



Report

on Corporate Governance and Ownership Structure



Issuer profile

Immobiliare Grande Distribuzione Società di Investimento Immobiliare Quotata S.p.A. has a traditional system of management and control founded on the centrality of the Board of Directors.

The Company's Corporate Governance model is based on: (i) the guiding role of the Board of Directors in matters of corporate strategy; (ii) the transparency of business decisions within the Company and vis-à-vis the market; (iii) the efficiency and efficacy of the internal control system; (iv) the strict governance of potential conflicts of interest; and (v) clear procedures for transactions with related parties and for the treatment of corporate information.

Glossary

BOARD:

the Issuers' Board of Directors appointed by the Shareholders' Meeting held on 23 April 2009.

BYLAWS:

Bylaws of IGD SIIQ SpA available on the Company's website www.gruppoigd.it

CIV. COD./C.C.:

the Italian Civil Code.

CODE/CORPORATE GOVERNANCE CODE:

the Corporate Governance Code for listed companies approved in March 2006 by the Corporate Governance Committee and promoted by Borsa Italiana S.p.A. (the Italian Stock Exchange).

COMPANY:

IGD SIIQ SpA.

CONSOB:

the Commissione Nazionale per le Società e la Borsa (Italy's Stock Exchange Commission).

CONSOB'S REGULATIONS FOR ISSUERS:

the regulations issued by CONSOB in Resolution n. 11971/99 (as amended) for issuers.

INSTRUCTIONS ACCOMPANYING THE STOCK MARKET REGULATIONS:

the Instructions accompanying the Regulations for Markets organized and managed by Borsa Italiana S.p.A..

ISSUER:

the Company issuer of stock referred to in this Report.

MARKET REGULATIONS:

regulations for markets organized and managed by Borsa Italiana S.p.A., issued by the Borsa Italiana and approved by CONSOB in Resolution n.17026 dated 7 October 2009.

MOG:

Organizational Model pursuant to Legislative Decree. 231/2001.

REPORT:

the Report on Corporate Governance and Ownership Structure that companies are required to prepare pursuant to Art. 123-bis TUF (Testo Unico della Finanza - Financial Markets Consolidation Act): Legislative Decree n. 58 dated 24 February 1998.

SUBSIDIARIES:

subsidiaries belonging to the IGD Group.

YEAR:

financial year closed on 31.12.2009 referred to in this Report.

Information on ownership structure

(pursuant to Art. 123-bis, para. 1, T.U.F)

Share capital structure

(pursuant to Art. 123-bis, para. 1, lett. a), TUF)

The share capital approved at 11 March 2010 totals €355,902,405.00 of which €309,249,261.00, divided in ordinary shares with a par value of €1 each, is fully paid-in and subscribed.

Share transfer restrictions

(pursuant to art. 123-bis, para 1, letter b), TUF)

There are no restrictions and all shares are freely transferable.

Significant interests in share capital

(pursuant to Art. 123-bis, para. 1, lett. c), TUF)

Based on the declarations received under art. 120 of TUF and other available information, the shareholders with voting rights holding more than 2% of the company's ordinary share capital at 11 March 2010 are those indicated in Table 1 "Significant interests in share capital" attached to this report.

Shares granting special rights

(pursuant to Art. 123-bis, para. 1, lett. d), TUF)

The shares issued all have the same rights.

Employee share ownership: exercise of voting rights

(pursuant to art. 123-bis, para 1, letter e), TUF)

No specific mechanisms for the exercise of voting rights under employee share ownership are provided for.

Restrictions on voting rights

(pursuant to Art. 123-bis, para. 1, lett. f), TUF)

There are no restrictions on voting rights.

Shareholder Agreements

(pursuant to Art. 123-bis, para. 1, lett. g), TUF)

The Company is party to the following shareholder agreements deemed relevant pursuant to Art. 122 of Legislative Decree 58/1998 (TUF):

On 4 February 2008 Coop Adriatica S.c.a.r.l. ("Coop Adriatica") and Unicoop Tirreno Società Cooperativa ("Unicoop Tirreno") stipulated a Shareholders' Agreement which establishes a voting block of Immobiliare Grande Distribuzione SIIQ S.p.A. shares, pursuant to Art. 122 paragraphs 1 and 5 lett. A) and B), of Legislative Decree n. 58/1998 designed to facilitate the Company's strategic decisions and their management. The agreement involves 170,516,129 ordinary shares or 55.140% of the Company's share capital, of which 157,713,123 or 51% of the share capital are bound by a voting block and the remaining ones are free.

On 25 May 2005 Fondazione Cassa di Risparmio di Imola and Fondazione Cassa di Risparmio in Bologna, along with Fondazione Cassa dei Risparmi di Forlì, formalized a Consultation Agreement deemed relevant pursuant to Art. 122 of Legislative Decree 58/1998. This agreement expired on 25 May 2008. Fondazione Cassa dei Risparmi di Forlì expressed interest in renewing the agreement related to all the shares (925,000) transferred under the

agreement while Fondazione Cassa di Risparmio di Imola and Fondazione Cassa di Risparmio in Bologna renewed the former agreement on 4 June 2008.

Change of control clauses

(pursuant to Art. 123-bis, para. 1, lett. h), TUF)

In the course of their normal business, the Company and group companies may stipulate agreements with financial partners which include clauses which grant each of the parties the right to rescind and/or amend said agreements and/or require repayment of the loan in the event the direct or indirect control of the parties themselves should change.

Authority to increase share capital and authorizations to buy back shares

(pursuant to Art. 123-bis, para. 1, lett. m), TUF)

Pursuant to Art. 6.4 of the bylaws and in accordance with Art. 2443 of the Italian Civil Code the Board of Directors has been granted the power, to be exercised by 23 April 2012, to increase share capital for cash, on one or more occasions, in a divisible manner for an amount up to 10% of the pre-existing share capital, to be subscribed exclusively by Italian and international professional investors, excluding any pre-emption rights, pursuant to Art. 2441, 4th paragraph, second part, of the Italian Civil Code for an issue price in line with the share's market price as confirmed in a fairness opinion to be issued by the external auditors.

The extraordinary shareholders' meeting held on 25 June 2007 voted to issue bonds convertible into newly issued ordinary shares of IGD with a combined nominal value of €230,000,000.00, represented by 2,300 convertible bonds with a nominal value of €100,000.00 each, excluding any pre-emption rights, pursuant to Art. 2441, 5th and 6th paragraphs, of the Italian Civil Code and resolved to increase the share capital, in a divisible manner, for the purpose of servicing conversion of the bonds up to a maximum of €46,653,144.00 at par, in one or more instalments through the issue of up to 46,653,144 ordinary shares of a par value of €1.00 each, with the same dividend rights as shares in circulation on the issue date to be used exclusively and irrevocably to service the conversion of the bonds. The capital increase will remain irrevocable through the expiration of the bond conversion period and is limited to the amount of shares subject to conversion.

The ordinary shareholders meeting held on 23 April 2009 also granted the Board of Directors a new authorization for the purchase and disposal of treasury shares, canceling the previous authorization granted on 7 January 2008. For a period of 18 months from the date of the shareholders' resolution pursuant to Art. 2357(2) of the Italian Civil Code, the Board may purchase, including through the trading of options or IGD equity derivatives, up to a 30,924,926 ordinary treasury shares (the legal limit) with a par value of €1.00 each (10% of the current share capital) in one or more occasions. The purchase and disposal of treasury shares will be done in accordance with the means established by the shareholders as indicated in the Directors' Report.

As of the date in which the Directors' Report was approved,

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Information on ownership structure (pursuant to Art. 123-bis, para. 1, T.U.F)

the Company holds 10,976,592 treasury shares equal to 3.549% of the share capital.

Direction and control

(pursuant to Art. 2497 et seq. Italian Civil Code)

The Company is subject to the direction and control of shareholder Coop Adriatica s.c.ar.l. who controls 41.497% of the company's share capital.

Other information

Indemnity of Directors

(pursuant to art. 123-bis, para 1, letter i), TUF)

There is no agreement between the Company and the Directors in the event of resignation, dismissal or termination following a takeover bid.

Shareholder meetings and applicable norms and regulations

(pursuant to Art. 123-bis, para. 1, lett. I), TUF)

The shareholder meetings are conducted and governed in accordance with Title IV of the bylaws (Shareholder Meetings), which can be found on the company's website (www.gruppoigd.it) and which is attached to this report. Please refer to the section "Shareholders' Meetings" of this report for further information.

Compliance

(pursuant to Art. 123-bis, para. 2, lett. A), T.U.F)

Since its IPO, on 11 February 2005, the Company has adopted Borsa Italiana's Corporate Governance Code for listed companies and has structured its corporate governance, the rules and standards of conduct, in a way that ensures efficient and transparent corporate bodies and

control systems in line with the code guidelines.

The code is published on Borsa Italiana's website (www.borsaitaliana.it).

The structure of the company's governance is described in this section of the Directors' Report.

Corporate governance structure

Insofar as it is an Italian company with shares listed on the stock exchange which adheres to the code referred to above, the governance structure is founded on a traditional model comprised of: Shareholders' Meetings, the Board of Directors, Board of Statutory Auditors and External Auditors.

The Shareholders' Meeting is the forum used by the shareholders to express their wishes. The resolutions are made in accordance with the law and the bylaws while the meetings are governed by specific regulations adopted by the Company in order to ensure that the meetings are carried out in an orderly and efficient manner.

The Board of Directors defines the strategy for the Company and its subsidiaries and oversees the business operations. In accordance with the bylaws, the Board of Directors may take all measures it deems fit for implementing and achieving the corporate purpose, except for those that the

law or the bylaws reserve for the shareholders' meeting.

The Board of Statutory Auditors oversees compliance with the law and the bylaws and ensures that the standards of correct administration are observed and, in particular, that the organizational, administrative and accounting structures are adequate, that they function correctly, that the corporate governance rules provided for in the Code are complied with and that the disclosures made by the Company to its subsidiaries comply with Art. 114, paragraph 2, of the TUF (public disclosures).

The Board of Statutory Auditors is not responsible for financial audit which is, in accordance with the law, assigned to a financial audit company appointed by the Shareholders' Meeting. In this regard the Board of Statutory Auditors may be called upon to provide shareholders with a motivated opinion as to the choice of the external audit firm to be hired for financial audit.

Board of Directors

Appointment and replacement

(pursuant to Art. 123-bis, para. 1, lett. I), TUF)

The Company is administered by a Board of Directors composed, as per the bylaws, of seven to nineteen members.

The shareholders' meeting of 23 April 2009 decided that there will be 15 members in the Board of Directors, to serve until the date of the shareholders' meeting called to approve the financial statements for the year ending 31 December 2011.

Pursuant to arts. 16.2 and 16.3 of the bylaws, the directors are elected on the basis of preference lists submitted by the shareholders in maximum transparency and in accordance with Art. 6.P.1 of the Corporate Governance Code. In accordance with Art. 16.3 of the bylaws, lists may be submitted by shareholders who, alone or together with others, hold the percent interest determined in accordance with CONSOB regulations. The lists must be filed at the head office at least twenty days in advance of the first-call date of the meeting. The candidates must be numbered sequentially in the lists up to the number of seats to be filled. In accordance with the latest version of Art. 147 ter, fourth paragraph, of the TUF, Art. 16.3, last passage, of the bylaws states that every list must include at least two clearly indicated candidates who qualify as independent in accordance with the law.

In compliance with the bylaws, the lists must be filed along with the candidates' irrevocable acceptance of office (should they be elected), curriculum vitae, and statements confirming that there are no reasons for ineligibility and/or disqualification and that they meet the requirements set by law.

Art. 16.4 of the bylaws, reflecting the new provisions of Art. 147-ter, paragraph 3 of the Consolidated Finance Act (as amended by the Investor Protection Law and the Corrective Decree), prohibits any shareholder from submitting or participating in the submission of more than one list. In keeping with the above, Art. 16.7 of the bylaws states that if more than one list is submitted, at least one director must be appointed from the minority list. Thus, if the candidates ranked with the highest quotients come from a single list, the candidate from the minority lists who has earned the highest quotient will be elected in place of the candidate at the bottom of the ranking.

Art. 16.8 of the bylaws, on the subject of filling vacancies on the Board of Directors, combines the co-optation system with the requirement that minority interests be represented and that at least two directors qualify as independent pursuant to Art. 147-ter, para. 3 of the TUF.

The shareholders' agreement between Coop Adriatica and Unicoop Tirreno, deemed relevant as per Art. 122 of the TUF, which expired on 22 December 2007 was renewed on 6 February 2008.

Pursuant to Art. 2 of the agreement above the Board of Directors of IGD is to be comprised of 15 members for the duration of the agreement. In the event the Board of Directors is renewed, the parties agreed to submit a list of fifteen candidates, consisting of 7 directors designated by the Coop Adriatica (3 of which are independent pursuant to

Borsa Italiana's Corporate Governance Code and at least one of which possesses the requisites pursuant to Art. 148, para. 3 of Legislative Decree n. 58/1998), 5 directors designated by Unicoop Tirreno (2 of which are independent pursuant to Borsa Italiana's Corporate Governance Code and at least one of which possesses the requisites pursuant to Art. 148, para. 3 of Legislative Decree n. 58/1998) and 3 directors designated jointly by Coop Adriatica and Unicoop Tirreno (independent pursuant to Borsa Italiana's Corporate Governance Code). Furthermore, pursuant to both Art. 2 above and Art. 16.7 of the bylaws, if more than one list is submitted, at least one director must be appointed from the minority list.

Pursuant to Legislative Decree n. 27 of 27 January 2010, implementing Directive n. 2007/36/CE, relating to rights of shareholders in listed companies, the Company will evaluate which amendments might need to be made to the bylaws governing the appointment of directors and, in particular, to the filing of the candidate lists.

Composition

(pursuant to Art. 123-bis, para 2, lett. d) TUF)

The Board of Directors in office through 31.12.2009 consists of 15 directors and was appointed by the shareholders during the meeting held on 23 April 2009 for a term of three years which expires on the date the Shareholders' Meeting is called to approve the financial statements at 31 December 2011.

During the Shareholders' Meeting held on 23 April 2009 the two lists of the majority shareholders Coop Adriatica and Unicoop Tirreno and the two minority shareholders Società Fondazione Cassa di Risparmio di Imola and Fondazione Cassa di Risparmio di Bologna were presented. The lists were submitted with all the documentation relating to the personal characteristics of the candidates along with their irrevocable acceptance of the appointment in the time period provided for under the law.

During the year the director Filippo-Maria Carbonari tendered his resignation and on 9 July he was substituted by director Corrado Pirazzini in accordance with Art. 2386 of the Italian Civil Code. The former was presented by shareholder Coop Adriatica in accordance with the shareholder agreement which, in the event it is necessary to co-opt new directors in substitution of those initially appointed by shareholders party to a shareholders' agreement, expressly provides for the appointment of the new director/directors to be made by the party who originally appointed the director who has resigned or who needs to be substituted.

The members of the current Board of Directors, along with their status as executive or non-executive and/or independent members as per the Corporate Governance Code and the committees formed as of the date in which this report was approved, can be found in Table 2 "Structure of the Board of Directors and Committees" attached.

In accordance with the Rules for Corporate Governance approved by the Board of Directors on 18 September 2008, the directors agree to accept appointments when they feel that they will be able to dedicate sufficient time to fulfilling

their duties given the nature of the assignment, including taking into account any other directorships or statutory auditorships held in other companies listed on regulated markets (including foreign), financial institutions, banks, insurance companies or other large companies; seeking also to ensure that the situation remains unchanged throughout his/her term of office.

All the directors dedicate the time deemed necessary to diligently fulfil their duties, taking into account other offices held and are aware of the responsibilities inherent in the positions they hold; they must be constantly up-to-date as to new laws and regulations which concern the Company and its operation.

The directors must comply with the Ethical Code, the Code of Internal Dealing and any other provisions with which the Company may regulate the directors' conduct; the directors, like the statutory auditors, must treat any documents and information to which they might have access in the course of their duties with the maximum confidentiality.

Pursuant to the Corporate Governance Code the principle offices held by directors in companies other than those of the IGD Group can be found in Table 4 "Offices held by the directors at 31.12.2009", attached.

The Board of Directors has yet to define the general criteria for the maximum permitted number of appointments in other companies deemed compatible with the directorship insofar as it was decided that each single director should evaluate his/her situation upon acceptance of the assignment. In a meeting held on 9 March 2010, the Chairman's Committee did, however, resolve to request that the Nominations Committee determine the criteria suitable for determining the maximum permitted number of appointments in other companies deemed compatible with the directorship.

Role and functions of the board of directors (pursuant to Art. 123-bis, para 2, lett. d) TUF)

The Company is administered by a Board of Directors.

In order to ensure maximum attendance at the Board meetings, they are held on the dates indicated in a financial calendar which has been disclosed to the market in accordance with Borsa Italiana's instructions. Additional meetings may be called if deemed necessary in order to address certain issues; the Board, at any rate, takes the steps necessary to effectively fulfil its duties. The Company published the following financial calendar which calls for 4 meetings to be held in 2010:

- 11 March 2010: Board of Directors' meeting to examine the separate and consolidated financial statements at 31.12.2009;
- 13 May 2010: Board of Directors' meeting to examine the Interim Management Statement at 31.03.2010;
- 26 August 2010: Board of Directors' meeting to examine the Half-year Financial Report at 30.06.2010;
- 11 November 2010: Board of Directors' meeting to examine the Interim Management Statement at 30.09.2010.

Pursuant to Art. 17.3 of the bylaws, the chairman calls and presides over meetings of the Board of Directors; conducts,

coordinates and moderates the discussion and related activities; and announces the results of votes.

Without prejudice to the call prerogatives guaranteed by law, meetings of the Board of Directors are called by the chairman, or the chairman's deputy, whenever this person sees fit or at the request of a majority of the directors. Art. 18.2 of the bylaws also provides for Board of Directors' meetings to be called by the Board of Statutory Auditors or by any member thereof. Meetings are normally called by telegram, fax, or other means as long as this ensures proof of receipt at the domicile of each member of the Board of Directors at least five days in advance of the meeting. In urgent cases, meetings may be called two days in advance. The statutory auditors are informed of the meeting according to the same terms described above. Typically the meetings are called via e-mail.

The power to call the Board of Directors' meetings granted to the Board of Statutory Auditors or by any member thereof complies with Art. 151, second paragraph of TUF as amended by the Uniform Savings Act.

The Board of Directors meets at the place specified in the notice of meeting, which may be the registered office or anywhere else in Italy.

Board meetings are presided over by the chairman or, if the chairman is unavailable, by the vice chairman (if appointed) or, if the vice chairman is unavailable, by the most senior director in terms of age.

For each meeting the Board of Directors, at the chairman's proposal, elects a secretary who may or may not be a member and who will sign the minutes of the meeting.

The bylaws require the presence of at least one member of the Board of Statutory Auditors at all sessions of the Board of Directors, to ensure that the auditors are informed of the Company's activities and of the transactions having a significant impact on profitability, assets, liabilities, and financial position carried out by the Company or its subsidiaries, in particular those transactions in which they have an interest on their own or third parties' account; that are influenced by the party in charge of management and coordination; or that have been the subject of resolutions, debate or announcement during the course of the session. If no statutory auditor is present at a meeting of the Board of Directors, or if the procedures adopted in accordance with the preceding section do not guarantee that the auditors are informed on at least a quarterly basis, then according to the bylaws the chairman and/or the chief executive officer must report in writing on his or her activities to the chairman of the Board of Statutory Auditors within three months. This report must be mentioned in the minutes of the first subsequent meeting of the Board of Statutory Auditors.

During the year ended 31 December 2009, the Board of Directors held 10 meetings (22.01.2009, 12.03.2009, 30.04.2009, 14.05.2009, 8.06.2009, 9.07.2009, 27.08.2009, 13.11.2009 e 17.12.2009), duly attended by the directors and by a member of the Board of Statutory Auditors. The absentee rate was quite low and all absences were excused. Each meeting lasted an average of 2-3 hours.

Some meetings of the Board of Directors were attended



by Company executives or external parties, when deemed appropriate, so they could provide specialized input on the topics up for debate.

Following the criteria set forth in Art. 1.C.1 of the Corporate Governance Code, the Board of Directors:

- examines and approves the strategic, industrial and financial plans of the company, the company's corporate governance system, as well as that of the strategically important subsidiaries;
- judges the adequacy of the organizational, administrative, and accounting structure of the Company and its strategic subsidiaries as arranged by the chief executive officer, with particular reference to the internal control system and the management of conflicts of interest;
- defines, with the help of the Internal Control Committee, the guidelines for the internal control system and, at least once a year defines, evaluates its adequacy, efficacy and functioning with respect to the nature of the Company's business and appoints an executive director to monitor the functioning of the internal control system;
- appoints and dismisses, in accordance with the proposal submitted by the executive director in charge of internal control and recommendations of the Internal Control Committee, one or more internal control officers;
- in order to encourage the involvement and cooperation of the directors, institutes the board committees and commissions deemed necessary for the proper functioning of the Company, while also defining its active duties and consulting functions;
- grants and revokes the powers of the chief executive officer, defining limits and procedures; establishes the frequency—no less than quarterly—with which the chief executive officer must report on his or her activities to the Board of Directors;
- determines, after consulting the Board of Statutory Auditors and the relative committee, the compensation of the chief executive officer and the other directors with particular responsibilities, and divides the Board of Directors' overall compensation among its members if the shareholders' meeting has not done so;
- evaluates general business performance, taking account of the information received from the chief executive officer, and periodically comparing actual results with forecasts;
- examines and approves in advance the transactions of the Company and its subsidiaries, where such transactions are strategically, economically or financially significant for the Company, paying special attention to situations in which one or more directors have an interest on their own or on third parties' behalf and, more generally, to transactions with related parties;
- decides which controls are necessary to prevent conflicts of interest and defines the regulations for transactions with related parties and establishes the general criteria to define significant transactions and adopts measures to ensure that the strategically important subsidiaries submit any such transactions to the Board of Directors of the Parent Company for examination;
- evaluates, at least once a year, the size, composition and proper functioning of the Board of Directors and

its committees, expressing any opinions as to the professional figures whose presence on the board would be considered appropriate;

- prepares the report on corporate governance in accordance with the Corporate Governance Code with particular focus on the number of Board of Directors' meetings held during the year and the attendance of each director;
- after the appointment of an independent director and subsequently once a year, evaluates – based on the information received from the interested party or, at any rate, available to the Company - the independent status of its non-executive members: this independence is evaluated on the basis of the criteria indicated in the Corporate Governance Code and any other facts which could impact each instance; the Board of Directors will advise the market as to the results of its evaluations (upon appointment, in a press release and, subsequently, in the Corporate Governance Report).

Pursuant to the Corporate Governance Code, the Board of Directors used the information provided by the Chief Executive Officer during the year to evaluate the adequacy of the Company's and its subsidiaries organizational, administrative and general accounting structures, particularly with regard to the internal control system.

Internal Control System¹

The Board of Directors evaluates the adequacy of the Internal Control System. In this regard please note that during the last Board of Directors' meeting held on 11 March 2010, on the basis of the information provided by the Internal Control Committee as well as the Chief Executive Officer's yearly report prepared in accordance with Art. 2831, para.3 of the Italian Civil Code, the Board confirmed the adequacy of the Company's organizational, administrative and accounting structures and its overall performance.

Evaluation of the overall performance²

The Board of Directors, in accordance with the bylaws³ and the current norms and regulations⁴ evaluated the company's performance and its outlook at least quarterly. Please refer to the section "Supervisory Board", "Reporting to the Board of Directors", for further information.

Remuneration of directors with particular responsibilities⁵

The Board of Directors, upon appointment of the Chairman, Vice Chairman and Chief Executive Officer, approved the annual fixed and variable compensation to be paid the directors with particular responsibilities on the basis of the proposal submitted by the Compensation Committee and the favourable opinion issued by the Board of Statutory Auditors.

For more information about the functions of the Compensation Committee please refer to the section "Directors' Compensation".

Related party transactions⁶

For information on the related party transactions please refer to the section “Directors’ interests and transactions with related parties”

Board performance evaluation⁷

In 2007 the Board of Directors conducted its first board review in accordance with international best practice and pursuant to the recommendations included in the Corporate Governance Code.

Furthermore, for the year that closed on 31 December 2009 IGD hired the consulting company Egon Zehnder International to help with the self-assessment of the size, composition and functioning of its Board of Directors and its Committees.

Based on the self-assessment survey, IGD’s Board of Directors has achieved levels of Italian market excellence in terms of:

- Size which was found to be adequate and efficient, with a majority of independent directors;
- Balanced composition and, overall, the presence of the necessary expertise and managerial experience;
- Efficient functioning, thanks above all to:
 - The mutual respect and trust that characterizes the relationships between the directors which encourages dialogue and facilitates decision making processes;
 - Adequate and timely distribution of information to the directors in preparation for the Board meetings;
 - Highly motivated directors and a sense of team spirit;
 - the Chairman’s ability to coordinate, guide and facilitate the Board’s activities which was, once again, well supported by the Chief Executive Officer
 - useful and adequate participation of company managers in the Board meetings when deemed opportune.

Supervisory Board

Chief Executive Officer

The bylaws⁸ state that the Board of Directors may delegate its powers, within the confines of Art. 2381 of the Italian Civil Code and determining the limits of such authority, to a Supervisory Board comprised of some of its members and/or to one or more members given the title of chief executive officer or executive directors.

On 30 April 2009, the Board of Directors confirmed Claudio Albertini as Chief Executive Officer, granting him the following powers:

- to develop and propose – as agreed with the Chairman – the policies and programs related to the company’s real estate investments in accordance with the development

- plans approved by the Board of Directors;
- to develop and propose the strategies and financial policies of the Company and the group in relation to the growth, profitability and risk objectives determined by the Board of Directors, with responsibility for their implementation; to ensure that objectives are pursued in accordance with the guidelines set by the Board of Directors;
- to optimize the instruments and procedures of financial management and manage relations with the financial system;
- to develop and propose strategies for organizational development and policies for hiring, managing and training human resources;
- to recommend group accounting standards and operating principles to the Board of Directors and ensure that the financial statements (separate, administrative and consolidated) are properly formulated; to ensure compliance with group directives and with administrative, legal, and tax regulations and laws;
- to coordinate the drafting of the business plans, annual budget and the relative reporting;
- to monitor and coordinate any related activities: general services, any legal problems and fiscal implications;
- to assume responsibility for the prompt and correct implementation of work on property carried out directly by the Company, in compliance with the plans, budgets, and timeframes approved by the Board of Directors;
- to assume responsibility for operational supervision of the progress of turn-key contracts acquired from third parties;
- to assume responsibility for the proper maintenance of real estate assets according to rental contracts between IGD SIIQ S.p.A. and third parties and the budgets approved by the Board of Directors, in compliance with applicable provisions of law;
- to assume responsibility for preparing the annual plan of work and the respective budget forecasts, with regard to both new construction and maintenance, subject to the approval of the Board of Directors;
- to interface, as agreed upon with the Chairman, with the shareholder cooperatives, regarding any integration of the respective investment plans.

Chairman of the Board of Directors

The Board of Directors appoints from among its members a Chairman, if the Shareholders’ Meeting has not done so, and a Vice Chairman. If the Chairman is absent, the chairmanship is assumed by the Vice Chairman and if the Vice Chairman is absent the chairmanship is assumed by the Chief Executive Officer.

The chairman of the Board of Directors has signing authority

1 Corporate Governance Code: Art. 1.C.1., lett. b)

2 Corporate Governance Code: Art. 1.C.1., lett. e)

3 Art. 23.2 of the bylaws

4 Art. 150 of the TUF

5 Corporate Governance Code: Art. 1.C.1., lett. d)

6 Corporate Governance Code: Art. 1.C.1., lett. f)

7 Corporate Governance Code: Art. 1.C.1., lett. g)

8 Art. 23 of the bylaws



for the Company and shall represent it before any legal or administrative authority and vis-à-vis third parties; if the chairman is absent or unavailable, this authority is held by the Vice Chairman (if appointed), or by the most senior director in terms of age if the vice chairman is also absent or unavailable. Unless otherwise resolved, legal representation is also held by each Executive Director appointed in accordance with the bylaws⁹.

During the meeting held on 30 April 2009, the Board of Directors appointed Gilberto Coffari Chairman and assigned him the following functions:

- to develop and propose – as agreed with the Chief Executive Officer and as per his proposal – the policies and programs related to the company's real estate investments in accordance with the development plans approved by the Board of Directors;
- to coordinate the Company's programmed investments with the real estate projects undertaken by the shareholder cooperatives;
- to interface with the shareholder cooperatives regarding any integration of the respective investment plans.
- to take responsibility for the internal audit functions, with the exception of those reserved for the chief executive officer who is responsible for the full functioning of the Internal Control System.

During the meeting held on 30 April 2009, the Board of Directors appointed Sergio Costalli Vice Chairman, granting him the powers assigned to the Chairman to be exercised if the latter is absent or unavailable.

Executive Committee

(pursuant to Art. 123-bis, para. 2, lett. d), TUF)

The Company did not appoint an Executive Committee.

Reporting to the Board of Directors

In accordance with Article 23.2 of the bylaws and Art. 150 of TUF, the Board of Directors and the Board of Statutory Auditors must report in writing at least once a quarter, when the Board meetings are held, on general performance, the business outlook, and the transactions most relevant in terms of size or characteristics carried out by the Company or its subsidiaries. Each director may request that the deputized parties provide the Board with information regarding the Company's management.

For the purposes of fostering organized reporting, the Company has adopted a set of specific Guidelines which define the rules to be followed for complying with the reporting obligations.

The main purpose of these guidelines is to provide corporate governance tools that are concrete examples of the recommendations found in the Corporate Governance Code. The guidelines, in particular, ensure the transparency of the Company's management, make it possible for each director to be involved in the management in a more knowledgeable way thanks to the efficient flow of information between the deputized parties and the Board as per the Corporate Governance Code which stress the centrality of the Board's role while also seeking to reinforce the internal control functions.

The guidelines also contain information about the supervisory

activities of the Board of Statutory Auditors pursuant to Art. 149 (TUF).

The Guidelines, attached to this report, are published in full on the Company's website.

Other Executive Directors¹⁰

The Board of Directors appointed the Chief Executive Officer Claudio Albertini to act as Executive Director.

Independent Directors

The Company's Board of Directors evaluated compliance with the requirements for independent, non-executive directors provided for in the Corporate Governance Code and TUF upon and subsequent to appointment of the directors. The outcome of this evaluation was disclosed to the market.

After having examined the information provided by the directors, in the meeting held on 11 March 2010 the Board of Directors confirmed that the independent directors appointed (Aristide Canosani, Fabio Carpanelli, Massimo Franzoni, Francesco Gentili, Andrea Parenti, Riccardo Sabadini, Giorgio Boldreghini, Sergio Santi) still qualified as such¹¹. As the current Board of Directors is comprised of 15 members, the independent directors represent 53% of the total number of directors and 57% of the total number of non-executive directors. Please note that the Board of Directors also verified that all the directors who qualify as independent pursuant to the Corporate Governance Code also meet the requirements for independent applied to members of the Board of Statutory Auditors pursuant to TUF.

In line with the recommendations of the Corporate Governance Code¹², the Board of Statutory Auditors verified that the Board of Directors had correctly applied the assessment criteria and procedures used to evaluate the independence of its members.

The Independent Directors met once in 2009 on 5 November 2009 as convened by the Lead Independent Director .

Lead Independent Director

In February 2007, in order to further enhance the role of independent directors, the Board decided to introduce the title of Lead Independent Director. Lead Independent Director Riccardo Sabadini will be the reference person and coordinator for all positions and activities of the independent directors.

The Lead Independent Director, acting individually or at the request of other directors, may also call meetings of independent directors only ("independent directors' executive sessions") to discuss topics deemed of interest in relation to the functioning of the Board of Directors or the Company's management.

⁹ Art. 24.1 of the bylaws

¹⁰ Corporate Governance Code: Art. 2.C.1.

¹¹ Corporate Governance Code: Art 3.C.4

¹² Corporate Governance Code: Art 3.C.5

Treatment of corporate information

Procedure for managing and disclosing price sensitive information

In accordance with Code recommendations, particularly with regard to price sensitive information pursuant to Art. 114, para. 1 TUF, in December 2006, the Company adopted an internal procedure for the secure, confidential management and disclosure of price sensitive information and documents.

The procedure is to be followed by all members of corporate bodies, as well as managers and employees of the Company and its subsidiaries who have access to price sensitive information. They must, therefore, keep confidential the documents and information obtained during the course of their duties and follow the procedure the Company has adopted for the internal management and disclosure to third parties of such data.

The procedure also aims to prevent such information from being disclosed selectively (i.e. divulged ahead of time to certain parties, such as shareholders, reporters or analysts), or in an untimely, incomplete or inadequate manner.

Registry of insiders

Pursuant to Art. 115-bis TUF and in order to foster greater control in the internal management and disclosure of price sensitive information, in June 2006 the Company

established a registry of the persons who have access to price sensitive information, the "Registry of insiders".

The purpose of the above mentioned regulation is twofold; to develop greater awareness as to the importance of price sensitive information and to facilitate Consob's supervisory activities, as well as the judicial authorities' investigations in cases involving potential market abuse.

All of the directors, statutory auditors, managers and employees who have access to price sensitive information are listed in this registry.

Internal dealing

In accordance with Art. 114, paragraph 7 of Legislative Decree 58 of 24 February 1998, as amended (the "Consolidated Finance Act" or TUF), and with the implementation provisions found in Arts. 152-sexies et seq. of the CONSOB regulations approved with Resolution 11971 of 14 May 1999, as amended (the "Regulations for Issuers"), effective as of January 2007 the Board of Directors adopted a procedure governing mandatory notification and conduct on the subject of transactions carried out by relevant persons and parties closely related to such persons on the Company's shares or on related financial instruments.

The code of conduct is available at www.gruppoigd.it in the Investor Relations section.

Board Committees

(pursuant to Art. 123-bis, para. 2, lett. D), TUF)

In 2008 the Board of Directors, in accordance with Art. 7.P.E. of the Code, formed the Compensation Committee, the Nominations Committee and the Chairman's Committee. The members of each committee were appointed when the Board was recently confirmed.

Nominations Committee

The Nominations Committee consists of three non-executive independent directors in the persons of Andrea Parenti, Giorgio Boldreghini and Fabio Carpanelli.

The Nominations Committee submits proposals regarding the optimal composition of the Board of Directors, Company management and selection of directors, statutory auditors and management for subsidiaries held to be of strategic importance in order to guarantee an adequate level of separation between directors and management.

The Nominations Committee is also called upon to express opinions with regard to the type of Administrative Body (single party or board), the number of members and the candidates to be presented for director and statutory auditor, as well as Chairman, Vice-Chairman and General Manager (and/or Chief Executive Officer) of subsidiaries and affiliates. The Nominations Committee met 3 three times in 2009 and expressed its opinion about the subsidiaries' directors and the hiring of managers.

Compensation Committee

Composition and role of the compensation committee

(pursuant to art. 123-bis, para. 2, lett. d), TUF)

The Compensation Committee is comprised of three independent directors in the persons of Riccardo Sabadini, also appointed Chairman, Sergio Santi and Francesco Gentili. The Compensation Committee met 1 time in 2009 with 100% of the directors in attendance.

Functions of the Compensation Committee

The Compensation Committee submits proposals to the Board for the compensation of directors and management of the Company and its related parties which reflect standards of fairness and compensation which will both remunerate and motivate the personnel in possession of the professional attributes deemed useful to the success of the Company and its affiliates.

In accordance with Art. 2.2.3 of the Market Regulations, the Compensation Committee's duties are as follows:

- to submit proposals to the Board for the compensation of executive directors and other directors with particular responsibilities, and to ensure that the Board's decisions are complied with;
- to submit opinions to the Board regarding the general criteria to be used in determining the compensation to be granted the General Manager and other top Company managers;
- to submit opinions to the Board regarding the compensation of the Chairmen, Vice Chairmen and General Managers (and/or Chief Executive Officers) of the subsidiaries deemed strategic based on the proposals submitted by the Chairman and the Parent Company's Chief Executive Officer;
- to submit opinions to the Board regarding the overall compensation to be granted the Board members of the subsidiaries and affiliates.

During the meetings held the Compensation Committee determined the compensation for the Chairman, the Vice Chairman, the Chief Executive Officer, as well as for the directors who serve on Board committees.

Chairman's Committee

The Chairman's Committee is comprised of the Chairman, the Vice Chairman, the Chief Executive Officer, as well as the Director Roberto Zamboni and Independent Director Sergio Santi.

The Chairman's Committee assists in determining the development policies, along with the strategic and operational guidelines, to be submitted to the Board

of Directors and oversees the correct implementation of same. The committee is also called upon to express opinions regarding the strategically relevant development and investment transactions to the extent that the latter could have a significant impact on the value or composition of the company's equity or stock price.

The Chairman's Committee met 9 times in 2009.

Directors' compensation

Pursuant to Art. 25 of the bylaws, the members of the Board of Directors receive fees in the amount determined by the shareholders' meeting. The shareholders' resolution, once taken, is also valid for subsequent years until otherwise determined.

The Board of Directors, after consulting the statutory auditors, establishes the compensation for directors with particular responsibilities, including the chairman.

Part of the chief executive officer's and the top management's

variable compensation is linked the Company's economic results.

No stock option plans are envisioned for either the chief executive officer or top management.

There is no agreement between the Company and the Directors regarding indemnities in the event of resignation, dismissal or termination following a takeover bid (pursuant to art. 123-bis, para 1, letter i), TUF).

Internal Control Committee

The Internal Control Committee was established by the Board of Directors in accordance with the Rules for Corporate Governance and the recommendations found in the Corporate Governance Code¹³.

Composition and role of the Internal Control Committee (pursuant to art. 123-bis, para. 2, lett. d), TUF)

The Internal Control Committee is made up of three non-executive directors, two of whom are independent¹⁴, in the persons of Aristide Canosani, Massimo Franzoni and Leonardo Caporioni.

The Board of Directors considers Leonardo Caporioni to have sufficient accounting and financial experience¹⁵

The Chairman of the Board of Statutory Auditors, or who on his behalf¹⁶, may be invited to attend the meetings of the Internal Control Committee.

In 2009 the Internal Control Committee met 7 times, on 10 March, 14 May, 5 June, 9 July, 25 August, 5 November and 17 December, and minutes were regularly taken. Each meeting lasted an average of 1 hour with attendance reaching 83% for Massimo Franzoni, 100% for Aristide Canosani and 67% for Leonardo Caporioni.

Functions of the Internal Control Committee

The Internal Control Committee helps the Board of Directors:

- to define the guidelines for the Company's internal control system so that the risks faced by the Company and its subsidiaries are correctly identified, assessed, managed and monitored while also evaluating the extent to which these risks are compatible with sound and correct business management¹⁷;
- to appoint the executive director in charge of supervising the proper functioning of the internal control system, as required by the Corporate Governance Code;
- to draft the part of the annual corporate governance pertaining to the internal control system, its essential components and the evaluation as to the overall adequacy of the system itself.

The Internal Control Committee, in addition to assisting the Board of Directors on the matters above, also:

- assesses, along with the Financial Reporting Officer and the auditors, the appropriateness of the accounting standards adopted and their uniformity with a view to the preparation of the consolidated financial statements¹⁸;
- at the request of the executive director in charge, expresses opinions on specific aspects concerning the identification of business risks, and on the planning, realization and management of the internal control system¹⁹;
- evaluates the plan of work and periodic reports prepared by the internal control officers²⁰;
- evaluates accounting firm's bids for the external auditing assignment, and reviews the external auditing plan and the auditors' reports and recommendations²¹;
- monitors the efficacy of the external auditing process²²;
- performs the other duties entrusted to it by the Board of Directors, particularly as regards relations with the external auditors, the Board of Statutory Auditors, the Supervisory Board and the Financial Reporting Officer;
- reports to the Board of Directors at least every six months, when the annual and interim reports are approved, on the work performed and the adequacy of the internal control system²³.

The Internal Control Committee holds a particular role with regard to transactions with related parties which is discussed in paragraph 12 "Directors' Interests and Transactions with Related Parties".

During its meetings the Committee was involved primarily in the following activities:

- control of the transactions with related parties to ensure that they were in line with market practices;
- assessment, along with the Financial Reporting Officer, of the appropriateness of the accounting standards adopted and their uniformity with a view to the preparation of the consolidated financial statements;
- examination of the controls conducted by Internal Audit based on the work plan agreed upon.

13 Corporate Governance Code: Art. 8.P.4.

14 Corporate Governance Code: Art. 5.C.1., lett. a)

15 Corporate Governance Code: Art. 8.P.4.

16 Corporate Governance Code: Art. 8.C.4.

17 Corporate Governance Code: Art. 8.C.1.

18 Corporate Governance Code: Art. 8.C.3., lett. a)

19 Corporate Governance Code: Art. 8.C.3., lett. b)

20 Corporate Governance Code: Art. 8.C.3., lett. c)

21 Corporate Governance Code: Art. 8.C.3., lett. d)

22 Corporate Governance Code: Art. 8.C.3., lett. e)

23 Corporate Governance Code: Art. 8.C.3., lett. g)

Internal Control System

Introduction

The Internal Control System consists in the set of rules, procedures and organizational structures designed to ensure that the business is run correctly and in line with the objectives agreed upon through the proper identification, assessment and control of the primary risks facing the company. This internal control system helps guarantee (i) the safeguarding of the company's assets, (ii) the efficiency and efficacy of the company's operations, (iii) the reliability of financial information, and (iv) compliance with laws and regulations.

The roles and responsibilities with regard to risk management and the control system are identified and defined in the report "IGD's Internal Control System" which summarizes the structure and functions of the Internal Control System and which was approved by the Board of Directors on 14 May 2008. These provisions are in line with the recommendations found in Borsa Italiana's Corporate Governance Code to which the Company adheres.

The Board of Directors is responsible for the internal control system and toward this end works with the Internal Control Committee in order to establish system guidelines and periodically verify that they are being complied with.

The position of Executive director in charge of internal control, identified in the person of the Chief Executive Officer, must identify the company's primary risks and implement the guidelines defined by the Board of Directors, while verifying their overall adequacy, efficacy and efficiency.

The Internal Control Officer, also the Head of Internal Audit, must verify that the internal control system is always adequate, fully operative and functional.

IGD's Internal Control Officer was appointed by the Board of Directors, after having consulted with the Internal Control Committee, from within the company Unilab.

The Internal Control Officer reports to the Internal Control Committee and to the Board of Statutory Auditors; it may also be requested that he report to the Executive director in charge of internal control.

In order to most effectively serve its control and risk management needs, as well as its complexity, its status as a listed company and business dynamics, IGD developed an integrated model for risk management which is in line with renowned international Enterprise Risk Management (ERM) standards. This "ERM" model helps top management to identify the primary risks to which the Company is exposed, how to manage them, as well as to define the risk management system. The main objective is to implement a systematic and pro-active risk management system capable of understanding the potential negative impact of risks in advance, take the necessary steps to control them, as well as continuously monitor the different exposures.

Toward this end, IGD mapped the Group's risks and is in the process of developing risk analysis, valuation and

classification procedures which reflect the structure of the internal control system.

The methods used as part of the Group's ERM system call for the following periodic activities: (i) verification and/or update of the risk map, in light of the Company's strategies and the organizational and business models; (ii) confirmation as to the efficacy of the risk assessment model used and its appropriateness given the Company's organizational structure, business and strategies; (iii) analysis of the risks identified, the organization of the risk management personnel and the risk control measures used; (iv) assessment of the risks to which Group companies are exposed; (v) assessment of the level of risk coverage based on the control mechanisms used; (vi) prioritization of the risks and the steps to be taken; (vii) risk tolerance analysis in accordance with the instructions received from the Group's top management; (viii) definition of the management and control strategies and assignment of responsibilities; (ix) monitoring implementation of the system and related activities over time.

A specific working group was formed in order to carry out the initial phase of the activities listed above.

The results of the analyses described above are reported to the Internal Control Committee and to the Board of Directors.

The internal controls implemented in relation to the financial reporting process play an important part in the general process used to identify and assess areas of the Group's business risk and to develop an internal control system that best controls these business risks.

The ERM model should not, therefore, be considered separately from the internal controls implemented in relation to the financial reporting process, insofar as both are part of IGD's overall risk management apparatus.

In this regard, it is noted that the preparation of the yearly and interim financial reports and, in particular, to the identification of the principle risks facing IGD and the Group, are strictly linked to the Enterprise Risk Management systems used by the Company and the Group to identify, assess and mitigate business risk.

Main features of the existing internal control and risk management systems in relation to the financial reporting process

With regard to the internal controls implemented in relation to the financial reporting process, in prior years IGD has undertaken to comply with Law 262/05 by updating the accounting and administrative control models and has also executed the controls necessary to support the Financial Reporting Officer's certification process.

The above mentioned accounting and administrative control system represents the set of rules, procedures and internal tools used by the Company to ensure the reliability, accuracy, and timeliness of financial reporting;

The methods used by IGD in the development of the accounting and administrative control system are in line with generally recognized best practices.

The internal control system implemented in relation to IGD's financial reporting process involves the following activities:

- Identification of the perimeter of the relevant administrative-accounting processes;
- Assessment of the risk management and administrative-accounting control processes;
- Definition of the administrative-accounting control system;
- Implementation and verification of the controls.

The activities listed above are described below.

Identification of the perimeter of the relevant administrative-accounting processes

This activity involves defining the perimeter of the Group and Group company processes to be controlled. Quantitative and qualitative parameters are used to assess the risks and the administrative-accounting controls based on the impact that the different items have on the financial statements.

This perimeter is reviewed each year by the Company to determine if any changes are needed; in 2009 it was expanded in order to include the Romanian companies acquired in 2008.

This scoping phase calls for a multi-year plan based on which the processes, risks and administrative-accounting controls are reviewed.

Assessment of the processes, risks and administrative-accounting controls

This activity involves assessing the financial reporting control system used with regard to each item, process and transaction in order to effectively mitigate the risks linked to the administrative-accounting process.

The approach used takes into account the margin for error, as well as the risk that fraudulent acts may occur, by providing for controls and verifications of this type of risk which are coordinated with the controls implemented as part of the entire risk control system.

The approach used also takes into account both manual and IT system controls which include automatic controls incorporated into applications, as well as the general IT controls that regulate system access, systems development

and the adequacy of the IT structures.

Based on the multiyear plan referred to above, the assessment of the processes pertaining to Group companies was prioritized. More in detail, in 2009 assessments were made of the most important processes used to identify and control risks.

The Company continuously evaluates the need to change/update the mapping and assessment of the control system.

Definition of the administrative-accounting system

Based on the results of the assessment of the processes, risks and controls, the Company then defines or updates the administrative-accounting procedures and guarantees their adequacy with respect to the internal control system by monitoring the different phases of the process used to update or define each procedure. The administrative-accounting procedures are defined and implemented on the basis of a plan; in 2009 the Company began working on standardizing the administrative-accounting procedures used by the international companies.

Implementation and verification of the controls

The administrative-accounting procedures are continuously monitored; toward this end specific checks are programmed in order to ensure that the administrative-accounting procedures and the relative controls have been correctly implemented.

The Financial Reporting Control Officer works with the individuals involved in the Enterprise Risk Management system at both a Group (the initial working group that kicked off the ERM process) and a Company level on the description of the principal risks and uncertainties to which IGD and Group are exposed to be included in the yearly and half-yearly financial reports.

* * *

During the year the Board monitored the adequacy, efficacy and functioning of the internal control system, based on the information provided by the Internal Control Committee, the Chief Executive Officer's annual report, the Financial Reporting Officer's report, the Internal Audit's report and the Supervisory Board's report.

Executive director in charge of internal control

The Executive director in charge of internal control, identified in the person of the Chief Executive Officer, must identify the company's primary risks and implement the guidelines defined by the Board of Directors, while verifying their

overall adequacy, efficacy and efficiency.

In 2007 the Board of Directors, with the help of the Internal Control Committee, identified the Executive director in charge of internal control in the person of the Chief Executive Officer who, in accordance with the Code's recommendations, has the following duties:

- identification of the company's principal risks, taking into account of the business carried out by the Issuer and its subsidiaries and periodically report his findings to the Board of Directors;
- execution of the guidelines defined by the Board of Directors while ensuring that the internal control system is properly planned, implemented and managed and verifying its overall adequacy, efficacy and efficiency; adaptation of this system to reflect business conditions and changes in the law and regulations;
- submission of proposals regarding the appointment, dismissal and compensation of one or more Internal Control Officers to the Board of Directors.

The Executive director in charge of internal control performed his duties with the support of the Internal Control Committee and the Internal Control Officer and also used the powers granted him in order to guarantee full compliance with the Code.

Internal Control Officer

The Board of Directors, after consulting with the Internal Control Committee and as per the recommendation of the Executive director in charge of internal control, appointed the Internal Control Officer from within Internal Audit, outsourced to the company Unilab.

The Board of Directors viewed this choice as the most effective in light of the Company's characteristics and size, as well as the independent nature and expertise of the candidate. The independence and autonomy of the Internal Control Officer are guaranteed by the fact that he is not responsible for any operations nor is he supervised by any division heads or involved in any business activities.

The Internal Control Officer prepares a plan of work for the audit activities and monitors the internal control system. In order to do so the Officer has access to all useful information. More in detail, the Officer verifies that the rules and procedures adopted by the Company in order to reach its objectives are complied with and that the Company structures are adequate. The Officer also reports periodically to the Internal Control Committee and to the Supervisory Board.

Decree 231/2001 organizational model

In 2006 the Board of Directors approved adoption of the Organizational Model which further strengthened the internal control system.

The Organizational Model seeks to ensure that the system complies with Decree 231/2001 based on which companies were made administratively responsible in criminal proceedings for certain types of crimes committed by top managers and subordinates and is based on the standards and procedures described below.

The Organizational Model includes the following:

- a. mapping of the activities at risk based on the information gathered regarding IGD's activities and organizational structure;
- b. the Ethical Code, which formulates the general principles (diligence, honesty and fairness) inspiring the conduct of business;
- c. internal control mechanisms monitoring areas at risk;
- d. the disciplinary system which enforces the Model's rules;
- e. the Supervisory Board which is charged with monitoring the effectiveness, adequacy and compliance with the Model;

The Supervisory Board may act independently and must ensure that the Model is constantly updated.

The Supervisory Board also provides the Board of Directors with information regarding the changes that need to be made to the Model in order to comply with norms and regulations and to reflect the business operations.

The Supervisory Board reports to the Chairman of the Board of Directors and the Board of Statutory Auditors on a periodic basis and to the Board of Directors every six months.

Please note that the Company's internal audit, carried out the company Unilab, provides the support necessary for the management and analysis of the information generated pursuant to Art. 6, para. 2, lett. d) of Legislative Decree 231/01, as well as for the execution of specific audits deemed necessary based on the information gathered.

The Supervisory Board is currently made up of independent director Fabio Carpanelli, who serves as chairman, and by independent directors Sergio Santi and Francesco Gentili. In 2009 it met four times; on 12 March, 14 May, 29 June, and 13 November.

The Model is also available on the company's website www.gruppogd.it, in the IR/corporate documents section.

External Auditors

The activities related to financial audit are carried out by a company selected by the Shareholders' Meeting from among those listed in Consob's specific roll.

On 16 September 2004 the Shareholders' Meeting granted the company Reconta Ernst&Young the assignment, which was subsequently renewed on 23 April 2007, for the financial audit of separate and consolidated annual and half-yearly financial statements for the period 2007-2012. The assignment was granted on the basis of a detailed analysis of the motivated opinion submitted by the Board of Statutory Auditors in accordance with current norms and regulations.

The fees paid the external auditors for the financial audit of IGD's separate and consolidated financial statements at 31 December 2009 can be found in the notes to the separate and consolidated financial statements.

Financial Reporting Officer

In compliance with art. 154-bis of TUF and Article 23.5 of the bylaws, the Board of Directors must appoint a Financial Reporting Officer, subject to the unbinding opinion of the Board of Statutory Auditors, who has matured at least five years of experience in a) administrative or control activities and who has had a supervisory role in companies or entities with assets of not less than €10 million, or b) professional activities, including as part of audit functions, strictly connected to business activities and functions that the officer is called up to perform.

In July 2007, after receiving a favourable opinion from the statutory auditors, the Board of Directors appointed Grazia Margherita Piolanti as the Financial Reporting Officer for an indefinite period and invested her with responsibilities, powers and means.

The Financial Reporting Officer has access to adequate administrative and accounting procedures in order to draft the separate and, where provided for, the consolidated financial statements, as well as all other financial documents.

The Board of Directors must ensure that the Financial Reporting Officer is granted the organizational and operational power and means needed to carry out the duties assigned herein.

The Financial Reporting Officer, along with Supervisory Board, must provide a written declaration which accompanies the interim and financial reports (separate and consolidated, if prepared) attesting:

- that they adequately depict the characteristics of the business and comply with the administrative and accounting procedures used to prepare the consolidated and separate financial statements.

They must also attest that the separate and consolidated financial statements:

- a) are drawn up in accordance with the international accounting standards recognized by the European Union pursuant to the Regulation 1606/2002/EC;
- b) correspond to the ledgers and accounting entries;
- c) provide fair and truthful disclosures of the company's income statement, balance sheet and financial positions and the companies included in the scope of consolidation.

Lastly, the Financial Reporting Officer, along with the deputized bodies, must attest that the directors' report accurately depicts the operating performance and results of both the Company and the businesses included in the scope of consolidation, as well as the principle risks and uncertainties to which they are exposed.

Directors' interests and transactions with related parties

With regard to related party transactions, in February 2007 the Board of Directors, supplementing the guidelines and criteria for the identification of significant and related party transactions, approved the adoption of "Standards of conduct for transactions with related parties" which provides specific standards of conduct governing the main substantial and procedural aspects of such transactions. The standards also apply to transactions outside the exclusive competence of the Board of Directors, as described in the above mentioned Procedures.

Related party transactions are managed according to particular standards of substance and procedure. The definition of "related parties" is that contained in the International Accounting Standard for related party disclosures (IAS 24), adopted according to the procedure stated in Art. 6 of Regulation (EC) No. 1606/2002.

For the purposes of these standards, typical or common transactions and those to be settled under arm's-length conditions are not treated as related party transactions.

Typical or common transactions are those which, by object or kind, are not extraneous to the normal course of business, as well as transactions that are not problematic due to their characteristics and risk profile.

Transactions settled under arm's-length conditions are those whose terms do not differ significantly from those usually applying to business with unrelated parties.

The Internal Control Committee plays an important role in the transactions with related parties depending on the whether or not the subject is:

- **the competence of the Board of Directors**

- The Internal Control Committee expresses a non binding opinion as to whether or not the transaction reflects arm's-length conditions, Transactions settled under arm's-length conditions are those whose terms do not differ significantly from those usually applying to business with unrelated parties, and in the event it is deemed necessary, given the value or other characteristics of the transaction, may request that the transaction be concluded with the support of one or more experts who will evaluate the economic conditions and/or means of execution/technique.

- **not the exclusive competence of the Board of Directors**

- The Internal Control Committee prepares two memos on the Company's related party transactions during the period-one to be published as part of the directors' announcement of the approval of the draft full year financial statements and the other regarding approval of the half-year report-including comments on whether such transactions are in the Company's interests, how the prices were determined, and the fairness of such prices with respect to going market rates.

In the event of related party transactions falling under the exclusive competence of the Board of Directors, the Board must receive sufficient information on the nature of the relationship, the means of executing the transaction, the timing and economic conditions, the evaluation procedure followed, the rationale for the transaction, and any risks for the Company.

Once suitably informed by the deputized parties and providing it finds the transaction appropriate in consideration of its nature, amount and other characteristics, the Board may require that the transaction be concluded with the support of one or more experts who will evaluate the economic conditions and/or means of execution/technique. Such experts must be of acknowledged experience and skill, and their independence and lack of personal interest in the transaction must be verified.

In the choice of such experts (banks, accounting firms, law firms, or other skilled professionals), the Board will carefully evaluate their independence, considering—in the most significant cases—the use of different experts for each related party.

Directors who have an even potential or indirect interest in a related party transaction must inform the Board in advance, providing details of the situation. On a case-by-case basis, depending on the information provided by the director and bearing the Board's responsibilities in mind, the Board will decide whether to ask the director: (i) to leave the room before discussion begins and until the resolution is taken; or (ii) to abstain from the vote.

Appointment of the Statutory Auditors

Pursuant to Art. 26.2 of the Bylaws, members of the Board of Statutory Auditors are elected on the basis of preference lists that must be filed at the registered office along with declarations in which each candidate states that he/she is not in violation of the limits for multiple assignments provided for under the law, as well as detailed information about each candidate's personal and professional background, at least twenty days in advance of the shareholders' meeting called for this purpose.

According to Art. 16 of the bylaws, the following procedure applies to the appointment of the Board of Statutory Auditors:

from the list obtaining the highest number of votes, two standing auditors and one alternate auditor will be taken in the order in which they appear on the list;

the third standing auditor and the second alternate auditor are drawn from the list with the second highest number of votes, in the order in which they appear.

In the event of a tie between lists, a new ballot is held between these lists on which all shareholders present at the meeting shall vote. The candidates on the list winning a simple majority of votes are elected.

The first candidate on the minority list with the second highest number of votes will be appointed Chairman of the Board of Statutory Auditors.

Candidates for statutory auditor must meet the requirements set by law. For the purposes of judging the qualifications of those with at least three years' experience in:

- (a) professional activities or as confirmed university professors in law, economics, finance or technical-scientific subjects closely related to the Company's business;
- (b) management roles at public bodies or public

administrations in sectors closely related to the Company's business, the following rules apply:

- all subjects per letter a) above that are associated with the real estate business or other sectors pertaining to real estate are considered to be closely related to the Company's business;
- sectors pertaining to real estate are those in which the parent companies operate, or those that may be controlled by or associated with companies operating in the real estate business.

Those whose situations are incompatible with the title and/or who do not satisfy the requirements of integrity and qualification established by law, and those who are standing auditors at more than five companies listed on official Italian markets, may not be elected as statutory auditors and, if elected, lose office. Positions held at parent companies, subsidiaries, or affiliates do not apply.

With regard to the Chairman of the Board of Statutory Auditors, pursuant to Art. 148, para. 2 bis, TUF, as amended by the Uniform Savings Act, the former was appointed by the Shareholders' Meeting from the minority list of candidates, in accordance with Articles 26.4 and 26.5 of the bylaws and the current norms and regulations based on which the first candidate on the minority list with the second highest number of votes will be appointed Chairman of the Board of Statutory Auditors.

Pursuant to Legislative Decree n. 27 of 27 January 2010, implementing Directive n. 2007/36/CE, relating to rights of shareholders in listed companies, the Company will evaluate which amendments might need to be made to the bylaws governing appointment of the statutory auditors and, in particular, to the filing of the candidate lists.

Statutory Auditors

(pursuant to Art. 123-bis, para. 2, lett. D) TUF

The current Board of Statutory Auditors appointed during the Shareholders' Meeting held on 23 April 2009, is comprised of three standing and two alternate auditors in the persons of: Romano Conti (Chairman), minority list candidate, Roberto Chiusoli (standing auditor) majority list candidate, Franco Gargani (standing auditor), majority list candidate, Isabella Landi (alternate auditor) majority list candidate, and Monica Manzini (alternate auditor), majority list candidate. The statutory auditors were appointed on the basis of a list system.

In 2009 the Board of Statutory Auditors met 8 times on 22 January, 27 January, 26 February, 1 April, 14 May, 9 July, 3 August, 14 October. Additional meetings were held specifically with the Company's management, with external auditors, and with the Internal Control Committee.

In order to comply with amendments made to the new Corporate Governance Code regarding the Board of Statutory Auditors, independent members and declarations to this effect, the Board verified that the criteria and the procedures adopted by the Board of Directors in this regard were adequate.

The Board of Statutory Auditors supervises the work of the external auditors. Furthermore, pursuant to Art. 27.2 of the bylaws the ordinary Shareholders' Meeting grants the assignment to the external auditors on the basis of the motivated opinion submitted by the Statutory Auditors.

The names of the statutory auditors in office are listed in Table 3 "Structure of the Board of Statutory Auditors" attached.

Relations with Shareholders

The Company strives to maintain a constant dialogue with its shareholders and investors based on an understanding of mutual roles, and regularly organizes meetings with the Italian and international financial community in full compliance with laws on price-sensitive information.

Toward this end, the Board of Directors appointed an Investor Relations Manager, and set up a dedicated unit and a section on the Company's website (www.gruppoigd.it).

In this section, investors can download a complete range of documents regarding IGD's accounts and corporate governance.



Pursuant to Art. 10.3 of the Bylaws, the protocol for shareholders' meetings is formalized in a set of Regulations, approved by the shareholders in ordinary session.

Pursuant to Title IV of the bylaws, the Shareholders' Meetings must be convened in a notice of call in which the date, time and place of the meeting, as well as the proposed agenda, are indicated and which must be published in Gazzetta Ufficiale or the financial daily newspaper Finanza&Mercati at least thirty days prior to the date of call. The notice may contain the same indications for the meeting in second or additional calls, as deemed necessary.

The Shareholders' Meeting may be attended by all shareholders with voting rights.

In order to attend the Shareholders' Meeting, shareholders must present the certification issued by an authorized intermediary as per Art. 2370 of the Italian Civil Code at

least two working days prior to the date of the meeting in first call.

The proper formation of the Shareholders' Meeting and the validity of its resolutions are governed by law.

The current regulations, approved by the shareholders on 26 March 2003 and available in the Investor Relations section at www.gruppoigd.it, aim to ensure orderly, effective meetings by governing the various phases in which they take place, in accordance with each shareholder's fundamental right to ask for clarification, express opinions and formulate proposals.

Pursuant to Legislative Decree n. 27 of 27 January 2010, implementing Directive n. 2007/36/CE, relating to rights of shareholders in listed companies, the Company will evaluate which amendments might need to be made to the bylaws governing attendance of the Shareholders' Meetings.

3.1

Shareholders' Meetings

Attachments

Board of Directors

- Table 1 "Information on the Board of Directors"
- Table 2 "Structure of the Board of Directors"
- Table 3 "Structure of the Board of Directors"
- Table 4 "Offices held by the Board of Directors"

Board of Statutory Auditors

- Table 5: "Offices held by the Board of Statutory Auditors"



Table 1: information on the ownership structure

Share capital structure				
	N. of shares	% of share capital	Listed (which markets) / unlisted	Rights and obligations
Ordinary shares	309,249,261	100%	Listed on the STAR segment of the Italian Stock Exchange	
Shares with limited voting rights	No			
Shares without voting rights	10,976,592	3.549%	Listed on the STAR segment of the Italian Stock Exchange	

Other financial instruments (granting the right to subscribe to newly issued shares)				
	Listed (which markets) / unlisted	N of securities in circulation	Class of shares subject to conversion	Number of shares subject to conversion
Convertible bonds		2,300	Shares convertible into ordinary shares excluding pre-emption rights	2,300
Warrant	No			

Significant interests in share capital				
Declarant	Direct shareholder	% of ordinary capital	% of voting capital	
Coop Adriatica	Coop Adriatica	41.498	43.024	
Unicoop Tirreno	Unicoop Tirreno	13.642	14.143	
IGD SIIQ SpA	IGD SIIQ SpA	3.549	3.549 (without voting rights)	

Table 2: Structure of the Board of Directors and Committees at 30 april 2009

Board of Directors											Internal Control Committee		Compensation Committee		Nominations Committee		Lead Independent		Chairman's Committee		Supervisory Board					
Office	Members	In office from	In office until	List (M/m) *	Exec.	Non-exec.	Indep. as per the Code	Indep. as per TUF	(%) **	Number of other appoint. ***	****	**	****	**	****	**	****	**	****	**	****	**				
Chairman	Coffari Gilberto	23-4-2009	31-12-2011	M		x			87%	10									x	86%						
Chief Executive Officer	Albertini Claudio	23-4-2009	31-12-2011	M	x				100%	12									x	100%						
Director	Zamboni Roberto	23-4-2009	31-12-2011	M		x			87%	6									x	100%						
Director	Costalli Sergio	23-4-2009	31-12-2011	M		x			75%	6									x	71%						
Director	Caporioni Leonardo	23-4-2009	31-12-2011	M		x			75%	0	x	66%														
Director	Pellegrini Fernando	23-4-2009	31-12-2011	M		x			87%	2																
Director	Canosani Aristide	23-4-2009	31-12-2011	M		x	x	x	100%	6	x	100%						x	100%							
Director	Carpanelli Fabio	23-4-2009	31-12-2011	M		x	x	x	100%	2				x	100%			x	100%			x	100%			
Director	Franzoni Massimo	23-4-2009	31-12-2011	M		x	x	x	62%	2	x	83%						x	100%							
Director	Gentili Francesco	23-4-2009	31-12-2011	M		x	x	x	75%	1			x	100%				x	100%			x	100%			
Director	Parenti Andrea	23-4-2009	31-12-2011	M		x	x	x	87%	1				x	100%			x	0%							
Director	Sabadini Riccardo	23-4-2009	31-12-2011	M		x	x	x	62%	3			x	100%				x	100%							
Director	Boldreghini Giorgio	23-4-2009	31-12-2011	M		x	x	x	87%	0				x	100%			x	100%							
Director	Santi Sergio	23-4-2009	31-12-2011	m		x	x	x	75%	13			x	100%				x	100%	x	57%	x	100%			
Director	Pirazzini Corrado	23-4-2009	31-12-2011	M		x			100%	1																
Directors who vacated office during the year																										
	Carbonari Filippo Maria																									
Indicate the quorum required in order to submit lists for the last appointments made:																										
N. of meetings held as of 30 April 2009						BOD: 8			ICC: 6			CC: 1			NC: 3			LI: 1			ChC: 7			SB: 3		

NOTES:

- * M/m indicates whether the director was elected on a Majority list (M) or a minority list (m).
- ** This column reports the percentage of meetings of the Board of Directors and its committees attended by the directors (no. attendances/no. meetings held during a director's effective period in office).
- *** This column reports the number of appointments held by the person concerned as a director or statutory auditor of other companies listed on regulated markets, in Italy or abroad, or in financial, banking, insurance or other large companies. The list of these companies for each director is attached to this Report, indicating whether the company in which the appointment is held is a member of the group headed by the Issuer.
- **** This column indicates with an "X" the director's membership of this committee.



Table 2: Structure of the Board of Directors and Committees from 1 January to 30 April 2009

Board of Directors											Internal Control Committee		Compensation Committee		Nominations Committee		Lead Independent		Chairman's Committee		Supervisory Board					
Office	Members	In office from	In office until	List (M/m) *	Exec.	Non-exec.	Indep. as per the Code	Indep. as per TUF	(%) **	Number of other appoint. ***	****	**	****	**	****	**	****	**	****	**	****	**				
Chairman	Coffari Gilberto	28-4-2006	23-4-2009	M			x		100%										x	100%						
Chief Executive Officer	Carbonari Filippo Maria	28-4-2006	23-4-2009	M	x				100%										x	100%						
Director	Zamboni Roberto	28-4-2006	23-4-2009	M			x		100%										x	100%						
Director	Costalli Sergio	28-4-2006	23-4-2009	M			x		50%										x	100%						
Director	Caporioni Leonardo	28-4-2006	23-4-2009	M			x		50%		x	0%														
Director	Pellegrini Fernando	28-4-2006	23-4-2009	M			x		100%																	
Director	Canosani Aristide	28-4-2006	23-4-2009	M			x	x	100%		x	100%					x									
Director	Carpanelli Fabio	28-4-2006	23-4-2009	M			x	x	100%								x					x	100%			
Director	Franzoni Massimo	28-4-2006	23-4-2009	M			x	x	100%		x	100%					x									
Director	Gentili Francesco	28-4-2006	23-4-2009	M			x	x	100%				x				x					x	100%			
Director	Sabadini Riccardo	28-4-2006	23-4-2009	M			x	x	50%				x				x									
Director	Bini Mauro	28-4-2006	23-4-2009	M			x	x	50%					x			x									
Director	Santi Sergio	28-4-2006	23-4-2009	m			x	x	100%				x				x		x	100%						
Director	Pozzoli Stefano	28-4-2006	23-4-2009	M			x	x	50%					x			x					x	100%			
Director	Albertini Claudio	28-4-2006	23-4-2009	M			x		50%						x											
Indicate the quorum required in order to submit lists for the last appointments made:																										
N. of meetings held between 1 January and 30 April 2009						BOD: 2			ICC: 1			CC: 0			NC: 0			LI: 0			ChC: 2			SB: 1		

NOTES:

- * M/m indicates whether the director was elected on a Majority list (M) or a minority list (m).
- ** This column reports the percentage of meetings of the Board of Directors and its committees attended by the directors (no. attendances/no. meetings held during a director's effective period in office).
- *** This column reports the number of appointments held by the person concerned as a director or statutory auditor of other companies listed on regulated markets, in Italy or abroad, or in financial, banking, insurance or other large companies. The list of these companies for each director is attached to this Report, indicating whether the company in which the appointment is held is a member of the group headed by the Issuer.
- **** This column indicates with an "X" the director's membership of this committee.

Table 3: Structure of the Board of Statutory Auditors through 23 April 2009

Board of Statutory Auditors									
Office	Members	In office from	In office until	List (M/m)*	Indep. as per the Code	** (%)	Number of other appointments ***	**** (%)	
Chairman	Conti Romano	23-04-09	31-12-11	m	X	75%	19	75%	
Standing Auditor	Chiusoli Roberto	23-04-09	31-12-11	M	X	75%	8	50%	
Standing Auditor	Gargani Franco	23-04-09	31-12-11	M	X	100%	25	100%	
Alternate Auditor	Landi Isabella	23-04-09	31-12-11	M					
Alternate Auditor	Manzini Monica	23-04-09	31-12-11	m					

Statutory Auditors who vacated office in the year

surname name

The quorum required in order to submit lists for the last appointments made:

Number of meetings held during the year: 4

NOTES:

* M/m indicates whether the director was elected on a Majority list (M) or a minority list (m).

** This column reports the percentage of meetings of the Board of Statutory Auditors attended by the statutory auditors (no. attendances/no. meetings held during the auditor's effective period in office).

*** This column reports the number of appointments held as a director or statutory auditor that are relevant for the purposes of art. 148-bis TUF. The complete list of appointments, pursuant to art. 144-quinquiesdecies of the CONSOB Issuer Regulations, is appended to the statutory auditors' report on their monitoring activities, prepared in accordance with art. 153 par. 1 of TUF.

**** This column reports the percentage of BoD meeting attended by statutory auditors (no. attendances/no. meetings held during the auditor's effective period in office)

Table 3: structure of the board of statutory auditors after 23 April 2009

Board of Statutory Auditors									
Office	Members	In office from	In office until	List (M/m)*	Indep. as per the Code	** (%)	Number of other appointments ***	**** (%)	
Chairman	Conti Romano	28-04-06	23-04-2009	m	X	100%	19	50%	
Standing Auditor	Chiusoli Roberto	28-04-06	23-04-2009	M	X	100%	8	50%	
Standing Auditor	Gargani Franco	28-04-06	23-04-2009	M	X	100%	25	100%	
Alternate Auditor	Landi Isabella	28-04-06	23-04-2009	M					
Alternate Auditor	Andrea Parenti	28-04-06	23-04-2009	m					

Statutory auditors who vacated office in the year

surname name

The quorum required in order to submit lists for the last appointments made:

Number of meetings held during the year: 4

NOTES:

* M/m indicates whether the director was elected on a Majority list (M) or a minority list (m).

** This column reports the percentage of meetings of the Board of Statutory Auditors attended by the statutory auditors (no. attendances/no. meetings held during the auditor's effective period in office).

*** This column reports the number of appointments held as a director or statutory auditor that are relevant for the purposes of art. 148-bis TUF. The complete list of appointments, pursuant to art. 144-quinquiesdecies of the CONSOB Issuer Regulations, is appended to the statutory auditors' report on their monitoring activities, prepared in accordance with art. 153 par. 1 of TUF.

**** This column reports the percentage of BoD meeting attended by statutory auditors (no. attendances/no. meetings held during the auditor's effective period in office)

Table 4: offices held by the Directors at 31 december 2009

Director	Offices held in other companies	"IGD" Group companies	"IGD" Group shareholder companies
Coffari Gilberto Chairman	Director FEDERAZIONE DELLE COOPERATIVE DELLA PROVINCIA DI RAVENNA SOCIETA' COOPERATIVA PER AZIONI		
	Director CENTRALE ADRIATICA SOCIETA' CONSORTILE COOPERATIVA a R.L.		
	Member of Surveillance Board COOP ITALIA - SOCIETA' COOPERATIVA IN SIGLA COOP ITALIA SOCIETA' COOPERATIVA A RESPONSABILITA LIMITATA		
	Chairman of C.d.A. COOP. ADRIATICA - SOCIETA' COOPERATIVA A RESPONSABILITA' LIMITATA		x
	Director FINSOE S.P.A. - FINANZIARIA DELL'ECONOMIA SOCIALE S.P.A.		
	Director HOLMO S.P.A.		
	Director SPRING 2 S.R.L.		
	Vice Chairman of C.d.A UGF BANCA S.P.A.		
	Director UNIPOL GRUPPO FINANZIARIO S.P.A.		
	Albertini Claudio Chief Executive Officer	Director PROTOS - SOCIETA' DI CONTROLLI TECNICI E FINANZIARI S.P.A.	
Director EUROMILANO S.P.A.			
Director FINANZIARIA BOLOGNESE FI. BO. S.P.A.			
Director FINANZIARIA DI PARTECIPAZIONE E SERVIZI S.R.L.			
Chairman of C.d.A. HOTEL VILLAGGIO CITTA' DEL MARE S.P.A.			
Director NOMISMA - SOCIETA' DI STUDI ECONOMICI - S.P.A.			
Director PEGASO FINANZIARIA S.P.A.			
Director SOFINCO SPA			
Director SORIN SPA			
Director UGF LEASING S.P.A.			
Vice Chairman of C.d.A. UGF MERCHANT - BANCA PER LE IMPRESE S.P.A.			
Chairman of C.d.A. UGF PRIVATE EQUITY SOCIETA' DI GESTIONE DEL RISPARMIO SPA			
Standing Auditor CEFLA CAPITAL SERVICES S.P.A.			
Zamboni Roberto Consigliere	Chairman of C.d.A. FAENZA SVILUPPO - AREA MARCUCCI - S.R.L.	x	
Director FORUM - S.R.L.			
Director INIZIATIVE BOLOGNA NORD S.R.L.			
Director INRES - ISTITUTO NAZIONALE CONSULENZA, PROGETTAZIONE, INGEGNERIA- SOCIETA' COOPERATIVA			
Director UNAGRO S.P.A.			
Costalli Sergio Vice Chairman	Director FINSOE S.P.A. - FINANZIARIA DELL'ECONOMIA SOCIALE S.P.A.		
Director HOLMO S.P.A.			
Director UGF ASSICURAZIONI S.P.A.			
Vice Chairman and Chief Executive Officer UNICOOP TIRRENO SOCIETA' COOPERATIVA A RESPONSABILITA LIMITATA		x	
Director UGF S.P.A.			
Chairman of the B.o.D. VIGNALE COMUNICAZIONI S.R.L.			
Caporioni Leonardo Director	Director COOPERARE S.p.A.		
Director COOPERATIVA LAVORATORI DELLE COSTRUZIONI-SOCIETA COOPERATIVA			
Director COOPFOND S.p.A.			
Vice Chairman B.o.D. IMMOBILIARE SVILUPPO DELLA COOPERAZIONE S.p.A.			
Vice Chairman B.o.D. TIRRENO LOGISTICA S.R.L.			
Chairman of the Board of Statutory Auditors COMPAGNIA FINANZIARIA ED IMMOBILIARE TOSCANA S.p.A.			
Pellegrini Fernando Director	Director and Member of the Executive Committee SIMGEST - SOCIETA' DI INTERMEDIAZIONE MOBILIARE S.P.A.		
Chairman of the B.o.D. SOCIETA' GESTIONE FINANZIARIA S.R.L.			
Canosani Aristide Director	Director AVIVA S.P.A.		
Director CNP VITA S.P.A.			
Director COOP. ADRIATICA - SOCIETA' COOPERATIVA A RESPONSABILITA' LIMITATA		x	
Chairman of the B.o.D. CREDITRAS ASSICURAZIONI S.P.A.			
Chairman of the B.o.D. CREDITRAS VITA S.P.A.			
Chairman of the B.o.D. UNICREDIT BANCA S.P.A.			
Carpanelli Fabio Director	Chairman of the B.o.D. AUTOSTAZIONE DI BOLOGNA S.P.A.		
Chairman of the Surveillance Board MANUTENCOOP FACILITY MANAGEMENT SOCIETA' PER AZIONI SOCIETA' PER AZIONI			
Franzoni Massimo Director	Director UNICREDIT PRIVATE BANKING S.P.A.		
Representative of the shareholders holding privileged shares UNIPOL GRUPPO FINANZIARIO S.P.A.			

Table 4: offices held by the Directors at 31 december 2009

Director	Offices held in other companies	"IGD" Group companies	"IGD" Group shareholder companies
Gentili Francesco Director	Director BANCA DELLA MAREMMA - CREDITO COOPERATIVO DI GROSSETO - SOCIETA' COOPERATIVA		
Parenti Andrea Director	Standing Auditor MONTE PASCHI FIDUCIARIA S.P.A.		
Sabadini Riccardo Director	Director COOPOLIS S.P.A. Director SAPIR S.P.A. Director DINAZZANO PO SPA		
Boldreghini Giorgio Director	NONE		
Santi Sergio Director	Chairman of the Board of Statutory Auditors HERA S.P.A. Chairman of the Board of Statutory Auditors WIMAXER S.P.A. Standing Auditor HERA COMM S.R.L. Standing Auditor HERA ENERGIE RINNOVABILI S.P.A. Standing Auditor HERA TRADING S.R.L. Standing Auditor HERAMBIENTE S.R.L. Standing Auditor UNIFLOTTE S.R.L. Standing Auditor HERA LUCE S.R.L. Standing Auditor MODENA NETWORK S.P.A. Standing Auditor SET S.P.A. Standing Auditor FAMULA ON-LINE S.P.A. Director A.M. GENERAL CONTRACTOR S.P.A.		
Pirazzini Corrado Director	Chairman of the B.o.D. FONDAZIONE CASSA DI RISPARMIO DI IMOLA Director FEDERAZIONE DELLE COOPERATIVE DELLA PROVINCIA DI RAVENNA SOCIETA' COOPERATIVA PER AZIONI Director Assicoop S.p.A. Chairman of the B.o.D. Athena S.r.l. Vicepresidente CDA C.N.S. Soc. Coop. Consigliere Centroplast S.p.A. Consigliere Consorzio Leader Soc. Cons. a r.l. Presidente CDA Copura Soc. Coop. Consigliere Dister-Energia S.p.A. Presidente CDA Ecocamer S.r.l. Consigliere Gruppo Nettuno S.p.A. Vicepresidente CDA Morina S.r.l. Consigliere Pegaso Soc. Cons. a r.l. Presidente CDA Poseidon Immobiliare S.r.l. Consigliere Sistemi Globali Soc. Coop. Consigliere UNAGRO S.p.A.		



Table 5: Offices held by the Statutory Auditors at 31 december 2009

Statutory Auditor	Offices held in other companies	Company
Roberto Chiusoli Standing Auditor	Chairman Of The Board Of Statutory Auditors	Unipol Gruppo Finanziario Spa
	Chairman Of The Board Of Statutory Auditors	UGF Banca Spa
	Standing Auditor	Banca di Bologna Credito Cooperativo
	Chairman Of The Board Of Statutory Auditors	Holmo Spa
	Chairman Of The Board Of Statutory Auditors	Granarolo Spa
	Member Of The Surveillance Board	Manutencoop Facility Management Spa
	Standing Auditor	HPS Spa
	Chairman Of The Board Of Statutory Auditors	Iniziative Bologna Nord
Franco Gargani Standing Auditor	Standing Auditor	Consorzio Etruria Società Cooperativa A R.L.
	Standing Auditor	Edilizia Provinciale Grossetana Spa
	Chairman Of The Board Of Statutory Auditors	Asiu Spa
	Chairman Of The Board Of Statutory Auditors	Caldana S.R.L.
	Chairman Of The Board Of Statutory Auditors	Orizzonte S.R.L.
	Chairman Of The Board Of Statutory Auditors	Compagnia Portuali - Soc. Coop. A R.L.
	Chairman Of The Board Of Statutory Auditors	Ce.Val.Co. - Centro per la Valorizzazione Economica della Costa Toscana Spa - I N L I Q U I D A Z I O N E
	Chairman Of The Board Of Statutory Auditors	Gema Commerciale S.R.L.
	Standing Auditor	San Giacomo - Società Cooperativa Sociale
	Chairman Of The Board Of Statutory Auditors	Folcenter Srl
	Standing Auditor	Axis S.R.L.
	Chairman Of The Board Of Statutory Auditors	S.G.F. S.R.L.
	Standing Auditor	Maisis - Società a Responsabilità Limitata
	Chairman Of The Board Of Statutory Auditors	Tirreno Logistica S.R.L.
	Standing Auditor	Solaria S.R.L.
	Chairman Of The Board Of Statutory Auditors	Unicoop Tirreno Soc. Coop. A R.L.
	Chairman Of The Board Of Statutory Auditors	Tecnologie Ambientali Pulite - T.A.P. Spa
	Standing Auditor	Polo Universitario Grossetano Società Consortile A R.L.
	Chairman Of The Board Of Statutory Auditors	Indal. 2000 S.R.L.
	Chairman Of The Board Of Statutory Auditors	Sviluppo Discount S.P.A. (O Solo S.D. S.P.A.)
	Director	Ultima Spiaggia Srl
	Standing Auditor	Sof S.P.A.
	Standing Auditor	L'ormeggio - Società Cooperativa A R.L.
Chairman Of The Board Of Statutory Auditors	Gestione Strutture Cooperative Del Tirreno Srl	
Chairman Of The Board Of Statutory Auditors	Cigri S.P.A. - I N L I Q U I D A Z I O N E	
Romano Conti Chairman of the Board of Statutory Auditors	Chairman of the board of directors	Finmecc S.P.A.
	Standing auditor	Unicredit Leasing S.P.A.
	Director	Despina S.P.A.
	Director	G.M.G. Group S.R.L.
	Chairman of the board of statutory auditors	Comet Holding S.P.A.
	Standing auditor	Editoriale Corriere Di Bologna S.R.L.
	Director	F.G.F. Finanziaria Generale Felsinea S.P.A.
	Standing auditor	Comet S.P.A.
	Chairman of the board of directors	Ferrario S.P.A.
	Standing auditor	Galotti S.P.A.
	Sole administrator	Fin.Gi - S.R.L.
	Chairman of the board of directors	Seconda S.P.A.
	Director	Simbuleia S.P.A.
	Chairman of the board of directors	Centro Sperimentale del Latte Spa
	Director	D.&C. - Compagnia di Importazione Prodotti Alimentari, Dolciari, Vini e Liquori - S.P.A.
	Director	Majani Spa
	Chairman of the internal control committee	Majani Spa
Director	Acbgroup S.P.A.	