PRESS RELEASE

INTESA SANPAOLO: SHAREHOLDERS' MEETING

Turin - Milan, 27 April 2020 – The Shareholders' Meeting of Intesa Sanpaolo was held today. The Meeting was validly constituted, on single call, to pass resolutions as those in attendance through the appointed representative, in accordance with Article 106 of Decree Law no. 18/2020, counted 2,733 holders of voting rights attached to 9,149,507,413 ordinary shares with no par value equaling 52.25385% of the share capital. The resolutions detailed below were passed.

Ordinary part

1. Item 1 on the agenda: **2019 financial statements**.

   a) **Approval of the Parent Company's 2019 financial statements** and b) **Allocation of net income for the year**. The Shareholders approved the Parent Company's 2019 financial statements with 9,107,861,732 votes in favour, equivalent to 99.54483% of the ordinary shares represented at the Meeting. The Shareholders also approved the proposal to allocate Intesa Sanpaolo's net income for the 2019 financial year to reserves [(1)] with 9,089,271,966 votes in favour, equivalent to 99.34168% of the ordinary shares represented at the Meeting.

2. Item 2 on the agenda: **Restoring Corporate Bodies to full complement**.

   a) **Appointment of a Board Director following co-option, pursuant to Article 2386 of the Italian Civil Code and Article 15.3 of the Articles of Association**. The Shareholders appointed Andrea Sironi as a Board Director, who will remain in office until the date of the shareholders' meeting called to approve the 2021 financial statements, with 8,899,002,196 votes in favour, equivalent to 97.65999% of the ordinary shares represented at the Meeting. Andrea Sironi declared his compliance with the independence requirements set forth in Article 13.4.3 of the Articles of Association, in the Corporate Governance Code of Listed Companies promoted by Borsa Italiana and in Article 148, third paragraph, of Legislative Decree 24 February 1998 no. 58.

   b) **Replacement of a Board Director member of the Management Control Committee following resignation, pursuant to Article 15.3 of the Articles of Association**. The Shareholders appointed Roberto Franchini as a Board Director member of the Management Control Committee replacing Corrado Gatti, who ceased to hold office, for the remainder of the mandate which will expire on the date of the shareholders' meeting called to approve the 2021 financial statements. Votes in favour were 5,967,763,934, equivalent to 95.72111% of the ordinary shares represented at the Meeting. His nomination was proposed by the following shareholders: Amundi Asset Management SGR S.p.A., Anima SGR S.p.A., Arca Fondi SGR S.p.A., Epsilon SGR S.p.A., Eurizon Capital SGR S.p.A., Generali Investments Luxembourg SA, Generali Insurance Asset Management S.p.A., Kairos Partners SGR S.p.A., Mediolanum Gestione Fondi SGR S.p.A., Pramerica SGR S.p.A.. Roberto Franchini declared his compliance with the independence requirements set forth in Article 13.4.3 of the Articles of Association, in the Corporate Governance Code of Listed Companies promoted by Borsa Italiana and in Article 148, third paragraph, of Legislative Decree 24 February 1998 no. 58, as well as the requirements specifically established by Article 13.5 of the Articles of Association for members of the Management Control Committee. He also declared his enrolment on the Register of Statutory Auditors and that he had practiced as an auditor for at least three years.

(1) After the assignment of 12,500,000.00 euro to the Allowance for charitable, social and cultural contributions.

3. Item 3 on the agenda: **Remuneration**.

   a) **Report on remuneration policy and compensation paid: Section I - Remuneration and incentive policies of the Intesa Sanpaolo Group for 2020**. The Shareholders approved the remuneration and incentive policies for 2020 and the procedures used to adopt and implement them, as described respectively in chapters 4 and 1 of Section I of the Report on remuneration policy and compensation paid, with 8,169,004,757 votes in favour equivalent to 89.57726% of the ordinary shares represented at the Meeting.

   b) **Report on remuneration policy and compensation paid: non-binding resolution on Section II - Disclosure on compensation paid in financial year 2019**. The Shareholders approved, 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 and subsequently amended in the Addendum to the Report on remuneration policy and compensation paid, with 8,622,834,778 votes in favour equivalent to 94.55373% of the ordinary shares represented at the Meeting.

   c) **Extension of the increase in the cap on the variable-to-fixed remuneration to certain categories of personnel that are part of the Corporate and Investment Banking Division of Intesa Sanpaolo and of the Network of Všeobecná Úverová Banka (VUB)**. The Shareholders approved the proposal to extend the scope of the beneficiaries of the increase in the cap on the variable-to-fixed remuneration up to a maximum of 2:1 to certain categories of personnel that are part of the Corporate and Investment Banking Division and the Network of VUB, with 8,998,898,398 votes in favour equivalent to 98.67746% of the ordinary shares represented at the Meeting.

   d) **Approval of the 2019 and 2020 Annual Incentive Plans based on financial instruments**. The Shareholders approved the 2019 and 2020 Incentive Plans intended for Risk Takers who accrue a bonus exceeding the "materiality threshold" (2), recipients of a "particularly high" amount (3), and those who, among Managers or Professionals who are not Risk Takers, accrue "relevant bonuses" (4), with 8,955,196,961 votes in favour equivalent to 98.19933% of the ordinary shares represented at the Meeting. The Plans provide for the assignment, for free, of Intesa Sanpaolo ordinary shares to be purchased on the market (5).

4. Item 4 on the agenda: **Own shares**.

   a) **Authorisation to purchase and dispose of own shares to serve Incentive Plans**. The Shareholders approved the proposal to purchase and disposal of own shares, with 8,954,190,731 votes in favour equivalent to 98.18830% of the ordinary shares represented at the Meeting. In accordance with this authorisation:

(2) Equal to 80,000 euro.
(3) Pursuant to the Group Remuneration and Incentive Policies, for the three-year period 2019-2021, the variable remuneration exceeding 400,000 euro is considered "particularly high".
(4) An amount exceeding 80,000 euro and 100% of the fixed remuneration.
(5) As announced in the press release issued on 31 March 2020, the Managing Director and CEO and 21 top managers have decided to forgo an overall amount of around six million euro of the bonus they are awarded under the 2019 Incentive Plan. This amount will be allocated to support specific healthcare initiatives relating to the COVID-19 epidemic emergency.

- ordinary shares will be purchased, in one or more tranches, up to a maximum number of 25.4 million [(6)], equal to a maximum percentage of Intesa Sanpaolo's share capital of 0.15%, of which 18.7 million shares to serve the 2019 Incentive Plan and the granting of any Severance and 6.7 million shares to serve the Fideuram Incentive Plan;
- the purchase of shares will be executed in compliance with the provisions included in Articles 2357 and following of the Italian Civil Code, within the limits of distributable income and available reserves, as determined in the financial statements most recently approved. Pursuant to Article 132 of Legislative Decree 24 February 1998 no. 58 and Article 144-*bis* of the Issuers' Regulation and subsequent amendments, purchases will be executed on regulated markets in accordance with the operating methods established in the regulations on the organisation and management of said markets, in full compliance with the regulatory requirements as to equality of treatment among shareholders, the measures preventing market abuse, as well as the market practices permitted by Consob. By the date the Group-level purchase programme begins – disclosure of which will be made to the market as required by the regulations – the subsidiaries will have completed the procedure for seeking equivalent authorisation at their shareholders' meetings, or from the bodies with jurisdiction over such matters within their structures;
- in accordance with the authorisation obtained at the Shareholders' Meeting today, which is effective for up to 18 months, purchases will be executed at a price identified on a case-by-case basis, net of accessory charges, within a minimum and maximum price range. This price will be determined using the following criteria: the minimum purchase price will not be lower than the reference price of the share recorded in the stock market session on the day prior to each single purchase transaction, less 10 per cent; the maximum purchase price will not be higher than the reference price the share recorded in the stock market session on the day prior to each single purchase transaction, plus 10 per cent. At any rate, the purchase price will not be higher than the higher of the price of the last independent trade and the highest current independent bid on the market;
- furthermore, pursuant to Article 2357-ter of the Italian Civil Code, the Shareholders authorised the disposal on the regulated market of own ordinary shares exceeding the actual needs, under the same conditions as those applied to the purchases and at a price no lower than the reference price of the share in the stock market session on the day prior to each single transaction, less 10 per cent. Alternatively, these shares may be retained to service possible future incentive plans and/or compensation to be paid in the event of early termination of the employment relationship (Severance).

b) **Authorisation to purchase and dispose of own shares, for trading purposes, pursuant to Articles 2357 and 2357-*ter* of the Italian Civil Code and Article 132 of Legislative Decree no. 58/1998**. The Shareholders, with 8,981,305,041 votes in favour equivalent to 98.48454% of the ordinary shares represented at the Meeting, decided:

1. pursuant to, and in accordance with, Article 2357 of the Italian Civil Code, starting from the effective date of the planned merger by incorporation of Banca IMI into Intesa Sanpaolo, to authorise the Board of Directors to purchase, for a duration of 12 months, in one or more steps, shares of Intesa Sanpaolo S.p.A. for the purposes set out in the explanatory report of the Board, committing them to a specific reserve;

(6) Following the decision of the Managing Director and CEO and 21 top managers to forgo an overall amount of around six million euro of the bonus they are awarded, the number of own shares to be purchased should reasonably be lower than the maximum amount authorised.

2. authorise said purchases up to a maximum limit of 10,000,000 ordinary shares, concurrently for a total value of the shares held of 30,000,000 euro, establishing, in that regard, that:
   - the purchases will be made at a minimum price, net of accessory charges, which cannot be lower than the reference price the share recorded in the stock market session on the day prior to each single transaction, decreased by 5% and at a maximum price that cannot be higher than the reference price the share recorded in the stock market session on the day prior to each single transaction, increased by 5%;
   - the purchases will be made in such a way as to guarantee the equal treatment of shareholders, pursuant to Article 132 of Legislative Decree 24 February 1998 no. 58 and Article 144-*bis*, paragraph 1, letters b) and c) of Consob Resolution 11971/1999, as amended, on regulated markets and in accordance with the operating methods established in the regulations on the organisation and management of said markets;
3. pursuant to, and in accordance with, Article 2357-*ter* of the Italian Civil Code, authorise the full or partial sale of the shares of Intesa Sanpaolo S.p.A. held, using the methods permitted by the applicable regulations in force in each situation, without time limits, at a minimum price which cannot be lower than the reference price the share recorded in the stock market session on the day prior to each single transaction, decreased by 5%, establishing, in that regard, that subsequent purchase and sale transactions may be carried out, with the resulting possibility of restoring the plafond indicated in point 2 above.

Extraordinary part

1. Only item on the agenda: **Proposal to grant the Board of Directors, pursuant to Article 2443 of the Italian Civil Code, with the power, to be exercised by 31 December 2020, to increase the share capital of the Company, in one or more tranches and in a divisible form, without pre-emption right pursuant to Article 2441, paragraph 4, first sentence, of the Italian Civil Code, and with issuance of maximum no. 1,945,284,755 ordinary shares, with no par value, having the same characteristics as the outstanding shares, whose issuance price shall be determined by the Board of Directors pursuant to the provisions of law, to be paid up by way of contribution in kind functional to a prior public exchange offer (*offerta pubblica di scambio preventiva*) for all the ordinary shares of Unione di Banche Italiane S.p.A.; subsequent amendment of Article 5 of the Articles of Association; related and consequent resolutions.** The Shareholders, with 8,935,308,480 votes in favour equivalent to 98.04467% of the ordinary shares represented at the Meeting, granted the Board of Directors powers to approve a share capital increase, by 31 December 2020, up to a maximum total amount of 1,011,548,072.60 euro, in addition to any share premium (*sovrapprezzo*), with the issuance of a maximum number of 1,945,284,755 ordinary shares to serve the public exchange offer for all the ordinary shares of Unione di Banche Italiane S.p.A., launched by the Company on 17 February 2020 with notice pursuant to Article 102, paragraph 1, of Legislative Decree 24 February 1998 no. 58. The Shareholders also decided to consequently amend Article 5 of the Articles of Association and grant the Chairman of the Board of Directors and the Chief Executive Officer of the Company, on a several basis and through possible appointment of special attorneys, powers to do whatever required, necessary or useful to execute the resolutions above.

The above-mentioned new shares, as disclosed in the Supplement to the Report of the Board of Directors published on 23 April 2020 at Consob's request, will be valued at the stock market price at the time of their issue. Considering the price of the Intesa Sanpaolo share on 21 April 2020, equal to 1.3366 euro, the capital increase would amount (purely by way of example) to 2.6 billion euro. The comparison between the tangible equity of UBI Banca and the amount of the capital increase of Intesa Sanpaolo determines a difference which, net of the portion attributable to the fair value of the assets and liabilities acquired and the valuation of any intangible assets, will represent the negative goodwill (or badwill), from which the loss recorded due to the sale of the Banking Going Concern and equal to the difference between the capital of the Going Concern sold and the price paid by BPER Banca must subsequently be deducted. Without taking into account the valuation of the assets and liabilities acquired, which requires detailed information on UBI Group accounting entries, the badwill, on the basis of the official price of 21 April 2020, is equal to 4 billion euro, compared with 2.2 billion euro determined on the basis of the official price of 2.502 euro - taken as reference for the determination of the preliminary cost of the transaction - struck on 14 February 2020, *i.e.* the last trading day before 17 February 2020, the date when Intesa Sanpaolo announced the Offer. It has to be recalled, as specified in the above-mentioned Supplement to the Report and as requested by Consob, the nature of initial estimate of the badwill, as its actual determination will result following the outcome of the PPA procedure provided for under IFRS 3.

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