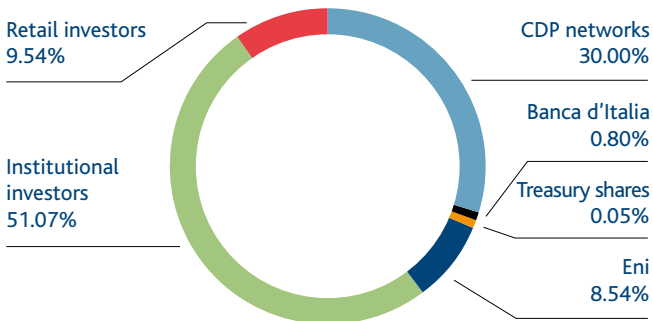
## Communities and regions

SNAM GROUP – LOCAL OFFICES BY REGION (no)

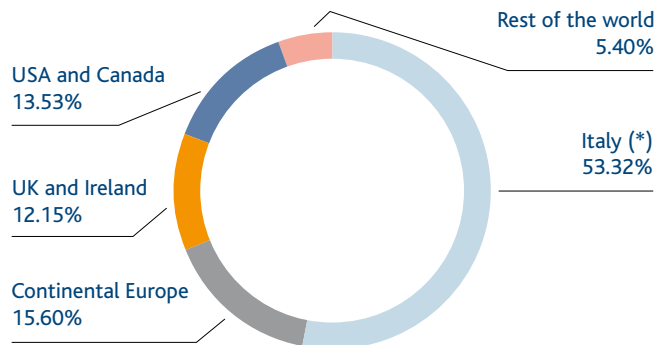


## Investors: ownership structure

BY TYPE OF INVESTOR



BY GEOGRAPHICAL AREA



(\*) The total amount of retail investors and treasury shares in the portfolio is included in the Italian percentage.

## Authorities and institutions

- |                               |  |                              |
|-------------------------------|--|------------------------------|
| Ministries                    | European Commission                          | Competition Authority        |
| Public safety bodies          | ACER   | Supervisory Authority        |
| Provinces                     | Revenue agency                               | for Government Contracts     |
| Prefectures                   | Customs agency                               | Municipalities               |
| Schools and universities      | Intervening or intervened entities           | Legal authority              |
| Regions                       | River basin authorities/Mountain communities | Regulatory committees        |
| Inspection and control bodies | Park authorities                             | Consob and Borsa Italiana    |
| Government and parliament     | Port authorities                             | Committees, research centres |
| ENTSOG                        | Electricity and Gas Authority                |                              |

## COMMITMENTS AND ACTIONS

Sustainability forms an integral part of Snam's business model. Snam's sustainability management model extends to all Group companies and is integrated into all phases of the corporate business process (planning, management, control, reporting, communication and stakeholder engagement). It also sets out targets for improvement; identifies, through the relevant corporate departments, the initiatives and projects to be implemented; monitors the results of these; and reports clearly and effectively, on the basis of the Sustainability Policy, the Company's strategic plan and the needs of stakeholders.

The sustainability targets, which have been approved by top management, apply to a range of areas for improvement and are pursued through specific projects and initiatives, in both the short and medium term, which are included in the operating plans of the Company's departments. All the activities set out in the model are coordinated by Snam's Sustainability department. The areas for improvement are also defined on the basis of stimuli and guidelines arising from Snam's participation in bodies, including international bodies, working to disseminate knowledge and the application of the principles of sustainable development, such as the Global Compact.

## GOVERNANCE

Area of relevance	Actions carried out in 2013	Actions to be implemented under the 2014-2017 Plan
Business ethics and governance	<p>The Corporate System Framework was adopted: this document represents the highest point of the pyramid of Snam's regulatory system.</p> <p>Snam's Model 231 was updated and approved by the BoD.</p> <p>The new anti-corruption procedure was issued.</p> <p>Training activities continued (11,390 hours delivered, with approximately 3,800 attendees).</p> <p>Participation in activities promoted under the Global Compact continued.</p>	<p>Maintain a level of governance that is still in line with the optimum international examples.</p> <p>Disseminate the principles and content of the Code of Ethics, Model 231 and anti-corruption and anti-trust policy, via training courses and specific initiatives.</p> <p>Implement actions to maintain constant adherence to the provisions of the Corporate Governance Code.</p> <p>Revise the body of regulations to include, in all key processes, rules on anti-corruption and the defence of human rights.</p> <p>Verify, through business intelligence surveys, respect for human rights and compliance with anti-corruption regulations by third parties (suppliers and customers).</p> <p>Participate actively in the working groups promoted by the Global Compact Network Italy.</p>
Sustainability model	<p>Development of the "Shared Value" approach continued.</p> <p>A materiality analysis was carried out on key aspects in the area of sustainability.</p>	<p>Keep active, implement and update the corporate sustainable development model, and ensure adequate supervision of matters relating to sustainability.</p>
Risk and crisis management	<p>The Enterprise Risk Management department was created.</p> <p>Risk mapping was carried out.</p> <p>The activities of the business continuity management system continued.</p>	<p>Implement both the Enterprise Risk Management organisational structure and integrated risk management.</p> <p>Business continuity management and the crisis management model: fulfil conditions for the implementation of processes and the adoption of the relative technological solutions; assessment of the compliance of programmes with international standards and regulations.</p>



Network Italy

## PEOPLE

Area of relevance	Actions carried out in 2013	Actions to be implemented under the 2014-2017 Plan
Listening to people	The results of the internal climate survey (Snam Group) were examined, and improvement programmes were launched.	Continue activation of the improvement plan by consulting the corporate population.
Internal Communication	Newsletters, brochures and other communication tools – circulation and informative content – were increased. The Company intranet was implemented and interactivity increased. Sapnerdi+ 2013, the traditional communication initiative that aims to disseminate Company values and strategies, continued.	Reinforce cascading communication of corporate objectives, and enhance information channels with the support of the intranet. Send a personalised communication to each executive every year setting out their compensation package (monetary elements, benefits and corporate services). Enhance the “Energie” newsletter with special features on individual themes.
Initiatives for employees	Programmes to ensure the continuity of the corporate welfare programme were continued and expanded. A questionnaire was created and distributed to assess the awareness, use and appreciation of these services, and gather suggestions. The dedicated section of the Company intranet was expanded and enhanced to ensure the provision of as much information and communication as possible on the welfare initiatives to the people who work at Snam.	Corporate welfare: launch of a project for the analysis of the current situation every two years, listen to people and define actions. Implement welfare initiatives.
Health and safety	Awareness and involvement initiatives under the “Objective: Safety” plan continued. Training activities continued (approximately 34,640 hours delivered, with more than 4,250 attendees). Transportation suppliers were involved in the topic of safety through the workshop “Make comparisons to prevent and improve”. The Snam portal for all Group suppliers, to share best practice in health and safety, was created and put online. The accident frequency indices for employees and contractors were entered into the system of performance indicators.	Define training initiatives and implement specific communication plans. Draw up environment survey plans in the workplace. Improvement in both site access conditions and operational procedures. Safety objective: to continue the action undertaken, involving more corporate activities. Create IT applications to support HSE processes. Develop safety awareness initiatives for suppliers. Maintain the accident frequency indices for employees and contractors in the system of corporate and personal performance indicators.
Valuing people	Approximately 198,350 hours of training delivered in total, with 23,800 attendances. All Snam staff were offered the opportunity to join an online English course. Competitive positioning and fairness in remuneration practices for managerial and professional human resources were optimised and verified. 746 jobs were assessed and approved on the basis of complexity, responsibility, experience and autonomy (CREA). Individual business and sustainability objectives were assigned to executives and managers. A new performance management process was drawn up.	Continue with activities designed increase the range of skills of employees, including using criteria of functional and geographical mobility, always favouring a high level of staff involvement. Implement the system to identify and generate value from managers with know-how that is strategically important for the Group, and implement the process to ensure coverage of key management positions. Continue to develop skills for the under-40s, and study the conditions needed to effectively manage and generate value from the contributions of staff of increasing average age. Adopt the new system for identifying and assessing staff skills and potential, and review the performance management process. Develop ways to promote diversity, particularly gender diversity. Implement projects that foster greater efficiency and effectiveness of communication outside the Company and with the regions, to create integration and develop shared tools and approaches.

## STAKEHOLDER ENGAGEMENT

Area of relevance	Actions carried out in 2013	Actions to be implemented under the 2014-2017 Plan
Relations with rating agencies and bondholders	Took part in the surveys of the main financial and sustainability rating agencies. Launched a communication process for bondholders and market analysts.	Consolidate relations with the rating agencies and implement disclosure to institutional investors.
Shareholder relations	Communication activities were pursued to allow shareholders and the financial market to assess the Company's value creation levers.	Consolidate disclosure to institutional and retail investors. Develop guidelines on the engagement of the financial community.
Customer relations	Activities for implementation of the web portals continued. Storage and transportation customer satisfaction surveys carried out.	Develop and apply methods of recording customer satisfaction. Increase the quality of customer service. Feasibility assessment for biomethane transportation in the distribution network in light of changes in the regulatory framework.
Relations with communities and regions	The volume Sentieri sostenibili. Parco delle Prealpi Giulie was published. A social impact assessment was carried out on the Bordolano storage plant. Unions and farmers' associations held meetings to present transportation projects.	Carry out educational activities for primary and secondary schools on themes of general interest, such as biodiversity. Apply models and/or instruments to measure the acceptability of infrastructure in the region. Identify and develop initiatives of shared value. Strengthen communication with the national and local media and implement the use of social media. Adopt corporate guidelines that define procedures for systematic involvement of local communities in new initiatives, for use by local and peripheral departments.
Relations with institutions and associations	Participation in public events relating to specific projects increased. Cooperation agreements with local administrators were forged, with the aim of arranging public areas for social purposes. Snam/Confindustria autonomy agreement signed. Increase in the number of associations to which Snam belongs. The main new memberships were with regional industry associations.	Define guidelines for relations with public administrations in line with changes in the ownership structure. Design and plan innovative tools for meeting and comparison with public administrations and institutional decision-makers, including through the involvement of local industry associations.
Public communications	The review of Snam's web identity was completed, with a restyling of the websites. New communication channels were launched on Twitter, YouTube, LinkedIn, Google+, Flickr and Instagram, to help to spread and increase awareness of the Group among its stakeholders.	Boost the brand's profile in light of corporate changes, developing initiatives and communication tools as the business develops.

## ENVIRONMENT

Area of relevance	Actions carried out in 2013	Actions to be implemented under the 2014-2017 Plan
Protection of the region and biodiversity	Environmental restoration, plant care and environment monitoring continued	Integrate existing documentation on planning and construction of plants with operating instructions on biodiversity.
Climate change and energy efficiency	Gas recompression took place for natural gas recovery. Replacement of pneumatic gas valves at some plants. Replacement of cast-iron pipes continued. Photovoltaic plants were installed on self-owned buildings. Supply of electricity from renewable sources increased for the two-year period 2013/2014.	Reduce natural gas emissions. Optimise energy consumption and increase the use of energy from renewable sources, including through purchasing quotas. Consolidate the methods for calculating indirect CO <sub>2</sub> generated by corporate activities (scope 3). Enhance the videoconferencing system.
Atmospheric emissions	Programmes for installation of DLE turbines continued.	Install low-emission turbines and equipment.

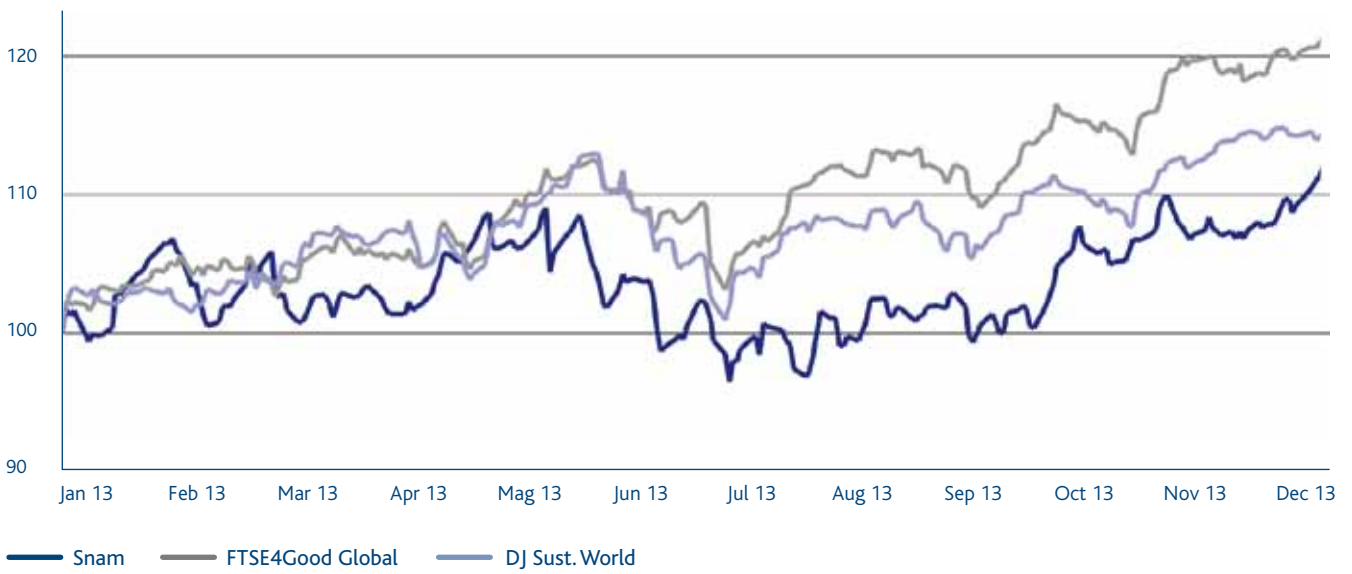


### Sustainability indices

Snam's commitment, and the progress it has made in applying its sustainability management model, have been recognised by the inclusion of its share on the

benchmark international sustainability indices. This performance has increased the Company's visibility in respect of socially responsible investors and, more generally, in the financial market as a whole.

SNAM SHARE PERFORMANCE AND MAIN ETHICAL INDICES



In 2013, the Snam share was again – for the fifth consecutive year – included in the Dow Jones Sustainability World Index, which is the main share index based on corporate performance in maintaining commitments made in the field of economic, social and environmental sustainability.

In the review of March 2013, Snam was independently assessed as meeting the criteria applied by the FTSE4Good, and was again included in the FTSE4Good series of indices in which it has been listed since 2002.

In January 2013, Snam was included in a new range of indices, the Vigeo World 120 and the Vigeo Europe 120, by Vigeo (one of Europe’s leading environmental and social rating agencies). These indices include companies with the best performance according to the 330 indicators used for the selection.

Snam is included in the new United Nations Global Compact 100 global index (“GC 100”), which was developed by the United Nations Global Compact in collaboration with research firm Sustainalytics, and which lists 100 companies that stand out on a global level both for their attention to issues of sustainability and for their financial performance, and which adhere to the ten fundamental principles of the United Nations in the areas of human rights, labour, the environment and anti-corruption.

Since December 2013, Snam has been on the CDP Italy 100 Climate Disclosure Leadership Index (CDLI) which is directly issued by the CDP, one of the biggest non-profit organisations in the world working in climate change, with which Snam has been collaborating since 2007. Moreover, Snam has been one of the companies providing voluntary financial support for the CDP’s activities since June 2013.

At the end of December 2013, Snam’s shares were included on six of the main ECPI sustainability indices, as well as other sustainability equity indices.

