
Report of the Board of Directors

Ordinary Part - 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

Distinguished Shareholders,

on 2 December 2019, following the resignation of Director Giovanni Gorno Tempini, the Board of Directors replaced him - pursuant to Article 2386 of the Italian Civil Code and Article 15.3.1 of the Articles of Association - by co-opting Andrea Sironi.

In that regard, the Board took account of the decision made by the Shareholders' Meeting of 30 April 2019 to set the number of members at 19, the fact that a majority of Directors appointed by the Shareholders' Meeting remain in office and the fact that the outgoing Director was on the most voted slate and was not a member of the Management Control Committee.

The co-option by the Board was carried out based on a procedure that had the full support of the Nomination Committee and the prior opinion of the Management Control Committee.

In that regard, to replace Director Gorno Tempini, in the opinion of the Nomination Committee and in the assessment by the Board of Directors, the following characteristics took on significance:

- independence, taking account of the minimum number of Independent Directors envisaged by the Articles of Association (2/3 of members) and the indications formulated by the outgoing Board of Directors in the Guidelines to Shareholders, as well as the decision made by the Shareholders' Meeting in April 2019 in configuring a management Body that also meets the need to ensure adequate composition of the Committees and which allows for a distribution of independent directors consistent with the time commitment required;
- significant professional skills and, in particular, a distribution of distinctive skills in line with the matrix outlined by the Guidelines and the indications reiterated by the European Central Bank in the recommendations for the adequate overall composition of the Board;
- qualified experience in top executive positions in companies in the financial sector;
- compliance with the overall balance of genders and consistency with the age range of the outgoing person;
- professional experience significantly international in nature and knowledge of foreign markets, in line with the Group's business model and the Business Plan defined by the Board;
- top level expertise in risk and performance analysis of the banking industry.

On conclusion of the assessments made, the Board deemed that Andrea Sironi had an ideal profile for the position as Board Member.

Moreover, at the meeting of 18 December 2019, the Board of Directors, with the support of the Nomination Committee found that Andrea Sironi met all the suitability requirements set out for members of the Board (in particular, the requirements of professionalism and competence, integrity and reputation, independence, competing offices and time commitment), and assessed the adequacy of the overall quali-quantitative composition of the Board, also designating the new Director a member of the Committee for Transactions with Related Parties and the Remuneration Committee, in replacement of Giovanni Gorno Tempini.

The suitability requirements for the position were subsequently confirmed by the Board on 25 February 2020, during the annual review, as well as on approval of this report.

Considering that, pursuant to the aforementioned Article 2386 of the Italian Civil Code, the Board Member co-opted by the Board shall remain in office until this Shareholders' Meeting, at the meeting of 17 March, the Board of Directors, following the favourable examination by the Nomination Committee, proposed confirming Andrea Sironi, who communicated his willingness to be a candidate, in the position of Director.

The documentation regarding this Director is available on the website group.intesasanpaolo.com ("Governance"/"Shareholders' Meeting"): acceptance of nomination form, statement that there exist no causes of ineligibility or incompatibility and that the candidate satisfies the requirements of professionalism, integrity and independence set forth by law, regulations and the Articles of Association, as well as his CV and list of management or control positions held in other companies.

Moreover, the document "Qualitative and Quantitative Composition of the Board of Directors of Intesa Sanpaolo S.p.A." is available on the website group.intesasanpaolo.com ("Governance"/"Shareholders' Meeting") to also allow shareholders to submit other candidates for the purpose of restoring the Board to its full complement. In that regard, any proposals must take account of the results of the prior identification carried out by the Board on its qualitative and quantitative composition deemed optimum for it to effectively perform its duties and responsibilities, and must justify any differences from the analyses carried out by the Board ⁽¹⁾.

Pursuant to Article 15.3.5 of the Articles of Association, the Shareholders' Meeting shall resolve on the matter by relative majority vote without restriction by slate.

The mandate of the Director appointed by the Shareholders' Meeting shall expire on the date of the Shareholders' Meeting called to approve the financial statements for 2021, along with those of the other Board Directors currently in office, appointed by the aforementioned Shareholders' Meeting of 30 April 2019.

Distinguished Shareholders, you are therefore hereby invited to resolve on the restoring of the Board of Directors to its full complement and, in that regard, it is proposed that you appoint Andrea Sironi as a Board Member, who shall remain in office up to the Shareholders' Meeting to approve the Financial Statements for 2021.

17 March 2020

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

¹ On the Company's website ("Governance"/"Shareholders' Meeting") the information on the methods for submitting proposals is published and the list of minimum documentation to produce in relation to any candidacy, accompanied by statement forms to be signed, is available.

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.