
Report

Item 3 on the agenda

Remuneration and own shares:

a) Remuneration policy for Management Board Members

Distinguished Shareholders,

Pursuant to art. 7.3 of the Articles of Association, this Ordinary Meeting has been convened to discuss and resolve, *inter alia*, the Remuneration Policy for the Management Board members who will be appointed by the Supervisory Board for the 2013-2015 term of office.

Based on said Policy, following its approval, the Supervisory Board will establish the amount of the remuneration payable to the Management Board members – also with reference to the tasks that will be entrusted to them – and having regard to long-term strategies with a view to the sustainable development of the Bank and the Group, prudent risk management and accountability towards all stakeholders.

The proposal in question has been prepared in compliance with the provisions issued on the subject by the Bank of Italy and taking into account the guidelines issued by international bodies.

The Remuneration Policy submitted for your approval - drawn up on a proposal of the Remuneration Committee – is structured as follows.

Rationale and purpose of the Bank's remuneration policy for Management Board members

The proposed remuneration policy aims at:

- aligning the interests of Management Board members with pursuit of medium/long-term value creation for shareholders, as part of the set of rules aimed at accurate monitoring of current and future corporate risks and maintenance of an adequate level of liquidity and capital;
- boosting the Bank's and Group's competitiveness in the domestic and international context in which they operate;
- attracting qualified resources, having the appropriate professional skills and qualities necessary to successfully manage the Bank and steer and coordinate the Group it heads;
- ensuring the external competitiveness of overall annual remuneration with respect to the levels in the large European banking groups, obtained through periodic specialist surveys, in order to attract and retain the best management and professional resources on the market;
- promoting the sustainability of the remuneration policy over time, to limit expense deriving from application of the policy to values compatible with medium- and long-term strategies and annual targets, by means of:
 - mechanisms to adjust allocations to the overall incentive provisions according to the Company's profitability and the results achieved, while also taking account of the reference peer;
 - the use of objective parameters when reviewing pay;
 - alignment of costs to Company performance, by varying the amount of remuneration paid to management;
 - the determination of appropriate caps on both total incentives and the amount of individual bonuses;
- guaranteeing compliance with international, European and national legal and regulatory provisions.

Criteria followed to define remuneration policy, with special regard to balancing the fixed and variable component and to linking remuneration with the level of risk taken and with the effectiveness and stability of results

It is noted that on 29 October 2012 the Extraordinary Shareholders' Meeting amended the Articles of Association, changing the section concerning the composition of the Management Board.

The new Management Board shall be primarily composed of executive members, including, in addition to the Managing Director, a number of managers - determined according to the provisions of art. 13.1, paragraph 2 of the Articles of Association – selected from companies belonging to the Intesa Sanpaolo banking group. Other Board members, who necessarily include the Board's two Deputy Chairpersons (not included in the management component) shall be assigned functions concerning the management of the Company through participation in Group management Committees or other functions to be defined.

In accordance with the Bank of Italy Supervisory Provisions, the Management Board also includes non-executive members – at least one of whom shall be independent pursuant to art. 148 of the Consolidated Law on Finance (Legislative Decree 58/1998) and art. 13.2 of the Articles of Association – entrusted with supervisory tasks to be exercised continuously, on corporate management and organisation, without however taking an active part in executive management of the Company.

Following on from the above, the Remuneration Policy proposal is based on assessment of individual positions (non-executive Management Board member; Management Board member holding special offices; executive Management Board member selected from managers in the Intesa Sanpaolo banking group; executive Management Board member not selected from the management; Managing Director); therefore, remuneration levels are based on a careful assessment of the following elements:

- the responsibilities associated with the position under the law and the Articles of Association;
- the peculiar aspects and complexity of the duties of the position;
- the expected long-term contribution to increasing the sustainability of the Bank's performance, not only in economic terms, and to value creation for shareholders and stakeholders.

In line with the above criteria and with the reference regulatory framework, the proposal is that the remuneration policy for Management Board members must include a fixed part for each Board Member, the amount of which will match the importance of the position and the time required to correctly perform the tasks assigned, and a variable part, to be exclusively reserved for executive members of the Board.

The fixed components shall be determined by the Supervisory Board, in line with the remuneration policy already in place in the Bank in relation to the second term of the Management Board. Therefore:

- all Management Board members, being members of the Bank's management body, shall receive a fixed, annual remuneration for each year of their term of office;
- Management Board members holding special offices (Chairman, Deputy Chairperson, Managing Director, executive member) shall receive an additional remuneration consisting of a fixed annual amount for each year of their term of office. In the event of more than one office, only the highest fixed remuneration will be assigned.

The incentive system for executive members shall apply to the Managing Director, manager executive members of the Management Board and non-manager executive members of the Management Board.

In addition to the above fixed remuneration in relation to the position held on the Management Board, the Managing Director shall receive an additional remuneration, specifically connected with the management functions of the Chief Executive Officer. This remuneration shall be structured on an annual basis, consisting of a fixed portion and a variable portion, based on the provisions set forth in the Remuneration Policy of the Intesa Sanpaolo Group approved by the Supervisory Board and reported in the Report on Remuneration submitted in today's Meeting.

The remuneration for executive Management Board members selected from managers of the Intesa Sanpaolo Banking Group shall be composed of the above fixed remuneration in relation to the position of Board member in addition to the remuneration for the management role held. This remuneration shall be structured on an annual basis, consisting of a fixed portion and a variable portion, based on the provisions set forth in the Remuneration Policy of the Intesa Sanpaolo Group approved by the Supervisory Board and reported in the Report on Remuneration submitted in today's Meeting.

The executive Deputy Chairpersons of the Management Board and any additional executive Board members not included in the management component of the Board shall receive a pre-established variable remuneration amount equal to a maximum of 20% of the fixed component. This remuneration shall be linked to the same objectives and measured using the same parameters established for determining the variable portion of remuneration for the "Key Personnel" segment, in accordance with the provisions set forth in the Remuneration Policy of the Intesa Sanpaolo Group approved by the Supervisory Board and reported in the Report on Remuneration submitted in today's Meeting.

The Supervisory Board shall ensure that the variable components:

- are indexed to indicators that are quantitative (profitability, growth, productivity, cost of risk/sustainability) and qualitative (strategic actions or projects) performance drivers;
- are subject, in the amount of no less than 60%, to a deferred payment system for a period of time of no less than 3 years, so that the remuneration takes into account the trend over time of the risks taken by the bank ("malus mechanisms");
- are paid - for a substantial amount of at least 50% of the upfront as well as the deferred component - via financial instruments of the Intesa Sanpaolo Group within a specific retention mechanism (of at least 2 years for the upfront component, shorter for the deferred component) for the financial instruments, unless the relevance threshold of 80,000 euro has not been exceeded (under which the variable components may be paid in cash);
- are subject to the appropriate ex post (malus or clawback) adjustment mechanisms to reflect, among other things, the levels of performance net of the risks actually taken or ensuing, up to significant reduction or elimination in the event of results that are substantially lower than forecasts or negative.

Identification of the parameters and their relative values for awarding variable components shall be carried out by the Supervisory Board. In line with the remuneration policy adopted to date for the Management Board (whose term is coming to an end), the Supervisory Board shall take into consideration pre-established quantitative and qualitative indicators which can be objectively measured and capable of ensuring there is a link between the level of risk taken and the achievement of stable and effective results.

In the light of the above, you are kindly requested to make your decisions. On its part, the Supervisory Board will provide detailed information on the implementation of the remuneration policy for the Management Board as adopted by the Shareholders' Meeting.

Torino, 5 March 2013

For the Supervisory Board
the Chairman – Giovanni Bazoli

b) Report on Remuneration: resolution pursuant to art. 123-ter, paragraph 6 of Legislative Decree 58/1998

Distinguished Shareholders,

Pursuant to the provisions of art. 123-ter of Legislative Decree no. 58/1998, the Shareholders' Meeting is asked to express its vote with regard to remuneration policies for the Management Board Members, General Managers and Key Managers, as well on the procedures used to adopt and implement said policies. This resolution is non-binding.

As regards the remuneration policies for Management Board members, in accordance with the provisions of the Articles of Association, this Shareholders' Meeting is called upon to express its explicit approval of the remuneration policies for Management Board members who are to be appointed for financial years 2013, 2014 and 2015, all illustrated in the Report on point a).

The information on the remuneration policies for General Managers and Key Managers as well as the procedures used to adopt and implement said policies is reported in the first Section of the Intesa Sanpaolo "Report on Remuneration", drawn up in compliance with the aforementioned art. 123-ter and art. 84-quater of the Consob Issuers' Regulation, approved by the Supervisory Board, on proposal by the Management Board, at the meeting of 12 March 2013.

The Report on Remuneration - to which reference is made for more details - is available to the public, according to the current provisions of law in force, at the Company's registered office, Borsa Italiana S.p.A. and on the website group.intesasanpaolo.com.

Therefore, the Shareholders, pursuant to paragraph 6 of art. 123-ter of Legislative Decree no. 58/1998, are kindly requested to resolve on the Intesa Sanpaolo Report on Remuneration, with specific reference to the following sections:

Section I, 1 – "Procedures for adoption and implementation of the remuneration policies";

Section I, 5 – "Remuneration policy for employees and other staff not bound by an employment agreement", only with regard to General Managers and Key Managers.

12 March 2013

For the Management Board
The Chairman – Andrea Beltratti

c) Proposal to approve the Incentive System based on financial instruments and to authorise the purchase and use of own shares

Distinguished Shareholders,

You have been convened in this Ordinary Meeting to discuss and pass resolutions on the Incentive System (hereinafter, also, the "System"), intended for a part of the Management staff and the so-called "risk takers" of the Intesa Sanpaolo Group, as explained in greater detail below, which involves the use of Intesa Sanpaolo ordinary shares to be purchased on the market, upon your specific authorisation.

The issue of remuneration of listed companies and, more specifically, in the financial sector, has been gaining growing attention in the last few years by international bodies and regulators, aiming to guide issuers and intermediaries towards the adoption of remuneration systems that are consistent with the principles - intensified following the economic and financial crisis - governing the process for drawing up and approving the remuneration policies, their compensation structure and their transparency.

In particular, according to these principles, remuneration systems must take into account current and future risks and the level of capitalisation of each intermediary, and guarantee remuneration based on results actually achieved.

In 2011, Italian Authorities defined a set of key rules, also in accordance with the relative community regulations adopted on this issue. By regulation dated 30 March 2011, the Bank of Italy issued new provisions (hereinafter, also "Supervisory Instructions") which, in addition to subordinating the disbursement of a portion of the bonus in financial instruments, more generally dictate harmonised rules and regulations to govern the remuneration policies, systems and practices in banks, in terms of the relative process of determination and control, compensation structure and disclosure obligations.

The proposed System is fully consistent with the above regulatory provisions, with specific reference to:

- identification of "Key personnel", meaning those whose decisions have a significant impact on the Bank's risk profile, to which specific remuneration rules must be applied in terms of payment of variable remuneration;
- the ratio of the fixed component to the variable component of remuneration, suitably balanced;
- the structure of the variable component, of which:
 - a. at least 40% (which can be raised to 60% for executive directors, top managers and heads of the main business lines, corporate functions or geographical areas) must be subject to deferred payment systems for a period of at least 3 years;
 - b. at least 50% must be disbursed in shares or instruments linked to shares; this percentage is applied, in the same proportion, to the deferred variable component as well as to the non-deferred (upfront) component;
- the presence of a specific retention mechanism (of at least 2 years for the upfront component, shorter for the deferred component) for the financial instruments pursuant to point b;

Therefore, please note that the proposed incentive system belongs to the category of financial-instrument-based remuneration plan pursuant to art.114-bis, paragraph 1 of Legislative Decree 58 of 24 February 1998.

In accordance with the provisions of art. 84 bis of the Issuers' Regulation by Consob, the characteristics of the Incentive System are illustrated in detail in the specific Information Document provided hereunder, of which this report is an integral part.

In this regard, the System is to be considered as being of "particular importance" since it addresses, inter alia, top executives and, more generally, key managers who have regular access to privileged information and have the power to make management decisions which may affect the Group's evolution and outlook.

As the Company currently does not hold a sufficient number of own shares in its portfolio to ensure implementation of the System, it was decided to request authorisation from the Shareholders' Meeting pursuant to articles 2357 et. seq. of the Italian Civil Code, so that the Company may purchase the

necessary own shares and assign them to its employees and other staff and to directors, employees and other staff of its subsidiaries, in implementation of the variable remuneration system illustrated.

For these purposes, authorisation is requested for the purchase, also in several tranches, of ordinary shares with a nominal value of 0.52 euro each, up to a maximum number of ordinary shares and a maximum percentage of Intesa Sanpaolo share capital calculated by dividing the comprehensive amount of approximately 18,000,000 euro by the official price recorded by the share on 22 April 2013 (date of the Shareholders' Meeting). The above amount thus includes both the portion for employees of Intesa Sanpaolo and the portion for employees of companies it directly and/or indirectly controls. By the start date of the purchase plan at Group level, said companies shall complete the procedure for requesting the equivalent authorisation from their shareholders' meetings, or from the related competent decision-making bodies on the matter.

Intesa Sanpaolo's share capital amounts to 8,545,681,412.32 euro, represented by 16,434,002,716 shares with a nominal value of 0.52 euro each, comprising 15,501,512,155 ordinary shares and 932,490,561 non-convertible savings shares.

The maximum number of ordinary shares for which purchase authorisation is requested pursuant to art. 2357 of the Italian Civil Code is thus within the legal limits, also considering any shares owned by subsidiaries.

Own shares shall be purchased within the limits of distributable income and available reserves as per the latest approved financial statements at the time the purchases are carried out.

An unavailable reserve equal to the amount of own shares recorded under balance sheet assets must be established and maintained until the shares are transferred or cancelled.

Purchase authorisation is requested for the maximum period of 18 months permitted by applicable law, from the date of the Ordinary Shareholders' Meeting resolution.

The Management Board may implement the authorised purchases, delegating suitable powers for such actions to the Managing Director and CEO, who shall avail himself of the competent corporate functions, in one or more steps and at any time.

The authorisation to use own shares purchased as above is requested within the time frame required to implement the Plan.

The Management Board proposes that the purchase be made, in compliance with any regulatory restrictions or permitted market practices, at a price identified on a case by case basis, net of accessory charges, in the range of a minimum and maximum price which can be determined using the following criteria:

- the minimum purchase price cannot be lower than the reference price the share recorded in the stock market session on the day prior to each single purchase transaction, decreased by 10%;
- the maximum purchase price cannot be higher than the reference price the share recorded in the stock market session on the day prior to each single purchase transaction, increased by 10%.

Purchases shall be made on the regulated market - pursuant to Article 144-bis, letter b) of the Issuers' Regulation - in full compliance with the regulations on the equality of shareholders, the measures to prevent market abuse and the related market practices permitted by Consob.

Ordinary shares purchased based on the authorisation requested in this proposal shall be assigned to the recipients in accordance with the terms and conditions envisaged by the System. The shares shall be assigned free of charge, at a value for recipients calculated in compliance with the provisions of tax and social security regulations in force from time to time.

If the shares purchased exceed the actual needs in service of the System, the Company may dispose of them on the regulated market, using the same methods provided for their purchase, at a price of no less than the reference price that the share recorded in the stock market session on the day prior to each single transaction decreased by 10%, or retain them for the service of any future incentive plans.

Distinguished Shareholders, you are thus requested to approve the share-based Incentive System for 2012, as well as to approve the proposed authorisation for the purchase and use of own shares, all in accordance with the terms illustrated.

12 March 2013

For the Management Board
The Chairman – Andrea Beltratti



INFORMATION DOCUMENT

Pursuant to art. 84-bis, paragraph 1, of the Regulation adopted by Consob with Resolution no. 11971 of 14 May 1999, as subsequently amended and integrated

relating to the

**INCENTIVE SYSTEM
BASED ON FINANCIAL INSTRUMENTS**

OF

INTESA SANPAOLO S.p.A.

March 2013

Introduction

This Information Document is published in order to provide the Company's shareholders and the market with information on the incentive system based on financial instruments (hereinafter the "System") in accordance with the contents of art. 84-*bis*, paragraph 1 of the Issuers' Regulation.

The Information Document is available to the public at the registered office of INTESA SANPAOLO, in Torino, piazza San Carlo, 156, and on its website group.intesasanpaolo.com. The Information Document has also been sent to Borsa Italiana S.p.A. with copy to Consob. Publication of the document has been announced to the market through a press release.

The Ordinary Shareholders' Meeting called to approve the System has been convened for 22 April 2013 (on single call).

Recipients

The System is addressed to “Key personnel”, as defined by the Supervisory Provisions, identified by the Management Board and the Supervisory Board, each acting under its remit, as the Chief Executive Officer, the General Managers, the other Key Managers¹, the heads of the internal control functions at Group level², the heads of the main corporate functions and business areas and the persons defined by the regulations as “risk takers”, who may take on significant risks for the Group, such as, merely by way of example, the heads of the main business units of Banca IMI, for a current total of about 130 resources.

Therefore, recipients include managers who have regular access to privileged information and have the power to make management decisions which may affect the Group’s evolution and outlook.

As mentioned above, the Plan’s recipients also include the Heads of the internal control functions, whose performance is measured by specific indicators, in compliance with the provisions issued by the Bank of Italy.

These officers play a key role in corporate processes, especially in the light of the lessons learnt from the financial crisis, since they are responsible for the correct presentation of income statement and balance sheet results and for guaranteeing efficient measurement and control of the Group’s exposure to different types of risk (market, credit, rate, liquidity, operational and country risk), including the risk of non-compliance.

Therefore, we deem it appropriate for the heads of the internal control functions, as part of the Group’s management component, to be able to participate in and benefit from the same incentive scheme. This will be done ensuring that, as required by regulators, the value of the relevant bonuses is dependent strictly on the quality of performance of the above-mentioned duties and only partially on the Group’s economic results.

The recipients are indicated in the attached Table.

Plan rationale

Incentive plans are designed, in general terms, to retain managers and support their motivation to achieve the company’s targets. Where they include compensation based on financial instruments, they also strengthen the alignment of Management conduct, shareholders’ interests and medium-/long-term results, also via the managers’ direct participation in corporate risk.

Under this approach, the plans are an integral component of the Intesa Sanpaolo Group compensation system addressed to executive officers, and the Remaining Personnel, fully in line with its investment in human capital development, in the framework of a policy targeting sustainable long-term development and accountability vis-à-vis all stakeholders, by incentivising the achievement of targets identified by the competent corporate functions from among the indicators that best reflect Group profitability over time, also taking account of risks assumed, the cost of capital, liquidity and the level of capital base required to handle the activities implemented.

The incentive mechanism has also been designed to ensure compliance with the Supervisory Instructions on the matter, if and when they require that at least 50% of the variable part accrued by executive officers be assigned in shares or instruments related to shares.

Note that any cash payments made and the amount of the financial instruments assigned to recipients will come under social security provisions and will constitute income from employment, pursuant to the applicable legislation in force from time to time. Lastly, it is confirmed that accounting and fiscal considerations have had no significant impact on definition of the System.

¹ As at the date of approval of this report, and in line with the criteria laid down in the Intesa Sanpaolo Group Regulations on the management of transactions with related parties and Group associated entities, the Intesa Sanpaolo Key Managers category is considered to include the Chief Executive Officer, the General Managers, the Manager responsible for preparing the Company’s financial reports, the Heads of Business Units, the Heads of governance areas, the Heads of head office departments that report directly to the CEO and/or to the Chairman of the Management Board and the Chairman of the Supervisory Board, the Head of the General Secretariat of the Supervisory Board and the Head of Strategic Operations and Special Projects. Therefore, Key Managers, including the Chief Executive Officer and General Managers, currently total 14 managers.

² Based on the current organisational structure, these are the Manager responsible for preparing the Company’s financial reports, the Chief Risk Officer, the Head of the Internal Auditing Department, the Head of the Human Resources Department, the Head of the Compliance Department, the Head of the Risk Management Department and the Head of the Anti Money Laundering Service. The first three, though they are all Key Managers, are considered to carry out “Control Functions” for the purposes of application of the specific regulations on incentives envisaged by the new Supervisory Provisions.

Approval process and timeframe for award of the instrument

Intesa Sanpaolo's remuneration and incentive policies were approved by the Supervisory Board based on a proposal of the Management Board on 17 April 2012 and subject, limited to the areas of responsibility, to an advisory vote of the Shareholders' Meeting of 28 May 2012, which was favourable. The Management and Supervisory Boards, each within the scope of its remit, approved the incentive system for the Top Management and Risk Takers, implementing said policies, on 3 August 2012.

The Business Plan and Extraordinary Transactions Commission and the Remuneration Committee, each acting under their specific remit, examined the characteristics and parameters thereof at their meetings of 12 April 2012, 9 July 2012, 17 July 2012, 31 July 2012 and 2 August 2012 (Business Plan and Extraordinary Transactions Commission) and of 16 April 2012, 11 June 2012, 13 July 2012, 17 July 2012, 19 July 2012, 25 July 2012 and 1 August 2012 (Remuneration Committee). The official price recorded by the Intesa Sanpaolo ordinary share on such dates fluctuated from a minimum of 0.8985 euro (quoted price on 25 July 2012) to a maximum of 1.2118 euro (on 17 April 2012).

The System relates only to 2012.

This Incentive System shall be subject to approval of the Shareholders' Meeting called for 22 April 2013 in single call.

The proposed resolution which shall be submitted to the aforementioned Shareholders' Meeting includes the assignment to the Management Board of a specific mandate, with the right to sub-delegate, to carry out all required and suitable actions in order to execute said resolutions. To this end, the Management Board shall avail itself of the assistance of the Treasury Department and/or Banca IMI, which shall also be assigned the task to carry out any sales of shares which may exceed requirements.

The Human Resources Department is responsible for managing the System, supporting the Chief Executive Officer and the Management Board and Supervisory Board in drawing up the required measures to implement the System, and availing itself, to this end, of the support of other corporate functions for the activities under their respective remits.

Characteristics of the financial instruments to be awarded

The System provides for the assignment to the recipients identified above of a bonus comprised of 50% cash and 50% Intesa Sanpaolo ordinary shares, which will be purchased on the MTA market (mercato telematico azionario) in compliance with the mandates specifically granted by the Shareholders' Meeting.

60% of the entire bonus (reduced to 40% for the Chief Executive Officer, Key Managers and other specific positions) will be paid to the recipients in the year following the year the bonus refers to (upfront portion) according to the same cash/shares ratio as above.

The remaining portion will, instead, be assigned proportionally in the three further following years, broken down as follows: the first third will be paid fully in cash, the second third exclusively through shares, and the last third divided equally between cash and shares.

As per the Supervisory Provisions, each portion of the bonus assigned in shares shall be subject to a retention period of 2 years for the upfront portion and 1 year for the deferred portions. The retention period starts from the accrual date of the bonus.

The shares accrued in each case shall be delivered to the recipients only at the end of the retention period described above and, save for the cases described hereunder, shall be subject to the employee remaining in service with any Group company.

In light of the above, the shares to be purchased on the basis of the Shareholders' Meeting mandate may be delivered to the recipients starting from 2015 (the upfront portion referring to 2012 results) and up to 2017 (for the last deferred tranche).

In any event, incentives of less than 100,000 euro are paid entirely in cash and up front, inasmuch as the amounts that would result from the application of the deferral, payment in shares and holding period regulations would be quite insignificant in both absolute and relative terms with respect to total remuneration collected, to such an extent as to result in effective invalidation of the principle that inspires the mechanism (correlation between the amount of the incentive and assumption of risks).

As has become traditional practice in the Group, and in line with regulators' indications, based on which the ratio of the fixed component of remuneration to the variable component "must be suitably balanced, exactly determined and carefully assessed in relation to the characteristics of the intermediary and the various categories of personnel", the theoretical bonus which could be distributed is correlated to the level of each recipient's fixed component of remuneration.

More specifically, recipients may at the most receive a yearly bonus, including the deferred portion and the portion assigned in shares, of approximately 60% of the remuneration pay mix. In light of regulator's indications, the Heads of the internal control functions, even if they are included under Key Managers, may benefit from a variable portion of compensation, with the same characteristics as that for "Key personnel", though smaller - amounting to approximately 40% of the remuneration pay mix, at most (net of any indemnity for their position).

The assignment of incentives to recipients is funded by a structured bonus pool mechanism. In full harmony with the criterion of symmetry between the amount of bonuses paid and the actual performance, the total amount of the incentives at Group level is linked to a summary economic indicator, Income Before Tax from Continuing Operations, appropriately adjusted (approximately +/-10%) in relation to an evaluation of the performance of Intesa Sanpaolo relative to a panel of its domestic peers identified based on comparability in terms of size, business mix, capital and talent market.

The financial sustainability principle is ensured by the presence of access thresholds – in terms of Income Before Tax from Continuing Operations (for the Group and the individual Divisions/Business Units), based on the achievement of the requested levels of capital soundness (measured using the Group's Core Tier 1) and in relation to the propriety of conduct at individual level – under which no incentives shall be paid to the recipients.

Once said access thresholds have been exceeded, the total amount due to the recipients is defined, in compliance with the Group and Division/Business Unit bonus pools, based on the position reached by each Manager in the "internal ranking" of his/her specific Division/Business Unit. Such rankings are obtained by ordering the scores of the results of the individual "target sheets", which measure performance in various aspects, both quantitative (profitability, growth, productivity, cost of risk/sustainability) and qualitative (strategic actions or projects and managerial qualities).

Moreover, each deferred portion is subject to an ex post adjustment mechanism - the "malus condition" – according to which the relative amount paid and the number of shares assigned, if any, may be reduced, even to the level of zero, in relation to the level of achievement, in the year to which the deferred portion refers, of specific targets which reflect respect of the maximum acceptable risk for the Group, in terms of capital base (using the Core Tier 1, or Common Equity Tier 1 value as a reference) as well as specific liquidity levels (through indicators similar to the Basel III Net Stable Funding Ratio, which enable monitoring of the structural trend of liquidity in the medium-to-long term).

As previously mentioned, the disbursement of the promised incentives, both in terms of the upfront portion and the deferred portion, whether assigned in cash or via shares, is conditional upon the participant being an employee of one of the companies in the Group at the time of actual disbursement of the incentive, or of the actual delivery of the shares at the end of the retention period. In fact, any right to receive the incentives "promised" shall be forfeited in the event of resignation or dismissal for just cause of the individuals concerned or similar situations. On the other hand, any amounts/shares accrued may be paid, at the end of the deferment/retention period and possibly measured in proportion to the period of actual service, in the event of termination by mutual consent or due to having reached retirement age or other similar situations.

The tables shown in attachment 1³ illustrate the breakdown of the above mechanism, by way of example.

In light of the System's criteria, parameters and characteristics and, more generally, the information available to date, a total charge – inclusive of indirect charges pertaining to the employer and therefore also the cash component of the bonus - for recipients of the share-based plan, can be estimated at a maximum of 43 million euro, equal to 0.8% of personnel expenses recorded in the 2012 consolidated financial statements.

In light of the information available to date, including the share value (on 8 March 2013) the maximum number of shares to be purchased on the market to meet the total requirements of the System can be

³ For greater clarity, the tables illustrate the method of payment of the incentive referring to 2012 for the specific individuals for which an upfront payment is made of 40% of the bonus accrued and the remaining 60% is deferred.

estimated at 14.3 million, equal to around 0.12% of ordinary share capital and around 0.11% of total share capital. As these are purchases of own shares, there will be no dilutive effects for shareholders.

As the shares are offered to recipients under an incentive mechanism, they will be assigned to recipients, where the conditions set forth above are met, free of charge and, as a result, no loans or other subsidies to employees are foreseen for their purchase.

Recipients shall be entitled to the rights deriving from ownership of the shares starting from the effective share delivery date, at the end of the retention period. From said date, recipients may freely use the shares, without any additional restrictions, except for the impossibility of directly selling said shares to Intesa Sanpaolo or companies in the Group.

In the event of extraordinary transactions on the share capital or of other transactions involving variation of share capital composition, of the Company's equity or of the number of underlying instruments (capital increases, grouping or subdivision of the underlying shares, mergers and spin-offs, conversions of shares into other categories, distribution of extraordinary dividends drawing on reserves, etc.), the Management Board and the Supervisory Board shall assess, each within the scope of its remit, whether it is necessary to adjust the number of shares promised/accrued. The above checks will be performed in accordance with the rules commonly accepted in financial market practice and, to the extent possible, implementing any adjustments as may be provided for by Borsa Italiana.

Note that, pursuant to the Group Corporate Governance Code of Conduct, employees are forbidden from "carrying out transactions in derivative instruments, such as those identified in art. 1, paragraph 3 of the Consolidated Law on Finance and the Regulation of Markets managed by Borsa Italia S.p.A. (for example, covered warrants, options, futures and leverage certificates), or, in any event, implement highly speculative transactions and/or operating strategies". As a result, the recipients may not carry out hedging transactions on the shares assigned through the System.

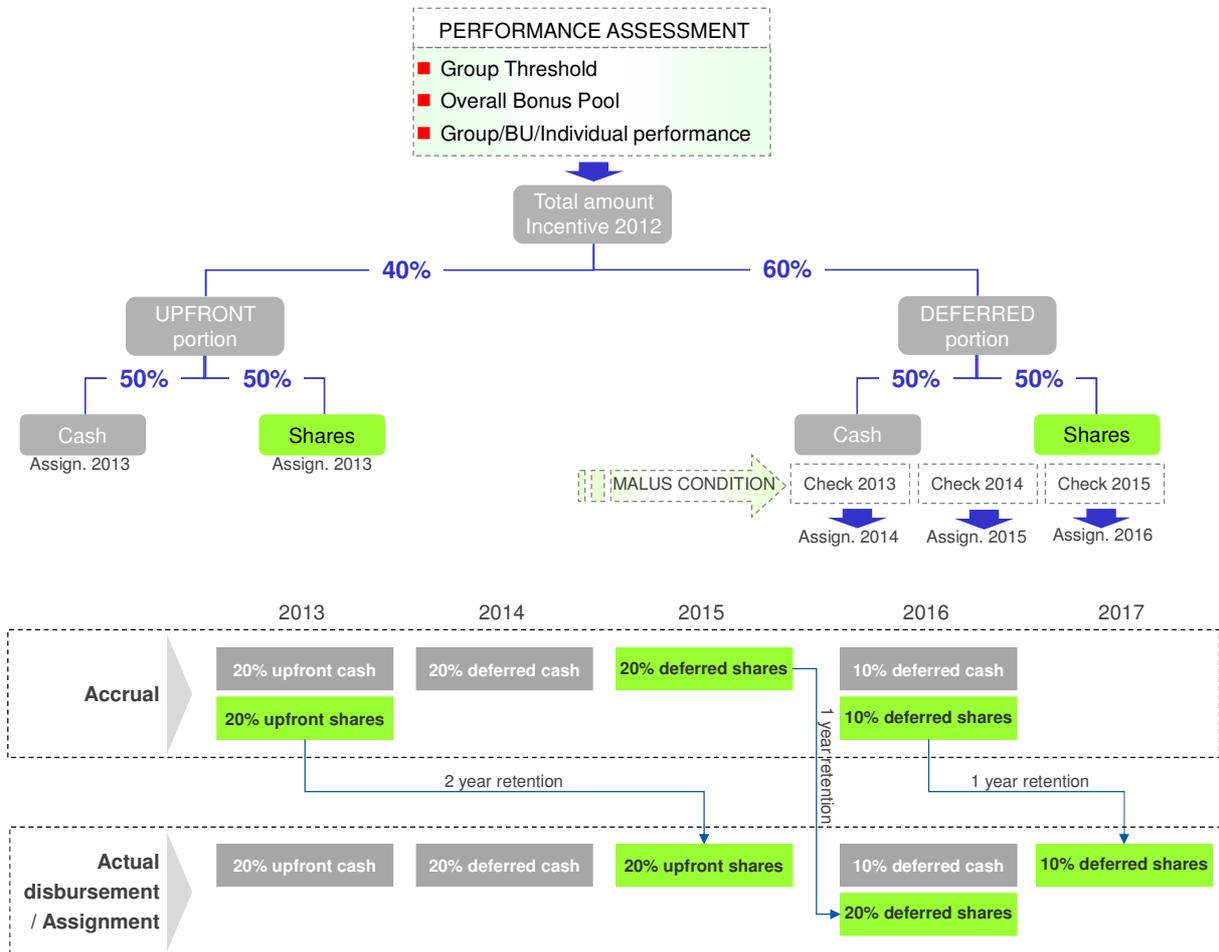
Lastly, it is noted that delivery of the shares to the recipients at the end of the retention period may not take place during the "blocking periods" pursuant to the Internal Dealing Regulations, which are time bands during which it is expressly prohibited for relevant persons for internal dealing purposes to carry out transactions on Intesa Sanpaolo ordinary shares.

The assignment of financial instruments according to the above terms, also in light of the opinions provided by the Compliance Department, is fully in line with the European level requirements of the CRD III⁴ and the "Provisions regarding remuneration and incentive policies and practices in banks and in banking groups" published by the Bank of Italy.

⁴ Directive 2010/76/EC of the European Parliament and of the Council of 24 November 2010, amending Directives 2006/48/EC and 2006/49/EC as regards capital requirements for the trading book and for re-securitisations and the supervisory review of remuneration policies.

Example chart illustrating the bonus attributable in relation to 2012 results

(example with deferment of 60%)



FINANCIAL-INSTRUMENT BASED REMUNERATION SCHEMES
Table 1 of Model 7 of Annex 3A to Regulation no. 11971/1999

Date: 12 / 03 / 2013

Name and surname or category	Office <small>(to be specified only for individuals listed by name)</small>	BOX 1						
		Financial instruments other than stock options						
		Section 1						
		Financial instruments linked to current schemes approved under previous shareholders' meeting resolutions						
		Date of Shareholders' Meeting resolution	Type of financial instruments	Number of financial instruments assigned	Assignment date	Possible strike price of the instruments	Market price on assignment	Vesting period (1)
Castagna Giuseppe	General Manager	28/05/2012	Ordinary Intesa Sanpaolo shares	117,042	28/05/2012	€ 0.97909 (2)	€1.02525	Mar.2014 / Jun.2016
Messina Carlo	General Manager	28/05/2012	Ordinary Intesa Sanpaolo shares	487,685	28/05/2012	€ 0.97991 (3)	€1.02525	Mar.2014 / Jun.2016
Key Managers (a)		28/05/2012	Ordinary Intesa Sanpaolo shares	1,331,370	28/05/2012	€ 0.97991 (3)	€1.02525	Mar.2014 / Jun.2016
Key Personnel		28/05/2012	Ordinary Intesa Sanpaolo shares	7,158,154	28/05/2012	€ 0.97969 (4)	€1.02525	Mar.2014 / Jun.2016

(a) figures refer only to Key Managers in office at the reference date.

(1) This column reports the time span in which the shares may be assigned to recipients, divided in tranches.

(2) Average share purchase price for shares purchased by Banco di Napoli, in which he held the office of General Manager at the time of assignment.

(3) Average share purchase price for shares purchased by Intesa Sanpaolo.

(4) Average share purchase price for shares purchased by the Group.

FINANCIAL-INSTRUMENT BASED REMUNERATION SCHEMES
Table 1 of Model 7 of Annex 3A to Regulation no. 11971/1999

Date: 12 / 03 / 2013

Name and surname or category	Office <small>(to be specified only for individuals listed by name)</small>	BOX 1						
		Financial instruments other than stock options						
		Section 2						
		Newly assigned instruments pursuant to decision: <input checked="" type="checkbox"/> of the Board of Directors' proposal to the Shareholders' Meeting <input type="checkbox"/> of the competent corporate body, implementing the Shareholders' Meeting resolution						
		Date of Shareholders' Meeting resolution	Type of financial instruments	Number of financial instruments assigned	Assignment date	Possible strike price of the instruments	Market price on assignment	Vesting period
Cucchiani Enrico Tommaso	Managing Director and Chief Executive Officer	22/04/2013	Ordinary Intesa Sanpaolo shares	n.a.	n.a.	n.a.	n.a.	n.a.
Castagna Giuseppe	General Manager	22/04/2013	Ordinary Intesa Sanpaolo shares	n.a.	n.a.	n.a.	n.a.	n.a.
Messina Carlo	General Manager	22/04/2013	Ordinary Intesa Sanpaolo shares	n.a.	n.a.	n.a.	n.a.	n.a.
Miccichè Gaetano	General Manager	22/04/2013	Ordinary Intesa Sanpaolo shares	n.a.	n.a.	n.a.	n.a.	n.a.
Key Managers		22/04/2013	Ordinary Intesa Sanpaolo shares	n.a.	n.a.	n.a.	n.a.	n.a.
Key Personnel		22/04/2013	Ordinary Intesa Sanpaolo shares	n.a.	n.a.	n.a.	n.a.	n.a.