

# Report of the Management Board

## Extraordinary Part - Item 1 on the agenda

### **Proposal for amendment of Article 5 (Share capital) of the Articles of Association, in relation to the Investment Plan based on financial instruments referred to under ordinary part 2 b) above**

Dear Shareholders,

You have been called to this Extraordinary Shareholders' Meeting to discuss and resolve upon the amendment to the Article 5 (Share capital) of the Articles of Association, in connection with the investment plan based upon financial instruments named *Leveraged Employee Co-Investment Plan*, approved on the date of today (the "**Investment Plan**"), which is addressed to employees and to the individuals considered "*risk-takers*" within the Intesa Sanpaolo Group, referred to in paragraph 2 b) of the ordinary part.

For further information on the Investment Programme, please refer to the disclosure document prepared in accordance with article 84-*bis* of the Regulation that CONSOB adopted by its Resolution No. 11971 of 14 May 1999, as amended, and made available in accordance with article 125-*ter*(1) of Legislative Decree No. 58 of 24 February 1998, as amended.

The amendment consists in establishing that the Extraordinary Shareholders' Meeting may resolve upon the allocation of profits to the employees of the Company or its subsidiaries by issuing financial instruments in accordance with the applicable legislation in force at the relevant times.

This proposal constitutes a key step in the creation of the supply of financial instruments necessary to achieve the objectives of the Investment Plan and, in particular, for the issuance of shares that, for the purposes of the latter, are called "Matching Share".

In consideration of the foregoing, it will be necessary to amend art. 5 of the Articles of Association by inserting a clause (the 5.2) through which the Extraordinary Shareholders' Meeting may be authorised to resolve upon allocation of profits to the employees of the Company or of its subsidiaries, in the terms set out below.

#### **Current terms**

##### **Article 5. Share capital**

The Company's subscribed and paid-in share capital amounts to 8,549,266,378.64 euro, represented by 16,440,896,882 shares with a nominal value of 0.52 euro each, comprising 15,508,406,321 ordinary shares and 932,490,561 non-convertible savings shares.

#### **Proposed terms**

##### **Article 5. Share capital**

**5.1** – The Company's subscribed and paid-in share capital amounts to 8,549,266,378.64 euro, represented by 16,440,896,882 shares with a nominal value of 0.52 euro each, comprising 15,508,406,321 ordinary shares and 932,490,561 non-convertible savings shares.

**5.2** – **The Extraordinary Shareholders' Meeting may resolve upon allocation of profits to the**

**employees of the Company or of its subsidiaries by issuing financial instruments in accordance with the applicable legislation in force at the relevant times.**

The proposed changes to the Articles of Association do not entitle shareholders that did not participate in the resolutions to withdraw their investments.

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Dear Shareholders, you are invited to approve the following proposal of resolution:

***Proposal of resolution***

*The extraordinary shareholders' meeting of Intesa Sanpaolo S.p.A., having acknowledged the report prepared by the Management Board and filed in accordance with the law,*

***resolved***

- a. to establish that the Extraordinary Shareholders' Meeting may resolve upon the allocation of profits to the employees of the Company or its subsidiaries by issuing financial instruments in accordance with the applicable legislation in force at the relevant times;*
- b. to introduce in the article 5 of the Articles of Association of Intesa Sanpaolo S.p.A., the following paragraph: "5.2 – The Extraordinary Shareholders' Meeting may resolve upon allocation of profits to the employees of the Company or of its subsidiaries by issuing financial instruments in accordance with the applicable legislation in force at the relevant times.";*
- c. to authorise the Chairman of the Management Board, the Managing Director and CEO, jointly and severally and with or without the use of special attorneys, to comply with all may be required by the relevant authorities and to and perform all such formal requirements as may be necessary for the resolutions' registration with the Register of Companies in Turin.*

7 April 2014

On behalf of the Management Board  
Gian Maria Gros-Pietro  
*Chairman*