
Proposal of the Management Control Committee

Ordinary Part - Item 2 on the agenda

Increase in the compensation of the Independent Auditors for the assignment of the statutory audit

Distinguished Shareholders,

with resolution dated 11 May 2011, the Shareholders' Meeting of Intesa Sanpaolo S.p.A. granted KPMG S.p.A. the assignment of the statutory audit of Intesa Sanpaolo S.p.A. for the financial years 2012 to 2020. As illustrated in the Annual Reports, subsequent additions were made to that assignment - mainly due to the expansion of the company scope - in compliance with the contractual provisions which allow for the possibility of review of the consideration as a result of circumstances that entail an increase in timescales, such as, for example, a change in the structure of the Group or in the scope of the assignment.

With letter dated 11 December 2017, KPMG S.p.A. communicated the need to include in the auditing process the increased activities envisaged as a result of the introduction of Legislative Decree no. 135/2016 and Regulation EU no. 537/2014.

Specifically, the above regulatory provisions introduced several changes to auditing activities which also regard the content and form of the audit report, the content of the additional report for the Internal Control Committee and the audit, the assessment of compliance of the report on operations with the rules of law and the statement on the identification of any material misstatements in the report on operations, if any. The new provisions require that the audit report provide a description of the most significant risks for material misstatements ("Key Audit Matters"), including fraud risk.

These additional activities entail an increase in the timescales and consideration for auditing for each of the financial years 2017-2020, amounting to 1,550 hours, for a consideration of 140,000 euro.

Pursuant to Art. 13, paragraph 1 of Legislative Decree 39/2010, the Management Control Committee examined the proposal in question, meeting with KPMG S.p.A. to obtain information on the additions to the audit activities. The Management Control Committee also met with the competent company structures, which illustrated their assessments of the request for additions. On completion of those verifications, the Management Control Committee deems that the request for additions to the audit activities is consistent with the statutory audit process as per the assignment in force and adequate to the activities relating to the obligations set out in the new regulations.

In consideration of the applicability of the new regulations to the financial statements under way, considering the fact that this is mandatory and in line with the prevailing approach on the market, the activities were carried out by KPMG for 2017 as submitted to the Board of Directors at the meeting of 21 December 2017.

Distinguished Shareholders, now, therefore, you are asked to approve this proposal regarding the updating, in line with the terms of the request for additions formulated by KPMG S.p.A. in the above-mentioned letter dated 11 December 2017, of the economic terms and conditions currently set out for the assignment of the statutory audit granted to KPMG S.p.A., resulting in an increase - for each of the

financial years 2017-2020 - of 140,000 euro, as a result of the increased activities deriving from the entry into force of Legislative Decree no. 135/2016 and Regulation EU no. 537/2014.

15 March 2018

For the Management Control Committee
The Chairman - Marco Mangiagalli

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