
Report of the Board of Directors

Item 2 on the agenda

Remuneration and own shares:

- a) 2017 remuneration policies for employees and other staff not bound by an employment agreement and for certain categories governed by an agency contract

Distinguished Shareholders,

this Shareholders' Meeting is called to approve, pursuant to Article 7.3 of the Articles of Association, in compliance with the Supervisory Provisions ("Remuneration and incentive policies and practices", Title IV - Chapter 2 Circular 285 of 17 December 2013 published in the Official Gazette of the Italian Republic on 2 December 2014 and adopted in application of "Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013" - CRD IV, published in the Official Journal of the European Union on 27 June 2013), the 2017 remuneration policies for employees and other staff not bound by an employment agreement and for certain categories governed by an agency contract.

Furthermore, pursuant to the provisions of art. 123-ter of Legislative Decree 58/1998, the Shareholders' Meeting is asked to express its vote concerning the procedures used to adopt and implement the remuneration policies. This resolution is non-binding.

On this point, it is worth mentioning that the remuneration policies for 2017 regarding employees and other staff not bound by an employment agreement and certain categories governed by an agency contract, as well as the procedures used to adopt and implement the remuneration policies are reported as part 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 Board of Directors at the meeting of 14 March 2017.

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

Distinguished Shareholders, you are therefore hereby invited to:

- approve the remuneration policies for 2017 as described in Section I, 4 of the Report on Remuneration - "Remuneration policy for employees and staff not bound by an employment agreement" and in Section I, 5 "Remuneration policy for certain categories governed by an agency contract";
- resolve, with advisory vote, on the procedures used to adopt and implement the remuneration policies, as described in Section I, 1 of the Report on Remuneration - "Procedures for adoption and implementation of the remuneration policies".

14 March 2017

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

This is an English translation of the Italian original report that has been prepared solely for the convenience of the reader