EMARKET SDIR CERTIFIED

Report of the Board of Directors
Item 2 on the agenda

Remuneration:

c) Approval of the 2023 Annual Incentive Plan based on financial instruments

Distinguished Shareholders,

you have been called to this Ordinary Meeting to discuss and pass resolutions on the 2023 Incentive Plan (hereinafter, also, the "Plan") of the Intesa Sanpaolo Group (hereinafter, also, the "Group"), intended for Risk Takers[1] who accrue a bonus exceeding the so-called "materiality threshold"[2], recipients of a "particularly high" amount[3], and those who, among Managers or Professionals that are not Risk Takers, accrue a bonus exceeding both the so-called "materiality threshold"[4] and 100% of the fixed remuneration.

This Plan involves the use of Intesa Sanpaolo ordinary shares[5] to be purchased on the market, as required by the Provisions on remuneration, upon your specific authorisation.

The issue of remuneration of listed companies and, more specifically, in the financial sector, has been gaining growing attention by international bodies and regulators, aiming to guide issuers and intermediaries towards the adoption of remuneration systems that are consistent with the principles – strengthened following the economic and financial crisis – governing the process for drawing up and approving the remuneration and incentive policies, the compensation structure and their transparency.

In particular, according to these principles, remuneration systems must take into account current and future risks and the level of capital strength and liquidity of each intermediary, and guarantee remuneration based on results actually achieved and sustainable over time.

Additionally, more recently, regulators are placing increasing attention on the issue of the management – through adequate remuneration and incentive policies – of environmental, social and governance sustainability risks in the financial sector.

In accordance with European Union regulations and with effect from 2011, the national Authorities defined a set of key rules on these matters.

By regulation dated 30 March 2011, the Bank of Italy issued Provisions which, in addition to providing that a portion of the bonus must be awarded in financial instruments, dictate harmonised rules and regulations for banks' remuneration policies, systems and practices with reference to their design and control, to compensation structures and disclosure obligations. The remuneration systems and practices were additionally included among the information to be disclosed under Pillar 3, pursuant to Circular no.

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[1] These shall mean the Risk Takers identified at Group level, at Sub-consolidating Group level and at Legal Entity level.

[2] For Risk Takers, in accordance with the applicable regulation, the materiality threshold is equal to €50,000 or one third of the total remuneration (unless otherwise provided for by specific local regulations).

[3] Pursuant to the Group Remuneration and Incentive Policies, for the three-year period 2022-2024, the variable remuneration exceeding €400,000 is considered "particularly high".

[4] Pursuant to the Group Remuneration and Incentive Policies, for Middle Management and Professionals, the materiality threshold is generally equal to €80,000 (unless otherwise provided for by specific local regulations). Such threshold is increased to €150,000 in order to significantly reduce the potential competitive disadvantage in the attraction and the retention of the best staff members in countries other than the domestic market of the Group and in businesses in which there is a high competitive pression on the staff (i.e. high cost of living, intense compensation dynamics, and high resignation rate) and, outside the EU, in which the regulatory framework concerning the materiality threshold is less strict (or absent).

[5] With the exception of the provisions in the Bank of Italy Regulation implementing Article 4-undecies and Article 6, paragraph 1, letters b) and c-bis) of the Consolidated Law on Finance for Group Risk Takers belonging to asset management companies and in the cases in which this (i.e. the payment in Parent Company shares) conflicts with local regulations.

285 of 17 December 2013.

In 2014, the European Commission, based on the EBA's proposal, issued Delegated Regulation (EU) No. 604/2014 containing "Regulatory Technical Standards" (RTS) relating to suitable qualitative and quantitative criteria for the identification of categories of personnel whose professional activities have a material impact on the institution's risk profile (so-called "Risk Takers") intended to supplement Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 (CRD IV), effective from 2014.

Subsequently, in application of CRD IV, published in the EU Official Journal on 27 June 2013, the Bank of Italy updated and published the provisions regarding "Remuneration and incentive policies and practices" under Title IV – Chapter 2, Circular 285 of 17 December 2013 in the Official Gazette of the Italian Republic on 2 December 2014.

In December 2015, the EBA, based on the provisions contained in CRD IV, published the update of the "Guidelines on Sound Remuneration Policies", defining in detail the rules relating to the remuneration structure, remuneration policies and the related governance and implementation processes.

In order to implement the "Guidelines on Sound Remuneration Policies" issued by the EBA, on 12 November 2018 the Bank of Italy published the 25th update of Circular No. 285 of 17 December 2013 in the Official Gazette of the Italian Republic.

In 2019, Directive (EU) 2019/878 (CRD V) amending CRD IV, as well as Regulation (EU) 2019/876 (CRR II) amending CRR I were issued. Following the issue of CRD V, the EBA revised (i) the regulatory technical standards that specify the criteria for identifying Risk Takers (RTS), merged into the Delegated Regulation (EU) 2021/923 published on 9 June 2021 and (ii) the Guidelines on Sound Remuneration Policies, publishing a new version in July 2021 and providing for its application starting from 31 December 2021.

Finally, the Bank of Italy implemented CRD V and the essential contents of the new EBA Guidelines with the 37th update of Circular 285/2013 published on 24 November 2021.

The proposed Plan is fully consistent with the above regulatory provisions, with specific reference to:

- the identification of the so-called "Material Risk Takers", meaning those whose decisions have a significant impact on the Bank's risk profile, to whom specific remuneration rules must be applied in terms of payment of variable remuneration;
- the ratio between the variable and fixed component of the remuneration, appropriately balanced;
- the structure of the variable component, in relation to which the aforementioned regulatory provisions require that:
  a. at least 40% must be subject to deferred payment systems (this can be raised to 60% when the variable component is a particularly high amount[6]), for no less than 4 - 5 years[7];
  b. at least 50% must be awarded in shares or instruments linked to shares. The obligation to pay at least this percentage in shares or instruments linked to shares applies to both the deferred variable component and the non-deferred component (so-called upfront)[8];

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[6] Please see footnote 3.

[7] Please note that, in compliance with the applicable regulation, the minimum duration of the deferral period is 5 years for the Group Top Risk Takers and for the so called Group "Top" Risk Takers, Sub-consolidating Groups "Top" Risk Takers and "Top" Legal Entity Risk Takers (i.e. executive directors, general manager, co-general managers, deputy general managers and other similar roles, heads of the main business lines - and those with higher risk profile, e.g. investment banking -, corporate functions or geographical areas, as well as those who report directly to bodies in charge of strategic supervision, management and control) of the Banks that are significant pursuant to article 6(4) of the SSM Regulation.

[8] Please note that, in accordance with applicable regulations, more than 50% of the deferred portion is composed of financial instruments for all Top Group Risk Takers and for so-called "top" Risk Takers of the Sub-consolidating Groups and of Legal Entities (i.e. executive directors, general manager, co-general managers, deputy general managers and other similar roles, heads of the main business lines - and those with higher risk profile, e.g. investment banking - corporate functions or geographical areas, as well as those who report directly to bodies in charge of strategic supervision, management and control) of the Banks that are significant pursuant to article 6(4) of the SSM Regulation.

– a specific retention mechanism must be in place (equal to 1 year both for the upfront component and for the deferred component) for the financial instruments mentioned under point b.

Therefore, please note that the proposed Incentive Plan can be classified as a financial instrument-based remuneration plan pursuant to Article 114-bis, paragraph 1, of Legislative Decree 58 of 24 February 1998.

In accordance with the provisions of Article 114-bis of the Consolidated Law on Finance and Article 84 bis of Consob's Issuers' Regulation, the characteristics of the Incentive Plan are illustrated in detail in the specific Information Document provided hereunder, of which this report is an integral part.

In this regard, the Plan is to be considered as being of "particular importance" since it is addressed to, *inter alia*, top executives and, more generally, key managers who have regular access to inside information and have the power to make management decisions which may affect the Group's evolution and outlook.

Finally, for the sake of completeness, please note that certain Subsidiaries, in order to support the achievement of specific financial and commercial objectives (always taking into account the effective needs of customers and in line with their risk profile), adopt their own annual Incentive Plans[9] for staff members who work in highly profitable business segments (i.e. Financial Advisors, Relationship Managers of the international commercial Networks and Private Bankers of the Italian Network, all belonging to the Fideuram – Intesa Sanpaolo Private Banking Network) – represented in Section I of the *Report on remuneration policy and compensation paid* – which provide for the use of Intesa Sanpaolo ordinary shares. Specifically, the shares are intended for:

i. Financial Advisors and Relationship Managers who are identified as Risk Takers who accrue a bonus exceeding the so-called "materiality threshold"[10];
ii. Financial Advisors, Relationship Managers, and Private Bankers who accrue a "particularly high"[11] amount or a bonus exceeding both the "materiality threshold"[12] and 100% of fixed remuneration.

These Incentive Plans are specifically approved by the bodies of the Subsidiaries.

Distinguished Shareholders, you are therefore invited to approve the 2023 Annual Incentive Plan based on financial instruments in accordance with the terms illustrated.

16 March 2023

For the Board of Directors
the Chair – 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

[9] *Inter alia*, the 2023 Incentive System of the Private Banking Network belonging to the Italian Network of Intesa Sanpaolo Private Banking; the 2023 Incentive System of the Relationship Managers belonging to the international commercial Networks of the Fideuram – Intesa Sanpaolo Private Banking Group (i.e. Reyl Group and Intesa Sanpaolo Wealth Management); and the 2023 Incentive System of the non-employee Financial Advisors belonging to the commercial Networks of the Fideuram – Intesa Sanpaolo Private Banking Group.
[10] Please see footnote 2.
[11] Please see footnote 3.
[12] Please see footnote 4.

INFORMATION DOCUMENT

Pursuant to Art. 84-bis, paragraph 1, of the Regulation adopted by Consob with Resolution 11971 of 14 May 1999, as subsequently amended and supplemented

relating to the

2023 ANNUAL INCENTIVE PLAN
BASED ON FINANCIAL INSTRUMENTS

OF

INTESA SANPAOLO S.p.A.

16 March 2023

Introduction

This Information Document is published in order to provide the Company's shareholders and the market with information on the 2023 Annual Incentive Plan based on financial instruments (hereinafter the "**Plan**") in accordance with the contents of Article 84-bis, paragraph 1, of the Issuers' Regulation.

The Information Document is available to the public within the terms provided, at the registered office of INTESA SANPAOLO, Piazza San Carlo, 156, Turin, as well as in the authorised storage system (at www.emarketstorage.com) and on the website group.intesasanpaolo.com (in the "Governance"/"Shareholders' Meeting" section), where further information can be found.
The publication of the Information Document has been communicated to the market through a press release.

The Ordinary Shareholders' Meeting called upon to approve the Plan has been convened for 28 April 2023 (on single call).

Recipients

The Plan is targeted to Risk Takers[1] who accrue a bonus higher than the "materiality threshold"[2], identified according to the "Rules for identifying risk takers" pursuant to CRD V and to the Commission Delegated Regulation (EU) 2021/923 (i.e. Regulatory Technical Standards - RTS") the recipients of a "particularly high" amount[3], as well as Middle Managers and Professionals who are not Risk Takers, who receive a bonus exceeding both the so-called "materiality threshold"[4] and 100% of the fixed remuneration.
It is noted that in 2022 571 Group Risk Takers[5], 88 Sub-consolidating Groups Risk Takers[6] and 469 Legal Entity Risk Takers[7], not included in the scope of the Group Risk Takers and Sub-Consolidating Groups Risk Takers, were identified.

To the extent relevant herein, pursuant to the Supervisory Provisions on remuneration, among Group Risk Takers, a further cluster represented by the so-called "Group Top Risk Takers" (which coincide with the "Key Managers") is identified:

- Managing Director and CEO;
- Heads of the Business Divisions (Asset Management, Banca dei Territori, Insurance, IMI Corporate & Investment Banking, International Subsidiary Banks and Private Banking) as well as the Deputy to the Head of the IMI Corporate & Investment Banking Division;
- Chief Operating Officer, Chief IT, Digital & Innovation Officer, Chief Cost Management Officer, Chief Financial Officer, Chief Lending Officer, Chief Governance Officer, Chief Risk Officer, Chief Compliance Officer, Chief Institutional Affairs & External Communication Officer and Chief Audit Officer;
- The Head of the Strategic Support Head Office Department who reports directly to the Managing Director;
- Head of the Administration and Tax Head Office Department in his capacity as the Manager responsible for preparing the Company's financial reports.

Therefore, recipients of the Plan include Executives who have regular access to inside information and

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[1] These shall mean both the Risk Takers of the Group and the so-called Risk Takers of the Sub-consolidating Group and of the Legal Entities since, due to the Group's consolidated balance sheet assets, no Group bank is considered to be of smaller size or operational complexity,
[2] For Risk Takers, in accordance with the applicable regulation, the materiality threshold is equal to €50,000 or one third of the total remuneration unless otherwise provided for by specific local regulations. .
[3] Pursuant to the Group Remuneration and Incentive Policies, for the three-year period 2022-2024, the variable remuneration exceeding €400,000 is considered "particularly high".
[4] For Middle Management and Professionals the materiality threshold is generally equal to €80,000 (unless otherwise provided for by specific local regulations). Such threshold is increased to €150,000 in order to significantly reduce the potential competitive disadvantage in the attraction and the retention of the best staff members in countries other than the domestic market of the Group and in businesses in which there is a high competitive pression on the staff (i.e. high cost of living, intense compensation dynamics, and high resignation rate) and, outside the EU, in which the regulatory framework concerning the materiality threshold is less strict (or absent).
[5] The following subjects are not included among the Group Risk Takers who are recipients of Incentive Plans based on Intesa Sanpaolo shares:

i. non-executive members of the Board of Directors of Intesa Sanpaolo, identified in application of the provisions of Article 92, paragraph 3) of the Directive who, in light of the office they hold, are not recipients of Incentive Plans;
ii. the Group Risk Takers identified in VUB (only with reference to those who have a local contract), as, pursuant to local regulations and law, the portion awarded in Intesa Sanpaolo shares is instead awarded in financial instruments issued by the institution to which each subject belongs (i.e. VUB Certificates);
iii. the Group Risk Takers belonging to asset management companies, as, pursuant to the applicable sector regulation, the portion awarded in Intesa Sanpaolo shares is replaced by the allocation of units of the managed funds.

[6] The following subject are not included among the Sub-consolidating Groups Risk Takers who are recipients of Incentive Plans based on Intesa Sanpaolo shares:

i. the non-executive members of the Sub-holding's Supervisory Board / Board of Directors identified as Risk Takers in application of the provisions of Article 92, paragraph 3) of the Directive, who are not recipients of Incentive Plans in light of the role they hold in the Sub-holding;
ii. the Sub-consolidating Groups Risk Takers identified in VUB who, as provided for the Group Risk Takers, are awarded financial instruments issued by the legal entity they belong to.

[7] The following subjects are not included among the Legal Entity Risk Takers who are recipients of Incentive Plans based on Intesa Sanpaolo shares:

i. the non-executive members of the Legal Entity's Supervisory Board / Board of Directors identified as Risk Takers in application of the provisions of Article 92, paragraph 3) of the Directive, who are not recipients of Incentive Plans in light of the role they hold in the Legal Entity;
ii. the Legal Entity Risk Takers identified in VUB who, as provided for the Group Risk Takers, are awarded financial instruments issued by the legal entity they belong to.

have the power to make management decisions which may affect the issuer's evolution and outlook.

The recipients are indicated in the attached Table.

Plan rationale

The Incentive Plan of the Intesa Sanpaolo Group aims to align the conduct of the management and of the employees with the interests of all Stakeholders, steering their action towards the achievement of sustainable medium-long term objectives, including environmental, social and governance objectives, within the framework of a prudent risk-taking approach in respect to both current and prospective risks, as well as to enable the Group to be an "Employer of choice" for its ability to attract, motivate and retain top resources. Whether granted fully or partially in financial instruments, bonuses deriving from the annual incentive system strengthen the alignment between the management's and the staff's conduct and the interests of Shareholders, also allowing the direct participation in business risk.

The structure of the incentive mechanism is also instrumental in ensuring compliance with the Supervisory Provisions in force, when these require that a part of the variable remuneration accrued by Risk Takers be awarded in shares or related instruments.

It should be noted that any cash payments made and the value of the financial instruments assigned to recipients will be subject to social security provisions and will constitute employment income for tax purposes, pursuant to regulations in force at the time. Lastly, it is confirmed that accounting and fiscal considerations have had no significant impact on the definition of the Plan.

Approval process and timeframe for award of the instruments

The proposed Incentive Plan is subject to approval by the Ordinary Shareholders' Meeting called for 28 April 2023 on single call, on proposal by the Board of Directors of 16 March 2023.

In particular, it is noted that:

- the Board of Directors approved such Plan on 16 March 2023, within the Remuneration and Incentive Policies of Intesa Sanpaolo, with the favourable opinion of the Remuneration Committee (which examined its characteristics and parameters during the meetings held in the period between November 2022 and February 2023);
- the official quoted price of an Intesa Sanpaolo ordinary share on the dates of the meetings of the Remuneration Committee fluctuated from a minimum of €2.0162 (quoted price on 15 December 2022) to a maximum of €2.5634 (on 20 February 2023).
- Intesa Sanpaolo's 2023 Remuneration and Incentive Policies are subject to the approval by the Shareholders' Meeting of 28 April 2023, based on a proposal of the Board of Directors.

The potential recipients of the Plan include the CEO, as General Manager of Intesa Sanpaolo. All the resolutions of the Board of Directors regarding the Plan and its implementation are adopted in compliance with legislative, regulatory and company provisions on conflicts of interest.

With regard to the Plan, the proposed resolution submitted to the aforementioned Shareholders' Meeting includes the assignment to the Board of Directors of a specific mandate, with the right to sub-delegate, to carry out all required and suitable actions in order to execute said resolutions. To this end, the Board of Directors shall avail itself of the assistance of, among others, the Group Treasury and Finance Head Office Department, which shall also be assigned the task of carrying out any sales of shares which may exceed the effective needs.

The Chief Operating Officer's Structure is responsible for managing the Plan, supporting the Chief Executive Officer and the Board of Directors in drawing up the required measures to implement the Plan. To this end, it is supported by other corporate functions for the activities under their respective remits.

Characteristics of the financial instruments to be assigned

For all the recipients identified above – except for the Top Risk Takers[8] and for the recipients of a variable remuneration of a "particularly high" amount[9] regardless of the macro segment to which they belong – the Plan provides for the allocation of a bonus consisting of 50% cash and 50% Intesa Sanpaolo ordinary shares.

In particular, for the Top Risk Takers who accrue a bonus exceeding 100% of the fixed remuneration and for all recipients of a "particularly high" amount and exceeding 100% of fixed remuneration (regardless of the macro segment to which they belong), 60% of the awarded bonus is assigned in shares; for the Top Risk Takers who accrue a bonus equal to or lower than 100% of the fixed remuneration and for recipients of a variable remuneration of a "particularly high" amount and equal to or lower than 100% of fixed remuneration (regardless of the macro segment to which they belong), 55% of the awarded bonus is assigned in shares.

The Plan sets out methods of payment of the variable remuneration adopted throughout the Intesa Sanpaolo Group[10] differentiated by the quantity of deferred remuneration and the duration of the related deferral period, based on both the cluster of recipients and the ratio of variable-to-fixed remuneration (greater than or equal to/lower than 100% of fixed remuneration).

In particular:

1. Schedule 1: for the **Group Top Risk Takers** and **all those who**, regardless of the macro-segment they belong to, **accrue a "particularly high" amount of variable remuneration**, if the variable remuneration **exceeds 100% of the fixed remuneration,** 40% of the payment will be up-front (of which 20% in cash and 20% in financial instruments) and 60% (of which 20% in cash and 40% in financial instruments) on a deferral time horizon of 5 years.
   Reported below is the accrual schedule:

ACCRUAL SCHEDULE	2024	2025	2026	2027	2028	2029
CASH (40%)	20%			4%	4%	12%
FINANCIAL INSTRUMENTS (60%)	20%	12%	12%	8%	8%	

2. Schedule 2: for the **Group Top Risk Takers** and **all those who**, regardless of the macro-segment they belong to, **accrue a "particularly high" amount of variable remuneration**, if the variable remuneration is **equal to or lower than 100% of the fixed remuneration**, 40% of the payment will be up-front (of which 20% in cash and 20% in financial instruments) and 60% (of which 25% in cash and 35% in financial instruments) on a deferral time horizon of 5 years.
   Reported below is the accrual schedule:

ACCRUAL SCHEDULE	2024	2025	2026	2027	2028	2029
CASH (45%)	20%		4%	4%	5%	12%
FINANCIAL INSTRUMENTS (55%)	20%	12%	8%	8%	7%	

3. Schedule 3: for **Top Risk Takers of sub-consolidating Groups** and for **Legal Entity Top Risk Takers** (including those who are also identified as Group Risk Takers), if the variable remuneration **exceeds 100% of the fixed remuneration,** 50% of the payment will be up-front (of which 25% in cash and 25% in financial instruments) and 50% (of which 15% in cash and 35% in financial instruments) on a deferral time horizon of 5 years.

[8] Including Group Top Risk Takers, Sub-Consolidating Group Top Risk Takers and Legal Entity Top Risk Takers.
[9] Pursuant to the Group Remuneration and Incentive Policies, for the three-year period 2022-2024, the variable remuneration exceeding €400,000 is considered "particularly high".
[10] Unless otherwise provided for by specific local regulations, where more stringent than those envisaged at Group level.

Reported below is the accrual schedule:

ACCRUAL SCHEDULE	2024	2025	2026	2027	2028	2029
CASH (40%)	25%				5%	10%
FINANCIAL INSTRUMENTS (60%)	25%	10%	10%	10%	5%	

4. Schedule 4: for **Top Risk Takers of sub-consolidating Groups/Legal Entity Top Risk Takers** (including those who are also identified as Group Risk Takers), if the variable remuneration **exceeds the materiality threshold** but is **equal to or lower than 100% of the fixed remuneration,** 60% of the payment will be up-front (of which 30% in cash and 30% in financial instruments) and 40% (of which 15% in cash and 25% in financial instruments) on a deferral time horizon of 5 years.
   Reported below is the accrual schedule:

ACCRUAL SCHEDULE	2024	2025	2026	2027	2028	2029
CASH (45%)	30%			3%	4%	8%
FINANCIAL INSTRUMENTS (55%)	30%	8%	8%	5%	4%	

5. Schedule 5: for the **other Risk Takers** (eligible for the 2:1 bonus cap) who accrue a variable remuneration **exceeding the materiality threshold and 100% of the fixed remuneration**, 50% of the payment will be up-front (of which 25% in cash and 25% in financial instruments) and 50% (of which 25% in cash and 25% in financial instruments) on a deferral time horizon of 4 years.
   Reported below is the accrual schedule:

ACCRUAL SCHEDULE	2024	2025	2026	2027	2028
CASH (50%)	25%		6,25%	6,25%	12,5%
FINANCIAL INSTRUMENTS (50%)	25%	12,5%	6,25%	6,25%	

6. Schedule 6: for the **other Risk Takers** who accrue a variable remuneration **exceeding the materiality threshold** but **equal to or lower than 100% of the fixed remuneration**, 60% of the payment will be up-front (of which 30% in cash and 30% in financial instruments) and 40% (of which 20% in cash and 20% in financial instruments) on a deferral time horizon of 4 years.
   Reported below is the accrual schedule:

ACCRUAL SCHEDULE	2024	2025	2026	2027	2028
CASH (50%)	30%		5%	5%	10%
FINANCIAL INSTRUMENTS (50%)	30%	10%	5%	5%	

7. Schedule 7: for **Middle Managers and Professionals** who accrue a variable remuneration **exceeding the materiality threshold and 100% of the fixed remuneration**, 60% of the payment will be up-front (of which 30% in cash and 30% in financial instruments) and 40% (of which 20% in cash and 20% in financial instruments) on a deferral time horizon of 3 years.
   Reported below is the accrual schedule:

ACCRUAL SCHEDULE	2024	2025	2026	2027
CASH (50%)	30%		7%	13%
FINANCIAL INSTRUMENTS (50%)	30%	13%	7%	

Except for the cases described above, the variable remuneration deriving from the Plan shall be fully paid in cash, without any payment in shares.

In compliance with applicable regulations and with the Group Remuneration and Incentive Policies, each portion of the bonus assigned in shares shall be subject to a period of time during which they cannot be sold or accessed (so-called retention period) of 1 year, both for the upfront portion and the deferred portion. The retention period starts from the date of assignment of each portion of the bonus. At the end of the retention period, recipients may freely dispose of the shares, without any additional restrictions, except for the obligation not to directly sell said shares to Intesa Sanpaolo or to companies in the Group.

The shares accrued over time shall be delivered only at the end of the retention period indicated above and, except for the cases described below, subject to the continuation of employment in any company of the Group.

Recipients shall be paid the dividends accrued during the retention period, on the portions assigned in shares (it being understood that, in compliance with applicable regulations, the dividends accruing during the deferral period shall not be paid). Dividends shall be paid to the recipient, along with the shares, at the end of the retention period. Recipients may exercise the voting rights connected with ownership of the shares only following the date of actual delivery of the shares (and, therefore, at the end of the retention period). Additionally, interest in line with the market rates will be calculated on the deferred portions paid in cash.

In the light of the above, the shares which will be purchased on the basis of the powers delegated by the Shareholders' Meeting, may be delivered to the recipients starting in 2025 (with regard to the upfront component) and until 2029 (for the last deferred tranche due to Top Risk Takers and recipients of a "particularly high" amount).

As the shares are offered to recipients under an incentive mechanism, they will be assigned to recipients, if the conditions set forth are met, for free and, as a result, no loans or other subsidies to employees are foreseen for their purchase.

As has become traditional practice in the Group and in line with regulators' indications based on which the ratio of the fixed component of remuneration and the variable one "must be suitably balanced, exactly determined and carefully assessed in relation to the characteristics of the bank and of the various categories of personnel", the bonus which may be theoretically paid is related to the level of each recipient's fixed remuneration.

As allowed by the Provisions and approved by a qualified majority of the Shareholders' Meeting , the Group Risk Takers not belonging to Company Control Functions and staff members who work in specific and limited professional categories and highly profitable business segments[11] are subject to a maximum limit to the variable remuneration equal to a maximum of 200% of the fixed remuneration (around 67% of the remuneration pay mix), inclusive, among others, of the bonus granted through this Plan and the annually accrued amount resulting from the Long Term Incentive Plan (i.e. the Performance Share Plan[12] or the LECOIP 3.0[13]).

In light of the regulator's indications, the roles belonging to the Company Control Functions and similar roles[14], and those belonging to the Group Human Resources Function, even if they are partly included

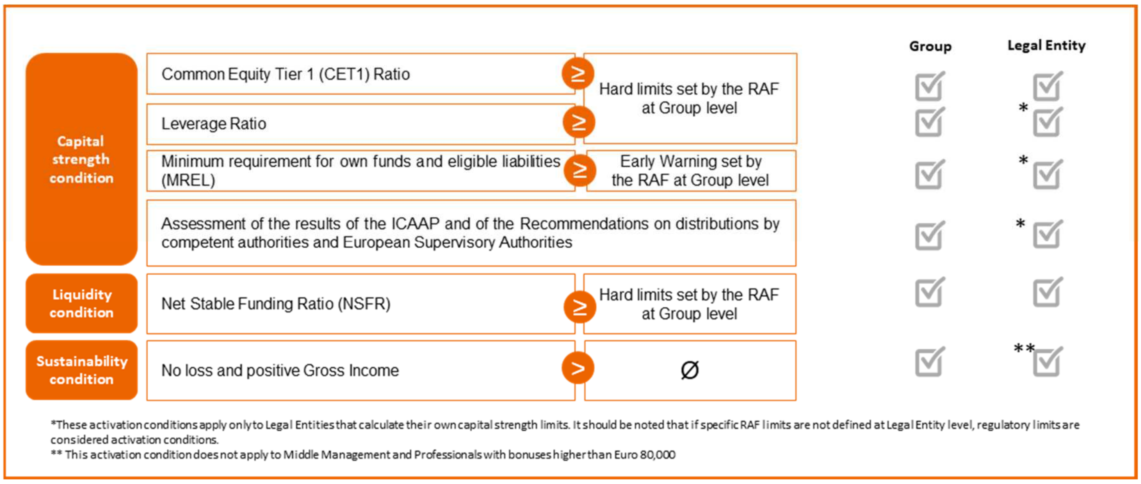
[11] Please see the Remuneration and Incentive Policies included in the *Report on remuneration policy and compensation paid*.
[12] Performance Share Plan: long-term incentive plan linked to the performance of the 2022-2025 Business Plan and based on Intesa Sanpaolo shares and destined to the Group Managers (Italian and foreign perimeter).
[13] LECOIP 3.0: retention plan linked to the duration of the 2022-2025 Business Plan and destined to the Professionals of the Italian perimeter of the Group.
[14] Given their nature of compliance oversight, the Manager responsible for preparing the company's financial reports and the Head of the Administrative Governance and Group Control structure are assimilated to the Heads of the Control Functions.

among Key Managers, are subject to a maximum limit to the variable component of remuneration[15] and equal to, at most, 33% of the fixed remuneration inclusive, among others, of the bonus granted through this Plan and the annually accrued amount resulting from the Long Term Incentive Plan (i.e. the Performance Share Plan or the LECOIP 3.0).

The granting of incentives deriving from the Plan to recipients is funded by a structured bonus pool mechanism, determined in harmony with the criteria of symmetry between the amount of the bonuses paid and the actual performance achieved. Specifically, the portion of the bonus pool which is destined to the Plan is linked to the performance of a Group economic indicator, i.e. the Intesa Sanpaolo Gross Income at Consolidated Financial Statement level.

The access to the bonus pool both at Group and Division level is based on exceeding the so-called "access threshold" (gateway), expressed *ex ante* as the minimum value of the relative Gross Income.

The principles of capital strength, liquidity and financial sustainability are ensured, in compliance with the requirements determined by the Regulator, by preliminary conditions set out both at Group level and Legal Entity level, as shown in the chart below:



In particular, it should be noted that the verification of the recommendations on (dividends) distributions by the competent authorities and the European supervisory authorities could lead to a possible reduction up to the zeroing of the bonus pool.

Failure to achieve even only one of the above conditions results in the non-activation of the incentive Plan for Group personnel[16].

The Group Top Risk Takers are subject to a further gateway condition:

The reference levels of the activation conditions represented by the limits set within the Risk Appetite Framework (RAF) are more challenging than the mandatory minimum requirements in compliance with the Supervisory Review and Evaluation Process (SREP), the Capital Requirement Regulation (CRR) and the Bank Recovery and Resolution Directive (BRRD) defining the CET1, NSFR and LCR levels as well as the Leverage Ratio and MREL.

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[15] Including the role allowance representing a component of fixed remuneration, paid monthly; said allowance is not included in the calculation basis for employee termination indemnities or supplementary pension (if the fund has an annual gross remuneration calculation basis). However, social security contributions are calculated on the amount paid.

[16] It should be noted that, only in the specific case where the gateway condition of sustainability at Legal Entity level is not reached, the Middle Managers and Professionals of said Legal Entity are still eligible for the incentive systems.

The total amount due to the recipients is annually defined, in compliance with the Group and Division bonus pools, based on the results of the individual performance scorecard, which measures the performance both on quantitative levels (profitability, growth, productivity, cost of risk/sustainability) and on qualitative levels (strategic actions or projects and managerial qualities), as well as extending to different scopes (Group/Structure/Individual). Such amount is calculated in ways that differ depending on the cluster of population. Specifically, the calculation is deterministic for Group Top Risk Takers, it is based on the "internal ranking" for the other Group Risk Takers, and it is connected to the assessment of the results for Sub-consolidating Groups and Legal Entity Risk Takers as well as Middle Managers and Professionals.

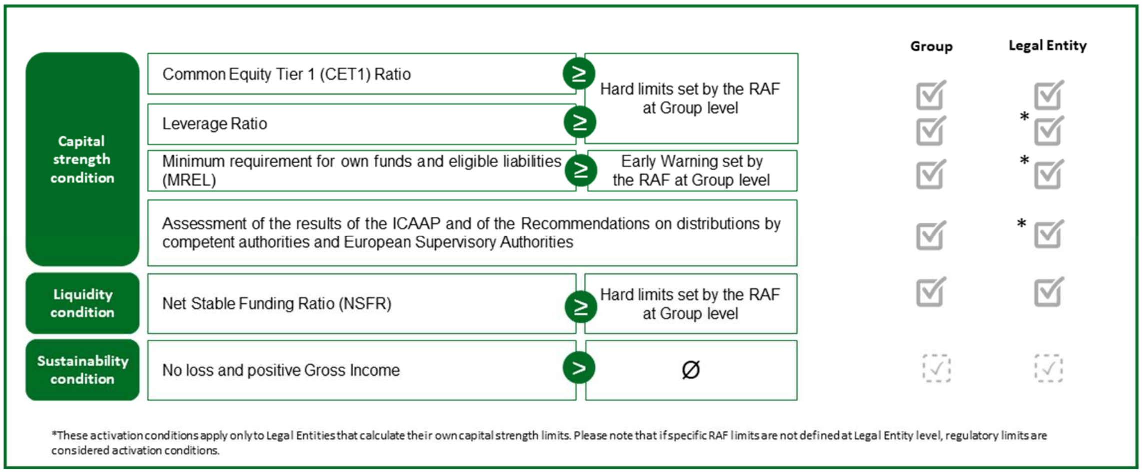
Depending on the cluster of population, there are corrective mechanisms that act as bonus de-multipliers based on the risks taken. The table below summarises these corrective mechanisms.

Risk	Recipients	Relevant limits and trigger events	% bonus reduction
Residual Risk	Risk Takers (RTs), including the Group Top ones, and Middle Management (MM)	Detection of residual risk at medium-high / high levels (Q-factor)	max -20%
Capital Adequacy	Business and Governance Group Top RTs	Failure to achieve the CET1 target set in the Group RAF	-10%
		Exceeding the Early Warning threshold set out in the Group RAF	-20%
Stability of profits	No Business Group Top RTs, Heads of Head Office Departments reporting to CEO and the Heads of the Structures reporting to the abovementioned Subjects	Failure to achieve a predetermined target to contain the level of operating costs set in the budget	max -20%
Market Risk	Business Group RTs[1] and MM	Regarding the VAR for the trading line: 1. Exceeding the limits attributed to the Structures through drill-down of the Early Warning limit of the Group RAF and failure to comply with the remediation plan 2. Exceeding the Early Warning limit of the Group RAF and failure to comply with the remediation plan	-15% Group RT identified for VAR -10% for other Group RT and MM
	Business Group RTs[1]	Regarding the VAR Held to Collect and Sale (HTCS) 1. Exceeding the limits attributed to the Structures through drill-down of the Early Warning limit of the Group RAF and failure to comply with the remediation plan 2. Exceeding the Early Warning limit of the Group RAF and failure to comply with the remediation plan	-10%
	Business Group RTs[1]	Exceeding the limits relating to the Accumulated Other Comprehensive Income (AOCI) reserve attributed to the Structures concerned through drill-down of the Soft limit set in the Group RAF and failure to comply with the remediation plan	-20%
Italian Public sector Risk	Business Group RTs[1]	Exceeding the limits relating to Italian government bonds classified as Held to Collect (HTC) attributed to the Structures concerned by drilling-down the Soft limit set in the Group RAF	-10%
Interest Rate Risk	Business Group RTs[1]	Exceeding the consolidated limits on the sensitivity of the Economic Value of Equity ("ΔEVE") attributed to the Structures concerned through drill-down of the Soft limit provided for in the Group's RAF and failure to comply with the remediation plan	-10%
	Business Group RTs[1]	Exceeding the limits of the HTCS Portfolio assigned to the main companies of the Group as part of the aforementioned consolidated limit "ΔEVE", attributed to the Structures concerned through a drill-down of the Soft limit envisaged in the Group RAF and failure to comply with the remediation plan	-10%
	Business Group RTs[1]	Exceeding the consolidated limits on the sensitivity of the interest margin (NII), attributed to the Structures concerned through a drill-down of the Soft limit envisaged in the Group RAF and failure to comply with the remediation plan	-10%
Conduct Risk	RTs, including Top ones, and MM	Failure to comply with the expected levels for the compulsory training	-10%

[1] Including the Deputy of the Head of the IMI CIB Business Division identified as Top Risk Taker

The payment of the individual bonus is, in any case, subject to the verification of the absence of the so-called individual compliance breaches.

Moreover, each deferred portion is subject to *ex-post* adjustment mechanisms – the “malus conditions” – according to which the amount granted and the number of shares assigned, if any, may be reduced, even down to zero, in the year that the deferred portion refers to, in relation to the level of achievement of the minimum conditions set by the Regulator, both at Group level and Legal Entity level, as shown in the chart below:



In particular, in case one of the conditions of capital strength or of liquidity does not occur individually, the deferred portion is reduced to zero; if the condition of sustainability is not met, the deferred portion is reduced by 50%.

For Top Risk Takers, in line with the provisions for the activation of the Plan, a further condition is envisaged in addition to those mentioned above:

For this cluster, if the condition regarding the LCR is not met, the deferred portion is reduced by 50%.

As previously mentioned, the payment of the promised incentives, both in terms of the upfront portion and the deferred portion, whether assigned in cash or in shares, is conditioned on the participant being an employee of one of the companies in the Group on the date of approval of the consolidated financial statements referring to the financial year preceding the year of accrual of the incentive. In fact, any right to receive the “promised” incentives shall be forfeited in the event of resignation or dismissal for just cause of the employees concerned or similar situations. On the other hand, any amounts/shares accrued may be paid, at the end of the deferral period and possibly on a *pro quota* basis in proportion to the period of actual service, in the event of termination by mutual consent or due to having reached retirement age or other similar situations.

With regard to the expected cost of the Plan, considering its criteria, parameters and characteristics the following cost is estimated (including indirect costs borne by the employer, therefore including the amount referring to the cash component of the bonus):

Incentive Plan	Estimated cost
2023 Incentive Plan	**€0 [17]- €140 million**

[17] If the gateway conditions are not met.

The Intesa Sanpaolo ordinary shares serving the 2023 Incentive Plan shall be purchased on the MTA market (*mercato telematico azionario*) (and therefore without any diluting effect on the capital) in compliance with the delegated powers duly granted by the Shareholders' Meeting. It is estimated that, for the Incentive Plan, the maximum number of shares that may be assigned to the recipients is equal to the one corresponding to a comprehensive maximum value of approximately €65,000,000.
In the event of extraordinary transactions on the share capital or of other transactions involving variation of share capital composition, of the Company's equity or of the number of underlying instruments (capital increases, grouping or subdivision of the underlying shares, mergers and demergers, conversions of shares into other categories, distribution of extraordinary dividends drawing on reserves, etc.), the Board of Directors of Intesa Sanpaolo shall assess whether it is necessary to adjust the number of shares (upfront or deferred). The above-mentioned checks will be performed in accordance with the rules commonly accepted in financial market practice and, to the extent possible, implementing any adjustments as may be set by Borsa Italiana.

Note that, pursuant to the Group Internal Code of Conduct, employees are forbidden from "carrying out transactions in derivative instruments, such as those identified in Article 1, paragraph 3, of Legislative Decree no. 58 of 24 February 1998 and in the Regulation of Markets managed by Borsa Italiana S.p.A. (for example, covered warrants, options, futures and leverage certificates), or, in any event, implement highly speculative transactions and/or operating strategies". As a result and as illustrated in the Remuneration and Incentive Policies, the recipients may not carry out hedging transactions on the shares assigned through the Plan.

Lastly, it is noted that if the delivery of the shares to the recipients at the end of the retention period were to occur in the "blocking periods" pursuant to the Internal Dealing Regulations or in other periods of operating restrictions referring to the Group's staff, the need remains for each recipient to respect the special authorisation and communication procedures applicable at the time in order to arrange possible operations on the securities received.

The assignment of financial instruments according to the above terms, also in light of the opinions provided by the Chief Compliance Officer, is fully in line with the requirements set at an EU level by the CRD V and by the Bank of Italy in Circular 285/2013.

Annex

INCENTIVE PLANS BASED ON FINANCIAL INSTRUMENTS
Table n. 1, Scheme 7, Annex 3A, Regulation n. 11971/1999

Date: 16/03/2023

Name and Surname or Category	Office (only for named persons)	CHART 1 — Financial instruments other than *stock options* — **Section 1** Instruments referred to ongoing Incentive Plans, approved by previous Shareholders' meetings						
		Shareholders' resolution date	Type of financial instrument	N° of financial instruments	Granting date	Possible purchase price of instruments (1)	Market price at granting	*Vesting period* (2)
Messina Carlo	Managing Director and CEO	27/04/2018	Intesa Sanpaolo Ordinary Shares	670,884	27/04/2018	€ 2.2910	€ 3.1530	Mar.2020 / Jun.2023
Messina Carlo	Managing Director and CEO	30/04/2019	Intesa Sanpaolo Ordinary Shares	766,795	30/04/2019	€ 2.1290	€ 2.3340	Mar.2021 / Jun.2024
Messina Carlo	Managing Director and CEO	27/04/2020	Intesa Sanpaolo Ordinary Shares	587,183	27/04/2020	€ 1.8520	€ 2.1300	Mar.2021 / Jun.2025
Messina Carlo	Managing Director and CEO	27/04/2020	Intesa Sanpaolo Ordinary Shares	356,807	28/04/2021	€ 2.3910	€ 2.2243	Mar.2022 / Jun.2026
Messina Carlo	Managing Director and CEO	28/04/2021	Intesa Sanpaolo Ordinary Shares	974,501	29/04/2022	€ 1.8932	€ 2.3335	Mar.2023 / Jun.2027
Messina Carlo	Managing Director and CEO	29/04/2022	Intesa Sanpaolo Ordinary Shares	n.d.	28/04/2023	n.d.	n.d.	Mar.2024 / Jun.2028
Key Managers (a)		27/04/2018	Intesa Sanpaolo Ordinary Shares	3,867,427	27/04/2018	€ 2.2910	€ 3.1530	Mar.2020 / Jun.2023
Key Managers (a)		30/04/2019	Intesa Sanpaolo Ordinary Shares	3,221,936	30/04/2019	€ 2.1290	€ 2.3340	Mar.2021 / Jun.2024
Key Managers (a)		27/04/2020	Intesa Sanpaolo Ordinary Shares	2,457,131	27/04/2020	€ 1.8520	€ 2.1300	Mar.2021 / Jun.2025
Key Managers (a)		27/04/2020	Intesa Sanpaolo Ordinary Shares	1,556,894	28/04/2021	€ 2.3910	€ 2.2243	Mar.2022 / Jun.2026
Key Managers (a)		28/04/2021	Intesa Sanpaolo Ordinary Shares	4,363,908	29/04/2022	€ 1.8932	€ 2.3335	Mar.2023 / Jun.2027
Key Managers (a)		29/04/2022	Intesa Sanpaolo Ordinary Shares	n.d.	28/04/2023	n.d.	n.d.	Mar.2024 / Jun.2028
Other Risk Takers (b)		27/04/2018	Intesa Sanpaolo Ordinary Shares	6,530,288	27/04/2018	€ 2.2910	€ 3.1530	Mar.2020 / Dic.2022
Other Risk Takers (b)		30/04/2019	Intesa Sanpaolo Ordinary Shares	9,670,951	30/04/2019	€ 2.1290	€ 2.3340	Mar.2021 / Dic.2023
Other Risk Takers (b)		27/04/2020	Intesa Sanpaolo Ordinary Shares	13,959,821	27/04/2020	€ 1.8520	€ 2.1300	Mar.2021 / Jun.2025
Other Risk Takers (b)		27/04/2020	Intesa Sanpaolo Ordinary Shares	9,213,685	28/04/2021	€ 2.3910	€ 2.2243	Mar.2022 / Jun.2026
Other Risk Takers (c)		28/04/2021	Intesa Sanpaolo Ordinary Shares	28,102,108	29/04/2022	€ 1.8932	€ 2.3335	Mar.2023 / Jun.2027
Other Risk Takers (c)		29/04/2022	Intesa Sanpaolo Ordinary Shares	n.d.	28/04/2023	n.d.	n.d.	Mar.2024 / Jun.2028
Managers and professionals granting a "relevant bonus"		27/04/2018	Intesa Sanpaolo Ordinary Shares	1,617,722	27/04/2018	€ 2.2910	€ 3.1530	Mar.2020 / Jun.2021
Managers and professionals granting a "relevant bonus"		30/04/2019	Intesa Sanpaolo Ordinary Shares	713,345	30/04/2019	€ 2.1290	€ 2.3340	Mar.2021 / Jun.2022
Managers and professionals granting a "relevant bonus"		27/04/2020	Intesa Sanpaolo Ordinary Shares	1,020,892	27/04/2020	€ 1.8520	€ 2.1300	Mar.2021 / Jun.2025
Managers and professionals who accrue a "relevant bonus" (d)		27/04/2020	Intesa Sanpaolo Ordinary Shares	8,872,613	28/04/2021	€ 2.3910	€ 2.2243	Mar.2022 / Jun.2026
Managers and professionals granting a "relevant bonus"		28/04/2021	Intesa Sanpaolo Ordinary Shares	807,573	29/04/2022	€ 1.8932	€ 2.3335	Mar.2023 / Jun.2027
Managers and professionals granting a "relevant bonus"		29/04/2022	Intesa Sanpaolo Ordinary Shares	n.d.	28/04/2023	n.d.	n.d.	Mar.2024 / Jun.2028

(a) Data refers only to Key Managers still in office at the reference date.
(b) Group Risk Takers.
(c) Including Risk Takers identified at ISP Group, sub-consolidating Group or legal entity level.
(d) Data also refers to the remaining outstanding portions in financial instruments of bonuses related to the former UBI Banca Group's past Incentive Systems.
(1) Average Intesa Sanpaolo purchase price of shares carried out at a Group level.
(2) The column indicates the time frame in which the shares may be effectively granted to the beneficiaries, possibly split into tranches.

INCENTIVE PLANS BASED ON FINANCIAL INSTRUMENTS

Table n. 1, Scheme 7, Annex 3A, Regulation n. 11971/1999

Date: 16/03/2023

Name and Surname or Category	Office (only for named persons)	**CHART 1** Financial instruments other than *stock options* **Section 2** Newly allocated financial instruments on the basis of the decision ☑ of the Board of Directors to implement the shareholders' resolution ☐ of the competent power to implement the shareholders' resolution						
		Shareholders' resolution date	Type of financial instrument	N° of financial instruments	Granting date	Possible purchase price of instruments	Market price at granting	*Vesting period* (1)
Messina Carlo	Managing Director and CEO	n.d.	Intesa Sanpaolo Ordinary Shares	n.d.	n.d.	n.d.	n.d.	Mar.2025 / Jun.2029
Key Managers		n.d.	Intesa Sanpaolo Ordinary Shares	n.d.	n.d.	n.d.	n.d.	Mar.2025 / Jun.2029
Other Risk Takers (a)		n.d.	Intesa Sanpaolo Ordinary Shares	n.d.	n.d.	n.d.	n.d.	Mar.2025 / Jun.2029
Managers and professionals who accrue a "relevant bonus"		n.d.	Intesa Sanpaolo Ordinary Shares	n.d.	n.d.	n.d.	n.d.	Mar.2025 / Jun.2029

(a) Including Risk Takers identified at ISP Group, sub-consolidating Group or legal entity level.

(1) The column indicates the time frame in which the shares may be effectively granted to the beneficiaries, possibly split into tranches.

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.