

Report of the Board of Directors

Ordinary Part - Item 3 on the agenda

Own shares:

b) Authorisation to purchase and dispose of own shares for trading purposes

Distinguished Shareholders,

you have been called to the Ordinary Shareholders' Meeting to resolve, inter alia, on the proposal to authorise the purchase of own shares of the Bank, as well as acts of disposal, also in fractions, of the shares purchased in such manner, in accordance with Articles 2357 and 2357-ter of the Italian Civil Code and Article 132 of Legislative Decree 58 of 24 February 1998 and the related implementing regulations, in compliance with the regulations on the equality of shareholders and the measures to prevent market abuse, for the purposes, within the terms and in accordance with the methods set out below.

The request for authorisation to purchase own shares has the following purposes:

- (i) derivative transactions of the Bank;
- (ii) need to hedge financial risks deriving from the Bank's operations;
- (iii) possible technical operational needs that require the interventions of the own account.

These transactions have been carried out by the IMI Corporate & Investment Banking Division of Intesa Sanpaolo since 20 July 2020 within the specific regulatory framework previously adopted by the merged Banca IMI.

In this regard, the Board of Directors recalls that:

- the Intesa Sanpaolo Shareholders' Meeting of 27 April 2020 authorised the Board of Directors to purchase and sell ordinary shares of Intesa Sanpaolo for a maximum total number of 10,000,000 shares and a maximum value of 30,000,000 euro for a period of 12 months from the date of the merger of Banca IMI into Intesa Sanpaolo (consequently until 20 July 2021);
- at that time a maximum "plafond" was set, establishing the Intesa Sanpaolo shares that could be held, with the possibility of repurchase after the shares had been sold.

That being said, considering that:

- the Board of Directors considers that the reasons that led to request the Shareholders' Meeting of Intesa Sanpaolo to authorise the purchase and disposal of shares of Intesa Sanpaolo for the above-mentioned purposes are still valid;
- over the years, the Shareholders' Meeting of Intesa Sanpaolo has also authorised the purchase of own shares to support the Group incentive system based on financial instruments and the management of that plan is distinct and separate from the management for the market transactions;
- the actual volumes of the market transactions specifically covered by this resolution and carried out in 2020, for the above-mentioned trading purposes, were as follows:

2020	Quantity (no. of shares)	Value (in euro)
Initial stock	2,460,797	5,779,182
Purchases	810,537	1,656,326
Sales	(1,265,042)	(2,727,950)
Final amount	2,006,292	3,837,234

for the purposes of this request for authorisation, the quantity on which to operate is confirmed at a maximum of 10,000,000 Intesa Sanpaolo ordinary shares, equal to 0.0515% of the capital, for a maximum value of 30,000,000 euro.

The maximum number of ordinary shares for which purchase authorisation is requested pursuant to Article 2357 of the Italian Civil Code is within the legal limits, also considering any shares owned by subsidiaries.

As at 28 February 2021, Intesa Sanpaolo's share capital subscribed and paid-in amounts to 10,084,445,147.92 euro, represented by 19,430,463,305 ordinary shares, without nominal value.

Own shares shall be purchased within the limits of distributable income and available reserves as per the latest approved financial statements at the time the purchases are carried out.

Following the purchase, the specific negative reserve envisaged in Article 2357-ter of the Italian Civil Code will be recorded in the financial statements.

All of the above being considered, the Board of Directors hereby proposes that the Shareholders' Meeting of Intesa Sanpaolo resolve the following:

1. pursuant to and in accordance with Article 2357 of the Italian Civil Code, starting from the date of approval of this resolution, to authorise the Board of Directors to purchase, for a duration of 18 months, in one or more tranches, shares of Intesa Sanpaolo S.p.A. for the purposes set out in this explanatory report of the Board, committing them to a specific reserve;
2. to authorise said purchases up to a maximum limit of 10,000,000 (ten million) ordinary shares, concurrently for total value of the shares held of 30,000,000 euro (thirty million euro), establishing, in that regard, that:
 - the purchases shall be made at a minimum price, net of ancillary charges, which cannot be lower than the reference price the share recorded in the stock market session on the day prior to each single purchase 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 purchase transaction, increased by 5%;
 - the purchases shall be made in such a way as to guarantee the equal treatment of shareholders, pursuant to Article 132 of Legislative Decree 58 of 24 February 1998 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, to authorise the full or partial sale of the Intesa Sanpaolo S.p.A. shares 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 purchase 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.

Distinguished Shareholders, you are therefore invited to approve the proposed authorisation for the purchase and disposal of own shares, in accordance with the terms illustrated.

23 March 2021

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.