
Report of the Board of Directors

Ordinary Part - Item 3 on the agenda

Remuneration:

- b) Report on remuneration policy and compensation paid: non-binding resolution on Section II – Disclosure on compensation paid in financial year 2019

Notice

It should be noted that, as anticipated in the Press Release of 31 March 2020, with regard to the COVID-19 epidemic, the Managing Director and CEO and 21 top managers (of whom 19 top managers were identified as Key Managers in 2019 and 2 top managers, belonging to the 2019 Risk Taker cluster, were identified as Key Managers starting from 2020¹) will waive part of the bonuses deriving from the application of the 2019 Annual Incentive Plan. The waived amount will be allocated to donations in support of healthcare initiatives connected to the COVID-19 epidemic emergency.

These waivers have an impact on the information concerning the bonuses for financial year 2019 described in Section II – Disclosure on compensation paid in financial year 2019 of the Report on remuneration policy and compensation paid, approved by the Board of Directors at the meeting of 17 March 2020.

The amendments resulting from the waivers are accurately described in the Addendum to the Report on remuneration policy and compensation paid – Section II – Disclosure on remuneration paid in financial year 2019, to which reference is made for more details.

Distinguished Shareholders,

this Shareholders' Meeting is called to approve with a non-binding resolution, for the first time, pursuant to art. 123-ter of Legislative Decree no. 58/1998 as recently amended by Legislative Decree no. 49/2019, Section II – Disclosure on compensation paid in financial year 2019 of the Report on remuneration policy and compensation paid, approved by the Board of Directors at the meeting of 17 March 2020. It should be recalled that, in the past, pursuant to the applicable provisions, this section was presented to the Shareholders' Meeting, for information purposes.

Section II – Disclosure on compensation paid in financial year 2019 provides an adequate representation of all the items that constitute remuneration and describes the compensation paid – in compliance with and in application of the Remuneration Policy for 2019 approved by the Shareholders' Meeting of 30 April 2019 – in financial year 2019 for any reason and in any form by the company and by its subsidiaries or affiliates, to the members of the administration and control bodies, to the General Manager and CEO and, in aggregate form, to key managers.

The Report on remuneration policy and compensation paid - to which reference is made for more details - is available to the public, in accordance with the provisions of law currently in force, at the Company's registered office, in the authorised storage system (at the address www.emarketstorage.com) and on the website group.intesasanpaolo.com.

¹ As they were assigned roles reporting directly to the Managing Director and CEO starting from such year.

Distinguished Shareholders, you are therefore invited to approve, with a non-binding resolution, the Disclosure on compensation paid in financial year 2019 as described in Section II of the Report on remuneration policy and compensation paid.

17 March 2020

For the Board of Directors
the Chairman – Gian Maria Gros-Pietro

This is an English translation of the original Italian document. In cases of conflict between the English language document and the Italian document, the interpretation of the Italian language document prevails.