

## GLOSSARY

**IGD/The Company:** Immobiliare Grande Distribuzione SIIQ S.p.A.

**Code/Corporate Governance Code:** The Corporate Governance Code for listed companies, as last approved in July 2014, by the Corporate Governance Committee constituted by Borsa Italiana S.p.A. (the Italian Stock Exchange), ABI, Ania, Assogestioni, Assonime and Confindustria.

**Board:** IGD's Board of Directors.

**Managers with Strategic Responsibilities:** The managers identified by the Board of Directors in accordance with Art. 65, paragraph 1-quater, of the Regulations for Issuers.

**Group:** IGD and the companies its controls pursuant to Art. 93 of TUF

**2014-2016 Business Plan:** the business plan referred to years 2014-2016 approved by the Board of Directors on 19<sup>th</sup> December 2013

**Compensation Policy:** The Compensation Policy approved by the Board of Directors on 14 December 2015, described in Part I of this Report.

**Committee Regulations:** The Compensation Committee Regulations, as last amended on 8 November 2012.

**Regulations for Issuers:** The regulations for issuers issued by CONSOB in Resolution n. 11971 of 14 May 1999, as amended.

**TUF:** Legislative Decree n. 58 dated 24 February 1998, as amended.

## Part I – Compensation Policy

### **a) Bodies or parties involved in the preparation and approval of the compensation policy, respective roles, as well as the bodies or parties responsible for the correct implementation of the policy.**

Each year the Board of Directors approves the Compensation Policy as proposed by the Nomination and Compensation Committee (see letter b) below).

The Compensation Policy is submitted to the ordinary Shareholders' Meeting convened in accordance with Art. 2364 of the Italian Civil Code for non-binding approval.

The Nomination and Compensation Committee is chiefly responsible for the correct implementation of the Policy, as well as the Chief Executive Officer and the Board of Directors.

### **b) Role, composition, and functions of the Nominations and Compensation Committee**

The Nominations and Compensation Committee, which presented the Board of Directors with the proposed Compensation Policy, is comprised of the number of directors set by the Board of Directors upon appointment. The Committee members are all non executive, independent members and at least one member possesses adequate understanding of and experience in finance as assessed by the Board of Directors upon appointment.

On 17 April 2015, the Board of Directors appointed independent directors Andrea Parenti (Chairman), Milva carletti and Elisabetta Gualandri to the Nominations and Compensation Committee.

The Nominations and Compensation Committee submits proposals and provides recommendations relating to remuneration in order to ensure that the compensation of the Company's directors, the Managers with Strategic Responsibilities and directors of subsidiaries are determined in such a way as to retain and motivate the individuals with the professional characteristics needed to successfully manage the Company and its subsidiaries.

The Nominations and Compensation Committee has the following functions:

- a. to submit proposals to the Board of Directors regarding the general policy for the remuneration of Directors and Managers with Strategic Responsibilities;
- b. periodically assess the adequacy, the overall consistency and application of the compensation policy, referred to letter d below, availing itself, in the case of the Managers with Strategic Responsibilities, of the information provided by the Chief Executive Officer;
- c. to submit proposals or express opinions to the Board of Directors regarding remuneration of Executive Directors and other Directors holding special offices, as well as the performance targets linked to variable compensation and to ensure that the Board's decisions are complied with and verifying whether or not the performance targets are reached;
- d. 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;
- e. to submit opinions to the Board regarding the overall compensation to be granted the Board members of the subsidiaries and affiliates;

f. report to the Company's shareholders on how the Committee is fulfilling its duties.

In carrying out its duties, the Committee collaborates with the relative corporate structures.

**c) Name of any independent experts called upon to assist with the drafting of the compensation policy**

No independent experts were involved in the preparation of the Compensation Policy with the exception of what is indicated below in letter o).

**d) Purpose of the compensation policy, principles and any changes in the policy with respect to the prior year**

The Company's Compensation Policy seeks to attract, motivate and retain highly skilled professionals, capable of successfully managing the Company.

More in detail, the remuneration of the Chief Executive Officer, Directors holding special offices, the Chief Operating Officer and the Managers with Strategic Responsibilities aims to:

- attract, motivate and retain highly qualified professional managers;
- to involve and incentivise the management deemed key to achieving the Company's (and the Group to which it belongs) targets;
- to promote the medium/long term creation of value for shareholders;
- to create a strong link between remuneration and performance, both individual and group.

The Compensation Policy takes into account the commitment needed to fulfil the duties of the other directors, as well as of involvement in any committees, but remuneration is not linked to the Company's results (see the following paragraph n).

The Company's Board of Directors approved the Compensation Policy on 14 December 2015, based on the proposal submitted by the Compensation Committee which met on 14 December 2015.

The Compensation Policy refers to the remuneration of the Chief Executive Officer, the Directors holding special offices, the non-executive Directors, the Chief Operating Officer and the Managers with Strategic Responsibilities for 2016.

Please note that, compared to the Compensation Policy of the prior year, approved by the Board of Directors on 26 February 2015 and submitted to non-binding resolution of the Shareholders' Meeting on 15 April 2015, the Compensation Policy for 2016 remained essentially unchanged, with the exception of what is indicated in relation to the variable compensation of the Chief Executive Officer and, more specifically, (i) the maximum variable compensation payable which is increased from 30% to 50% of the fixed compensation set by the Board of Directors, and (ii) and single annual performance targets as a percentage of short-term variable compensation .

**e) Description of the policies pertaining to fixed and variable compensation, the weight of the variable component with regard to total compensation, the difference between short and medium/long term variable compensation**

With regard to fixed compensation, the Corporate Governance Code recommends that it should be enough to remunerate the Chief Executive Officer, the Directors holding special offices, the Chief Operating Officer and the Managers with Strategic Responsibilities for the job done in event the variable compensation is not paid due to a failure to reach performance targets.

With regard to variable compensation, the Corporate Governance Code recommends that the remuneration for the Chief Executive Officer, the Directors holding special offices, the Chief Operating Officer and the Managers with Strategic Responsibilities be defined based on the following criteria:

- the fixed and variable components should be fairly balanced;
- limits should be set for the variable components;
- the performance targets have to be predetermined, quantifiable and linked to long/medium term value creation;
- the payment of a relevant portion of the variable component must be deferred for an adequate period of time with respect to its vesting.

With regard to the remuneration of the Executive Directors and the Directors holding special offices, the Company resolved that the variable component of the Chief Executive Officer's compensation, insofar as he has operating responsibilities, should be linked to the results achieved with a view to creating medium/long term value for shareholders.

The remuneration of the other directors comprises solely a fixed component commensurate with the commitment asked of each director. These directors will not be awarded any form of variable compensation as the activities carried out by these directors does not have a direct impact on the Company's economic results, particularly those that variable components are typically linked to.

The Policy also provides that the employment relationship of the Chief Operating Officer and the Managers with Strategic Responsibilities will continue to be governed by the national labor contract for managers of cooperative businesses.

In line with the above, based on the Compensation Policy remuneration is comprised of:

- a fixed portion composed of:
  - for the Chief Executive Officer:
    - the compensation for each director approved by the Ordinary Shareholders' Meeting in the appointment for the office of Board of Directors' member; and
    - the compensation approved by the Board of Directors, based on the Compensation and Nominations Committee's proposal and subject to the positive opinion of the Board of Statutory Auditors, pursuant to Articles 25.1 of the bylaws and 2389, par. 3, of the Italian Civil Code;
  - for the non executive Directors
    - the compensation for each director approved by the Ordinary Shareholders' Meeting in the appointment for the office of Board of Directors' member; (see the following paragraph n);
  - for the Chief Operating Officer and the Managers with Strategic Responsibilities :
    - gross yearly fixed salary, as per the individual contracts signed by the Managers with Strategic Responsibilities, which is line with the national labor contract for managers of cooperative businesses which governs the employment relationship;
- a variable portion composed of:

- for the Chief Executive Officer, a variable component to be established by the Board of Directors based on the proposal submitted by the Nomination and Compensation Committee subject to the favourable opinion of the Board of Statutory Auditors, linked to achieving certain performance targets:

More in detail, the variable component of the Chief Executive Officer's compensation comprises:

(i) for 80%, a short term variable component, tied to reaching yearly performance targets which include:

- consolidated EBITDA margin with a margin of plus or minus 1% with respect to the budget (25% of the variable component);
- earnings per share with an increase versus the prior year, like-for-like excluding treasury shares, of plus or minus 5% ( 25% of the variable component);
- other qualitative targets identified by the Board of Directors based on the Nominations and Compensation Committee's proposal ( 30% of the variable component).

The Nominations and Compensation Committee must verify if the targets have been reached or not by 30 April of each year and, at any rate, after the Company's Board of Directors has approved the draft separate and consolidated financial statements for the year in question.

(ii) for 20%, a three-year Long Term Incentive Plan o "LTIP"

More in detail, on 27 February 2014 the Board of Directors, based on the proposal submitted by the Nominations and Compensation Committee and the favorable opinion of the Board of Statutory Auditors, approved the LTIP 2014-2016, subject to having reached the target for the net financial position (NFP) indicated in the 2014-2016 Business Plan, excluding any capital increases against payment made by the Company in the three-year period and within the range referred to in the LTIP plan.

The Nominations and Compensation Committee must verify if the three-year target above has been reached or not subsequent to the date on which the Company's Board of Directors has approved the draft separate and consolidated financial statements for 2016.

Based on the Policy, the total variable compensation payable to the Chief Executive Officer may not exceed 50% of the fixed salary determined by the Board of Directors. More in detail, (i) the short term variable component may not exceed 40% of the yearly fixed salary, and (ii) the medium-long term component may not exceed 10% of the fixed salary received by the Chief Executive Officer in the three-year period in question.

- for the Chief Operating Officer and the Managers with Strategic Responsibilities, a variable component subject to the achievement of certain performance targets.

More in detail, the variable component of the Chief Operating Officer's and the Managers with Strategic Responsibilities' compensation comprises:

(i) for 90%, a short term variable component, tied to reaching yearly performance targets which include:

- consolidated EBITDA margin with a margin of plus or minus 1% with respect to the budget (20% of the variable component);
- earnings per share with an increase versus the prior year, like-for-like excluding treasury shares, of plus or minus 5% ( 10% of the variable component);

- for up to a maximum of 60% of the variable component, to two or more individual performance targets, to be defined on the basis of the work done by each manager, the strategic projects in which he/she is involved and the level of responsibility, the difference in which must, at any rate, be linked to the results achieved.

The Nominations and Compensation Committee will verify if the company targets have been reached by 30 April of each year and, at any rate, subsequent to the Board of Directors' approval of the Company's draft separate and consolidated financial statements for the reference year. The Chief Executive Officer and/or the Chief Operating Officer will verify if individual targets have been reached or not by the same deadline in accordance with the Company's policies.

(ii) for 10%, a three-year Long Term Incentive Plan o "LTIP", subject to achieving the three-year performance targets outlined in the LTIP plan.

More in detail, on 27 February 2014 the Board of Directors, based on the proposal submitted by the Nominations and Compensation Committee and the favorable opinion of the Board of Statutory Auditors, approved the LTIP 2014-2016, subject to having reached the target for the net financial position (NFP) indicated in the 2014-2016 Business Plan, excluding any capital increases against payment made by the Company in the three-year period and with the deviation margin referred to in the LTIP plan.

The Nominations and Compensation Committee must verify if the three-year target above has been reached or not subsequent to the date on which the Company's Board of Directors has approved the draft separate and consolidated financial statements for 2016.

Based on the Policy, the total variable compensation payable to the Chief Operating Officer and the Managers with Strategic Responsibilities may not exceed 30% of the fixed annual salary. More in detail, (i) the short term variable component may not exceed 27% of the gross yearly fixed salary received by the executive at 31 December of the year prior to the one in which the variable compensation is to be paid, and (ii) the medium-long term component may not exceed 3% of the gross annual fixed salary received by the executive in the three years prior to the one in which the variable compensation is to be paid.

The payment of the variable component must be deferred for an appropriate period of time with respect to its vesting. The Company's practice is to pay the variable compensation at the end of the first six month period subsequent to the end of the vesting period.

The fixed and variable components as a percentage of total compensation to be paid the Chief Operating Officer, the Chief Executive Officer and the Managers with Strategic Responsibilities will be determined on the basis of the Company's strategic objectives, in light of the sector in which IGD is active and the characteristics of its business. The two components must be balanced and in line with the goals of the Compensation Policy.

As of the date of this Report, the Company does not have any share based incentive plans.

#### **f) Policy regarding non-cash benefits**

As of the date of this Report, the Company has yet to adopt a policy regarding non-cash benefits.

**g) Variable components: description of the underlying performance targets, distinction between short and medium/long term variables, and information on the connection between any change in results and remuneration**

Please refer to letter e) above.

**h) Criteria used to establish the performance targets used to assign shares, options, other financial instruments and other components of variable compensation**

The individual performance targets used in the Compensation Policy to determine whether or not the variable compensation should be paid or not are largely based on business and financial objectives, as well as the creation of value for shareholders in the medium-long term.

The objectives and the targets are, generally, calculated on the basis of the Company's specific business activities and their profitability.

**i) The Compensation Policy, the Company's long term interests and its risk management policy**

Based on the Compensation Policy the performance targets described above and payment of variable compensation have to be in line with the Company's risk management policy and take into account the risks assumed by IGD, the capital and the liquidity needed to meet the Company's business needs.

More in detail, the Company found the LTIP to be the most effective way to focus management on the long term creation of value for shareholders. Under the LTIP, in fact, the medium-long term compensation is payable only if the targets established herein have been reached at the end of the three-year period.

As shown in letter h) above, the above mentioned parameters are in line with the Company's mid-long term interests.

**j) The vesting period, any deferred payment mechanisms, deferment periods, the criteria used to determine these periods and, if provided for, corrective measures**

As of the date of this Report, the Company does not have any share based incentive plans.

Beginning 2015 provisions have been introduced which allow the Company to include clawback clauses in employment contracts based on which all or part of the variable compensation paid (including deferred amounts) to the Chief Executive Officer, the Chief Operating Officer and the Managers with Strategic Responsibilities, shall be refunded within three years of payment (or withheld) if the relative corporate functions prove that the same was made on the basis of data that were manifestly incorrect.

With regard to deferred payment mechanisms and the criteria used, please refer to letter e) above.

**k) Information relating to holding financial instruments after their acquisition, holding periods and the criteria used to determine the length of these periods**

As indicated in letter e), no share based incentive plans are contemplated in the Compensation Policy.

**l) Termination allowance**

The Compensation Policy does not provide for any indemnities for the directors in the event of advance termination of the directorship or if it is not renewed, with the exception of what described below.

With the exception of withdrawal or removal from office, the Board of Directors may award the Chief Executive Officer an indemnity for termination or lack of renewal; this indemnity will be paid over three years and will not exceed the compensation that the Chief Executive Officer received for the two years prior to when the cause for termination materialized.

With regard to the Chief Operating Officer and the Managers with Strategic Responsibilities, if the working relationship is terminated the national labour contract for managers of cooperatives will be applied.

Without prejudice to the above, in the event of termination the long term incentives offered to the Chief Executive Officer, the Chief Operating Officer and the Managers with Strategic Responsibilities will be subject to the specific provisions found in the LTIP regulations.

#### **m) Additional insurance coverage and pension plans**

The Chief Executive Officer, the non executive directors, the Chief Operating Officer and the Managers with Strategic Responsibilities are covered under mandatory insurance and pension plans, in addition to what is provided under the national labour contract for managers of cooperatives.

#### **n) Pay policy for: (i) independent directors, (ii) committee members and (iii) carrying out special assignments**

The Company, in light of the definition of executive directors found in Art. 2.C.1 of the Corporate Governance Code, considers all directors non executive with the exception of the Chief Executive Officer and the Chairman of the Board of Directors, given the assignment granted the latter to act as head of the Internal Control and Risk Management System.

As indicated in letter e) above, the Company resolved to award the Chief Executive Officer variable compensation as per the terms and conditions indicated. In light to the recommendations found in the Corporate Governance Code, the remuneration of the other Directors is not linked to the Company's and/or the Group's economic results.

The remuneration of the non executive directors as indicated in item e) above, consists solely in the fixed emolument set by the shareholders.

The directors, members of the Control and Risks Committee, the Decree 231/2001 Organizational Model Supervisory Board, and the Committee for Related Party Transactions receive additional compensation as resolved by the Board of Directors, while the directors, members of the Nomination and Compensation Committee and the Committee for related parties transactions receive an attendance fee for each meeting attended as resolved by the Board of Directors, subject to approval by the Nomination and Compensation Committee.

The Chairman of the Board of Directors and the Vice Chairman are paid an additional annual fixed salary for their respective offices as determined by the Board of Directors based on the Nomination and Compensation Committee's proposal.

#### **o) Compensation policies of other companies**

The Compensation Policy was drawn up by the Company without referring to the policies adopted by other companies. With regard, however, to the Chief Executive Officer, the Chief Operating Officer and the Managers with Strategic Responsibilities, the Compensation Policy was drawn up based on the analysis conducted by



SCS Consulting, taking into account the compensation paid to executive directors and managers with strategic responsibilities by a number of companies in Italy and abroad that are similar in size to IGD. The remuneration paid by the companies included in the sample was assessed as a whole, in order to take account of market standards, without looking solely at one or a few of the companies examined.

## **Part II – Remuneration of the Board of Directors, the Board of Statutory Auditors, the General Manager and the Managers with Strategic Responsibilities in 2015**

This part of the report contains the compensation owed the members of the Board of Directors, the Board of Statutory Auditors, as well as the Chief Operating Officer, for 2015.

The compensation of the Managers with Strategic Responsibilities is indicated as an aggregate amount insofar as in 2015 none of the Managers with Strategic Responsibilities received compensation which was higher than the highest total compensation received by the Board of Directors, the Board of Statutory Auditors and the Chief Operating Officer.

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### **Section One – items comprising remuneration**

The items comprising the remuneration received by the members of the Board of Directors, the Board of Statutory Auditors, and the Chief Operating Officer, as well as the aggregate amounts paid to the Managers with Strategic Responsibilities in 2015 are shown in this section of Part II.

#### **1.1 Board of Directors**

##### **1.1.1 Chief Executive Officer**

In 2015 the Chief Executive Officer was Director Claudio Albertini, who was confirmed as Chief Executive Officers, following appointment of the new Board of Directors during the Shareholders' Meeting held in ordinary session on 15 April 2015, by the Board of Directors on 17 April 2015.

Below is a description of the each of the items comprising the Chief Executive Officer's remuneration in 2015:

- Fixed component, comprising:
  - a yearly gross salary of €16,500.00 for acting as a member of the Board of Directors, as approved by (i) the shareholders on 19 April 2012, for the period from 1 January 2015 to 15 April 2015; (ii) the shareholders on 15 April 2015, for the period from 15 April 2015 to 31 December 2015;
  - a salary of €250,000.00 for acting as Chief Executive Officer, as approved by the Boards of Directors on 19 April 2012 and 17 April 2015, based on the Nominations and Compensation Committee's proposal and the Board of Statutory Auditors' opinion pursuant to Art. 25 of the bylaws and Art. 2389, par. 3, of the Italian Civil Code;
- Variable component: a significant part of the Chief Executive Officer's remuneration is linked to specific Company performance targets.

For 2015, the variable component of the remuneration was approved by the Board of Directors of 8 April 2015 based on the Nomination and Compensation Committee's proposal and following approval from the Board of Statutory Auditors.

More in detail, the Chief Executive Officer's short term variable compensation in 2015 – which was equal to 80% of the total variable compensation - was set at a maximum of 24% of the fixed component determined by the Board of Directors. Payment of this incentive is subject to achieving predetermined performance targets: 30% of the total variable compensation is linked to the consolidated EBITDA margin and 30% to the earnings per share which must reach the levels indicated in the 2015 budget, while the remainder is linked to qualitative objectives. Whether or not the targets have been reached will be verified after IGD's draft

separate and consolidated financial statements for 2015 have been approved. Any incentive owed, for up to a maximum of 24% of the fixed compensation, will be paid in 2016.

The Chief Executive Officer is also a beneficiary of the LTIP 2014-2016 – which represents 20% of the total variable compensation – subject to achieving the Net Financial Position (NFP) target found in the 2014-2016 Business Plan. This is a three-year performance target and, therefore, achievement of the target will be verified in 2017.

For the sake of completeness, please note that in 2015 the Chief Executive Officer received variable compensation for FY 2014 of €60,000.00.

With regard to early termination indemnities relative to the directors, please refer to the following paragraph 1.5.

### **1.1.2. Chairman of the Board of Directors**

The Chairman's remuneration is not tied to the Company's economic results and, therefore, is comprised solely of a fixed component.

In 2014 Chairman of the Board of Directors was Gilberto Coffari, who was reconfirmed Chairman during the Shareholders' Meeting held in ordinary session on 15 April 2015 and by the Board of Directors held on 17 April 2015. The Chairman's total compensation for 2015 amounted to €91,500.00, approved as follows:

- for €16,500.00 by (i) the Shareholders' Meeting held on 19 April 2012, for the period from 1 January 2015 to 15 April 2015; (ii) the Shareholder's Meeting held on 15 April 2015, for the period from 15 April 2015 to 31 December 2015, and
- for €75,000.00, as additional compensation for acting as Chairman, by the Board of Directors on 19 April 2012 and on 15 April 2015

There are no indemnities provided for in the event of termination of office.

### **1.1.3 Vice Chairman of the Board of Directors**

The Vice Chairman's remuneration is not tied to the Company's economic results and, therefore, is comprised solely of a fixed component. Until 15 April 2015 IGD's Vice Chairman was Director Sergio Costalli who had *been appointed as Vice Chairman by the Board of Directors on 19 April 2012.*

During the Shareholders' Meeting held on 15 April 2015, IGD's shareholders appointed a new Board of Directors and during the Board of Directors' meeting held on 17 April 2015, Fernando Pellegrini was appointed Vice Chairman.

More in detail, during the meeting held on 17 April 2015 the Board set the Vice Chairman's yearly gross salary €50,000.00.

The compensation paid the Vice Chairman in the period 1 January 2015 through 15 April 2015, amounted to €19,357,87.00 explained:

- for €4,803.08 by the pro-rata portion owed for being a member of the Board of Directors based on the compensation approved by the shareholders during the Shareholders' Meeting held on 19 April 2012;

- for €14,554.79, by the pro-rata portion owed for acting as Vice Chairman based on the compensation approved by the Board of Directors on 19 April 2012.

The total compensation of the Vice Chairman Fernando Pellegrini for 2015 amounted to €51,979.45, approved as follows:

- for 16,500.00 as resolved (i) by the shareholders during the Shareholders' Meeting held on 19 April 2012, for the period 1 January 2015 through 15 April 2015; (ii) by the shareholders during the Shareholders' Meeting held on 15 April 2015, for the period 15 April 2015 to 31 December 2015;
- for €35,479.45 as resolved by the Board of Directors' meeting held on 17 April 2015 for acting as Vice Chairman of the Board of Directors for the period 17 April 2015 through 31 December 2015.

There are no indemnities provided for in the event of termination of office.

#### **1.1.4 Other members of the Board of Directors**

The members of the Board of Directors in office until 15 April 2015, in addition to the Chief Executive Officer, the Chairman and the Vice-Chairman, were the following Directors, appointed during the Shareholders' Meeting held on 19 April 2012: Roberto Zamboni, Leonardo Caporioni, Fernando Pellegrini, Aristide Canosani, Fabio Carpanelli, Massimo Franzoni, Elisabetta Gualandri, Andrea Parenti, Riccardo Sabadini, Giorgio Boldreghini, Tamara Malagotti, Lidia Salvini.

The Shareholders' Meeting held on 15 April 2015 appointed the new Board of Directors composed by the following members: Claudio Albertini (Chief Executive Officer), Gilberto Coffari (Chairman), Fernando Pellegrini (Vice Chairman), Aristide Canosani, Elio Gasperoni, Leonardo Caporioni, Elisabetta Gualandri, Milva Carletti, Rossella Saoncella, Andrea Parenti, Livia Salvini, Matthew D. Lentz and John William Vojticek.

The remuneration of the above mentioned members of the Board of Directors is not tied to the Company's economic results and, therefore, is comprised solely of a fixed component.

More in detail, on 15 April 2015 the shareholders set the yearly gross salary for each member of the Board of Directors at €16,500.00.

More in detail, please note that:

- with regard to the directors whose office terminated on 15 April 2015 (Sergio Costalli, Giorgio Boldreghini, Fabio Carpanelli, Massimo Franzoni, Tamara Magalotti, Riccardo Sabadini, and Roberto Zamboni) the pro rata compensation for acting as a director for the period 1 January 2015 through 15 April 2015 amounted to €4,746.58.
- with regard to the newly appointed directors (Milva Carletti, Elio Gasperoni, Matthew David Lentz, Rossella Saoncella) the pro rata compensation for acting as a director for the period 15 April 2015 through 31 December 2015 amounted to €11,753.42. With regard, specifically, to the newly appointed director John William Vojticek, please note that on 17 November 2015 Mr. Vojticek tendered his resignation as a director and waived the entire compensation due to him for the period in which he acted as a director;
- with regard to the directors reconfirmed by the shareholders on 15 April 2015 (Gilberto Coffari, Claudio Albertini, Fernando Pellegrini, Aristide Canosani, Leonardo Caporioni, Elisabetta Gualandri, Andrea Parent and Livia Salvini) the compensation paid in 2015 for acting as a director amounted to €16,500.00.

There are no indemnities provided for in the event of termination of office.

## **1.1.5 Members of the Board Committees**

### 1.1.5.1 Control and Risk Committee

The directors, members of the Control and Risks Committee and the Decree 231/2001 Organizational Model Supervisory Board, receive additional fixed compensation as resolved by the Board of Directors.

Until 15 April 2015 the Control and Risk Committee was composed by Elisabetta Gualandri, Chairman, Livia Salvini and Massimo Franzoni.

On 17 April 2015 the Board of Directors appointed the following directors to act as members of the Control and Risks Committee: Elisabetta Gualandri, Chairman, Livia Salvini and Rossella Saoncella.

In 2015 the compensation to be paid to the members of the Control and Risk Committee, approved by the Board of Directors on 17 April 2015, amounted to €12,000 for the Chairman and €8,000 for the other members.

More in detail, please note that:

- with regard to the reconfirmed directors, Elisabetta Gualandri and Livia Salvini, the compensation for 2015 amounted to, respectively, €12,000 for acting as Chairman and €8,000 for acting as member of the Risk and Control Committee as resolved by the Board of Directors on 19 April 2012 and 17 April 2015;
- with regard to the newly appointed director, Rossella Saoncella, the compensation for 2015 amounted to €5,698.83 or the pro rata amount owed for acting as a member of the Control and Risk Committee for the period 17 April 2015 through 31 December 2015, as resolved by the Board of Directors on 17 April 2015;
- with regard to the exiting director Massimo Franzoni, the compensation for 2015 amounted to €2,301.37 or the pro rata amount owed for acting as a member of the Control and Risk Committee for the period 1 January 2015 through 15 April 2015, as resolved by the Board of Directors on 19 April 2012.

Until 15 April 2015 the Supervisory Board was composed by Fabio Carpanelli, Chairman, Livia Salvini and Aristide Canosani.

On 17 April 2015 the Board of Directors appointed to act as members of the Supervisory Board: Fabio Carpanelli, Chairman, Riccardo Sabadini and Alessandra De Martino.

In 2015 the compensation to be paid to the members of the Decree 231/2001 Organizational Model Supervisory Board, approved by the Board of Directors on 17, amounted to €12,000 for the Chairman and €8,000 for the other members.

More in detail, please note that:

- with regard to Fabio Carpanelli, reconfirmed as Chairman of the Supervisory Board, the compensation for 2015 amounted to €12,000.00, as resolved by the Board of Directors on 19 April 2012 and 17 April 2015;
- with regard to members Riccardo Sabadini and Alessandra De Martino, the compensation for 2015 amounted to €5,698.63 or the pro rata amount owed for acting as a member of the Supervisory Board for the period beginning 15 April 2015, as resolved by the Board of Directors on 17 April 2015;

- with regard to the exiting directors Livia Salvini and Aristide Canosani the compensation for 2015 amounted to €2,301.37 or the pro rata amount owed for acting as a member of the Supervisory Board for the period 1 January 2015 through 15 April 2015, as resolved by the Board of Directors on 19 April 2012.

#### 1.1.5.2 Committee for Related Party Transactions

Until 15 April 2015 the Committee for Related Party Transactions was composed by the Directors Riccardo Sabadini, Chairman, Andrea Parenti and Giorgio Boldreghini.

On 15 April 2015 the Board of Directors appointed the following independent directors to act as new member of the Committee for Related Party Transactions: Rossella Saoncella and Matthew D. Lentz and confirmed Andrea Parenti.

With regard to the compensation to be paid each member of the Committee for Related Party Transactions, on 17 April 2015 the Board of Directors set an attendance fee for each Committee meeting attended of €750.00.

More in detail, the compensation received in 2015:

- by the exiting members of the Committee for Related Party Transactions amounted to (i) €1,500.00 or the fees paid to Riccardo Sabadini for attending two meetings; (ii) €1,500.00 or the fees paid to Giorgio Boldreghini for attending two meetings, as resolved by the Board of Directors on 19 April 2012;
- by the current members of the Committee for Related Party Transactions amounted to (i) €3,750.00 or the fees paid to Rossella Saoncella for attending five meetings; (ii) €3,000.00 the fees paid to Matthew David Lentz for attending four meetings, and (iii) €5,250.00 the fees paid to Andrea Parenti for attending seven meetings (the latter includes the compensation already approved by the Board of Directors on 19 April 2012).

#### 1.1.5.3 Compensation and Nominations Committee

Until 15 April 2015 the members of the Compensation and Nominations Committee were Andrea Parenti (Chairman), Fabio Carpanelli and Tamara Magalotti as appointed by the Board of Directors on 19 April 2012.

On 17 April 2015, the Board of Directors appointed as new members of the Compensation and Nominations Committee the independent Directors Milva Carletti and Elisabetta Gualandri and confirmed Andrea Parenti as chairman.

With regard to the compensation to be paid each member of the Compensation and Nominations Committee, on 17 April 2015 the Board of Directors, as per the proposal submitted by the Compensation and Nominations Committee, set an attendance fee for each Committee meeting attended of €750.00.

More in detail, the compensation received in 2015:

- by the exiting members of the Compensation and Nominations Committee amounted to (i) €2,250.00 or the fees paid to Fabio Carpanelli for attending three meetings; (ii) €750.00 or the fees paid to Tamara Magalotti for attending one meeting, as resolved by the Board of Directors on 19 April 2012;
- by the current members of the Compensation and Nominations Committee amounted to (i) €6,000.00 or the fees paid to Chairman (the latter includes the compensation already approved by the Board of Directors on 19 April 2012); (ii) €3,000.00 the fees paid to Milva Carletti and Elisabetta Gualandri for attending four meetings, as resolved by the Board of Directors on 17 April 2015.

#### 1.1.5.4. Chairman's Committee

Until 15 April 2015 the members of the Chairman's Committee were Chairman Gilberto Coffari, Vice Chairman Sergio Costalli, Chief Executive Officer Claudio Albertini and Director Roberto Zamboni as appointed by the Board of Directors on 19 April 2012.

The Chairman's Committee, appointed by the Board of Directors on 17 April 2015, comprised Chairman Gilberto Coffari, Vice Chairman Fernando Pellegrini, the Chief Executive Officer Claudio Albertini and the Director Elio Gasperoni.

For the members of the Chairman's Committee is not provided any form of remuneration.

With the exception of the Chief Executive Officer, as discussed above, there are no indemnities provided for in the event of termination of office.

#### 1.1.5.5 Lead Independent Director

The Lead Independent Director, appointed by the Board of Directors on 19 April 2012 and in office until 15 April 2015, was the Independent Director Riccardo Sabadini whose compensation, based on the proposal of the Compensation and Nominations Committee, amounted to an attendance fee for each meeting attended of €750.00.

More in detail, Lead Independent Director Riccardo Sabadini did not receive any compensation for the period through 15 April 2015 as no meetings were held.

Following the recent renewal of the Board of Directors, as none of the circumstances existed which call for the appointment of a Lead Independent Director under the Corporate Governance Code, the Company did not appoint anyone to act as the Lead Independent Director

### **1.2 Board of Statutory Auditors**

The Board of Statutory Auditors in office through 15 April 2015, appointed during the Annual General Meeting held on 19 April 2012, was comprised of independent directors Romano Conti (Chairman), Pasquina Corsi and Roberto Chiusoli, was awarded a yearly gross salary of €16,500.00 for the standing auditors and a yearly gross salary of €24,750.00 for the Chairman.

During the meeting held in ordinary session on 15 April 2015, the company's shareholder appointed a new Chairman of the Board of Statutory Auditors Anna Maria Allievi, and reconfirmed the statutory auditors e Roberto Chiusoli and Pasquina Corsi. During the same meeting, shareholders set the yearly gross salary at €24,750.00 for the Chairman and at €16,500.00 for the other standing auditors.

In 2015 the current Board of Statutory Auditors was paid:

- €17,630.14, Anna Maria Allievi (Chairman), for the period 15 April 2015 to 31 December 2015;
- €16,500.00, to Roberto Chiusoli and Pasquina Corsi, each, for the period 1 January 2015 through 31 December 2015;
- €7,119.86, Romano Conti (the exiting Chairman) for the period 1 January 2015 through 15 April 2015.

### **1.3 Chief Operating Officer**

In 2015 the Chief Operating Officer was Daniele Cabuli.

The compensation received by the Chief Operating Officer in 2015 can be broken down as follows:

- Fixed yearly salary equal to €140,706.00;
- Non-cash benefits;
- Variable compensation: a significant part of the Chief Operating Officer's remuneration is linked to specific performance targets. More in detail, the Chief Operating Officer's short period variable compensation – which represents the 90% of the total variable compensation – in 2015 was subject to reaching the following performance objectives:
  - consolidated EBITDA margin with a deviation of plus or minus 1%, for a percentage equal to 20% of the variable component
  - earnings per share levels, with an increase versus the prior year, like-for-like excluding treasury shares, of plus or minus 5%, for a percentage equal to 10% of the variable component; and
  - individual targets, for up to a maximum of 60% of the variable component, which include:
    - total core business revenue equal to the budget,
    - improvement of the occupancy rate in the shopping mall (94.3% in 2014),
    - preparation of the corporate sustainability report,

determined on the basis of the Chief Operating Officer's duties, the strategic projects in which he/she was involved, as well as the level of responsibility and the extent to which this was connected to the results recorded in 2015.

Whether or not the targets have been reached will be verified after IGD's draft separate and consolidated financial statements for 2015 have been approved. Any incentive owed, estimated at €29,936.00, will be paid in 2016.

The Chief Operating Officer is also a beneficiary of the LTIP 2014-2016 – which represents 10% of the total variable compensation – subject to achieving the Net Financial Position (NFP) target found in the 2014-2016 Business Plan. This is a three-year performance target and, therefore, achievement of the target will be verified in 2017.

There are no agreements which provide for indemnities in the event of advance termination of the employee relationship, with the exception of what indicated in the following paragraph 1.5.

#### ***1.4 Managers with Strategic Responsibilities***

Managers who are part of the Company's Operating Division are considered Managers with Strategic Responsibilities. In 2015, these included the Heads of the Corporate and Legal Affairs Department, the Asset Management and Development Division and the Finance and Treasury Department .

The compensation received by the Managers with Strategic Responsibilities in 2015 can be broken down as follows:



- Fixed yearly salary for all the Managers with Strategic Responsibilities totalling €435.338.00<sup>1</sup>;
- Non-cash benefits;
- Variable compensation: a significant part of the Managers with Strategic Responsibilities' remuneration is linked to specific performance targets. More in detail, the Managers with Strategic Responsibilities' short period variable compensation –which represents the 90% of the total variable compensation – in 2015 was subject to reaching the following performance objectives:
  - consolidated EBITDA margin with a deviation of plus or minus 1%, for a percentage equal to 20% of the variable component
  - earnings per share levels, with an increase versus the prior year, like-for-like excluding treasury shares, of plus or minus 5%, for a percentage equal to 10% of the variable component; and
  - on three individual performance targets, for up to a maximum of 60% of the variable component, defined on the basis of the activities carried out by each Manager, the strategic projects in which he/she was involved, the level of responsibility, and the extent to which any changes implemented were linked to the 2015 results.

Whether or not the targets have been reached will be verified after IGD's draft separate and consolidated financial statements for 2015 have been approved. Any incentive owed, estimated to reach a total of €83,976.00, will be paid in 2016.

Managers with strategic responsibilities are also beneficiaries of the LTIP 2014-2016 – which represents 10% of the total variable compensation – subject to achieving the Net Financial Position (NFP) target found in the 2014-2016 Business Plan. This is a three-year performance target and, therefore, achievement of the target will be verified in 2017.

There are no agreements which provide for indemnities in the event of advance termination of the employee relationship, with the exception of what indicated in the following paragraph 1.5.

### **1.5 Termination allowances**

There are no agreements which provide for indemnities in the event of advance termination of a directorship or if it is not renewed, with the exception of what described below.

With the exception of withdrawal or removal from office, the Board of Directors, subject to the opinion of the Nominations and Compensation Committee and having consulted with the Board of Statutory Auditors, may award the Chief Executive Officer a termination indemnity; this indemnity will be paid over three years and will not exceed the compensation that the Chief Executive Officer received for the two years prior to when the cause for termination materialized.

Without prejudice to the above, the regulations for the LTIP 2014-2016 benefiting the Chief Executive Officer, the Chief Operating Officer and the Managers with Strategic Responsibilities will be applied in the event of termination. More in detail, based on the Plan regulations if the termination is by mutual consent, with the written agreement of IGD, or if the termination of one of the Plan beneficiaries is without just cause pursuant to art. 2119 of the Italian Civil Code, or if a directorship is terminated for just cause, the indemnity will be recalculated and the performance targets will be redefined on the basis of the amount of time the party was part of the

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<sup>1</sup> This emolument includes compensation owed for the offices held in IGD's subsidiaries that are then charged back to the Company.

Company or among the scope of the beneficiaries considered over the lifetime of the Plan. No indemnity will be paid in the event of termination for just cause pursuant to and in accordance with art. 2119 of the Italian Civil Code and termination with cause or unjustified resignation pursuant to art. 2119 of the Italian Civil Code of one of the Plan beneficiaries, or in the event of termination with cause or resignation without cause of a director.

In the event working relationship is terminated with either the Chief Operating Officer or the Managers with Strategic Responsibilities, the national labour contract for managers of cooperatives will be applied.

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#### **Section Two - Tables**

The compensation paid or payable to the Board of Directors, the Board of Statutory Auditors, the Chief Operating Officer and the Managers with Strategic Responsibilities, as a whole, by the Company, its subsidiaries and affiliates in 2015 are shown in the following tables.

**Table 1: Compensation paid to the members of the Board of Directors, the Board of Statutory Auditors, the Chief Operating Officer and the Managers with Strategic Responsibilities in 2015**

BOARD OF DIRECTORS CURRENTLY IN OFFICE													
Name	Office	Dates in office	End of term		Fixed compensation in €	Compensation for committee membership	Non share based compensation		Non-cash benefits	Other compensation	Total	Fair Value of the compensation	Termination allowance
							Bonuses and other incentives	Profit sharing					
Gilberto Coffari	Chairman BoD and member of the CC	01/01/2015-31/12/2015	Approval of 2017 financial statements	<i>Compensation from IGD</i>	91,500.00	-	-	-	-	-	91,500.00	-	-
				<i>Compensation from subsidiaries and affiliates</i>	-	-	-	-	-	-	-	-	-
				<i>Total</i>	91,500.00	-	-	-	-	-	91,500.00	-	-
Fernando Pellegrini	Vice Chairman of the BoD and member of the CC	01/01/2015 – 31/12/2015	Approval of 2017 financial statements	<i>Compensation from IGD</i>	51,979.45	-	-	-	-	-	51,979.45	-	-
				<i>Compensation from subsidiaries and affiliates</i>	-	-	-	-	-	-	-	-	
				<i>Total</i>	51,979.45	-	-	-	-	-	51,979.45	-	-
Claudio Albertini	Chief Executive Officer and member of the CC	01/01/2015 – 31/12/2015	Approval of 2017 financial statements	<i>Compensation from IGD</i>	266,500.00	-	Up to a maximum of 24% of the fixed compensation	-	-	-	266,500.00+ Variable component	-	-
				<i>Compensation from subsidiaries and affiliates</i>	-	-	-	-	-	-	-	-	
				<i>Total</i>	266,500.00	-	Up to a maximum of 24% of the fixed compensation	-	-	-	266,500.00+ Variable component	-	-
Aristide Canosani	Director and member of the SB and CRC	01/01/2015 – 31/12/2015	Approval of 2017 financial statements	<i>Compensation from IGD</i>	16,500.00	2,301.37	-	-	-	-	18,801.37	-	-
				<i>Compensation from subsidiaries and affiliates</i>	-	-	-	-	-	-	-	-	
				<i>Total</i>	16,500.00	2,301.37	-	-	-	-	18,801.37	-	-

Elio Gasperoni	Director and member of the CC	15/04/2015 – 31/12/2015\	Approval of 2017 financial statements	Compensation from IGD	11,753.42	-	-	-	-	-	11,753.42	-	-	
				Compensation from subsidiaries and affiliates	-	-	-	-	-	-	-	-	-	-
				Total	11,753.42	-	-	-	-	-	11,753.42	-	-	
John William Vojticek	Director	15/04/2015 – 17/11/2015	-	Compensation from IGD	*	-	-	-	-	-	-	-	-	
				Compensation from subsidiaries and affiliates	-	-	-	-	-	-	-	-	-	
				Total	*	-	-	-	-	-	-	-	-	
Leonardo Caporioni	Director	01/01/2015 – 31/12/2015	Approval of 2017 financial statements	Compensation from IGD	16,500.00	-	-	-	-	-	16,500.00	-	-	
				Compensation from subsidiaries and affiliates	-	-	-	-	-	-	-	-	-	
				Total	16,500.00	-	-	-	-	-	16,500.00	-	-	
Elisabetta Gualandri	Director and member of the CRC and CNC	01/01/2015 – 31/12/2015	Approval of 2017 financial statements	Compensation from IGD	16,500.00	15,000.00	-	-	-	-	31,500.00	-	-	
				Compensation from subsidiaries and affiliates	-	-	-	-	-	-	-	-	-	
				Total	16,500.00	15,000.00	-	-	-	-	31,500.00	-	-	
Milva Carletti	Director and member of the CNC	15/04/2015 – 31/12/2015	Approval of 2017 financial statements	Compensation from IGD	11,753.42	3,000.00	-	-	-	-	14,753.42	-	-	
				Compensation from subsidiaries and affiliates	-	-	-	-	-	-	-	-	-	
				Total	11,753.42	3,000.00	-	-	-	-	14,753.42	-	-	
Rossella Saoncella	Director and member of the CRC and RPC	15/04/2015 – 31/12/2015	Approval of 2017 financial statements	Compensation from IGD	11,753.42	9,448.63	-	-	-	-	21,202.05	-	-	
				Compensation from subsidiaries and affiliates	-	-	-	-	-	-	-	-	-	
				Total	11,753.42	9,448.63	-	-	-	-	21,202.05	-	-	

Matthew David Lentz	Director and member of the RPC	15/04/2015 – 31/12/2015	Approval of 2017 financial statements	Compensation from IGD	11,753.42	3,000.00	-	-	-	-	14,753.42	-	-	
				Compensation from subsidiaries and affiliates	-	-	-	-	-	-	-	-	-	-
				Total	11,753.42	3,000.00	-	-	-	-	14,753.42	-	-	
Andrea Parenti	Director and member of the CNC and RPC	01/01/2015 – 31/12/2015	Approval of 2017 financial statements	Compensation from IGD	16,500.00	11,250.00	-	-	-	-	27,750.00	-	-	
				Compensation from subsidiaries and affiliates	-	-	-	-	-	-	-	-	-	
				Total	16,500.00	11,250.00	-	-	-	-	27,750.00	-	-	
Livia Salvini	Director and member of the SB and CRC	01/01/2015 – 31/12/2015	Approval of 2017 financial statements	Compensation from IGD	16,500.00	10,301.37	-	-	-	-	26,801.37	-	-	
				Compensation from subsidiaries and affiliates	-	-	-	-	-	-	-	-		
				Total	16,500.00	10,301.37	-	-	-	-	26,801.37	-	-	

**TABLE 1 - SEGUE**

DIRECTORS WHOSE TERM OF OFFICE ENDED IN 2015 FOLLOWING RENEWAL OF THE BOD													
Name	Office	Dates in office	End of term		Fixed compensation in €	Compensation for committee membership	Non share based compensation		Non-cash benefits	Other compensation	Total	Fair Value of the compensation	Termination allowance
							Bonuses and other incentives	Bonuses and other incentives					
Sergio Costalli	Vice Chairman and member of CC	01/01/2015 - 15/04/2015	Ended	Compensation from IGD	€ 19,357.87	-	-	-	-	-	€ 19,357.87	-	-
				Compensation from subsidiaries and affiliates	-	-	-	-	-	-	-	-	-
				<b>Total</b>	<b>€ 19,357.87</b>						<b>€ 19,357.87</b>		
Giorgio Boldreghini	Director and member of the RPC	01/01/2015 - 15/04/2015	Ended	Compensation from IGD	€ 4,746.58	€ 1,500.00	-	-	-	-	€ 6,246.58	-	-
				Compensation from subsidiaries and affiliates	-	-	-	-	-	-	-	-	-
				<b>Total</b>	<b>€ 4,746.58</b>	<b>€ 1,500.00</b>					<b>€ 6,246.58</b>		
Fabio Carpanelli	Director and member of the CNC and Chairman of the SB	01/01/2015 - 15/04/2015	Ended	Compensation from IGD	€ 4,746.58	14,250.00	-	-	-	-	€ 18,996.58	-	-
				Compensation from subsidiaries and affiliates	€10,500		-	-	-	-	€ 10,500	-	-
				<b>Total</b>	<b>€ 15,246.58</b>	<b>€14,250</b>					<b>€29,496.58</b>		

**TABLE 1 - SEGUE**

DIRECTORS WHOSE TERM OF OFFICE ENDED IN 2015 FOLLOWING RENEWAL OF THE BOD														
Name	Office	Dates in office	End of term		Fixed compensation in €	Compensation for committee membership	Non share based compensation		Non-cash benefits	Other compensation	Total	Fair Value of the compensation	Termination allowance	
							Bonuses and other incentives	Bonuses and other incentives						
Massimo Franzoni	Director and member of the CRC	01/01/2015 - 15/04/2015	Ended	Compensation from IGD	€ 4,746.58	€ 2,301.37	-	-	-	-	<b>€ 7,047.95</b>	-	-	
				Compensation from subsidiaries and affiliates	-	-	-	-	-	-	-	-	-	-
				<b>Total</b>	<b>€ 4,746.58</b>	<b>€ 2,301.37</b>					<b>€ 7,047.95</b>			
Tamara Magalotti	Director and member of the CNC	01/01/2015 - 15/04/2015	Ended	Compensation from IGD	€ 4,746.58	€750.00	-	-	-	-	<b>€ 5,496.58</b>	-	-	
				Compensation from subsidiaries and affiliates	-	-	-	-	-	-	-	-	-	
				<b>Total</b>	<b>€ 4,746.58</b>	<b>€ 750.00</b>					<b>€ 5,496.58</b>			
Riccardo Sabadini	Director, <i>Lead Independent Director</i> and member of the RPC and SB	01/01/2015 - 15/04/2015	Ended	Compensation from IGD	€ 4,746.58	€ 7,198.63	-	-	-	-	<b>€ 11,945.21</b>	-	-	
				Compensation from subsidiaries and affiliates	-	-	-	-	-	-	-	-	-	
				<b>Total</b>	<b>€ 4,746.58</b>	<b>€ 7,198.63</b>					<b>€ 11,945.21</b>			
Roberto Zamboni	Director	01/01/2015 - 15/04/2015	Ended	Compensation from IGD	€ 4,746.58	-	-	-	-	-	<b>€ 4,746.58</b>	-	-	
				Compensation from subsidiaries and affiliates	-	-	-	-	-	-	-	-	-	
				<b>Total</b>	<b>€ 4,746.58</b>						<b>€ 4,746.58</b>			

**TABLE 1 – SEGUE**

BOARD OF STATUTORY AUDITORS IN OFFICE													
Name	Office	Dates in office	End of term		Fixed compensation in €	Compensation for committee membership	Non share based compensation		Non-cash benefits	Other compensation	Total	Fair Value of the compensation	Termination allowance
							Bonuses and other incentives	Bonuses and other incentives					
Anna Maria Allievi	Chairman	15/04/2015 - 31/12/2015	Approval of 2017 financial statements	Compensation from IGD	€ 17,630.4	-	-	-	-	-	€ 17,630.14	-	-
				Compensation from subsidiaries and affiliates	-	-	-	-	-	-	-	-	-
				<b>Total</b>	<b>€ 17,630.14</b>						<b>€ 17,630.14</b>		
Pasquina Corsi	Statutory Auditor	01/01/2015 - 31/12/2015	Approval of 2017 financial statements	Compensation from IGD	€ 16,500.00	-	-	-	-	-	€ 16,500.00	-	-
				Compensation from subsidiaries and affiliates	-	-	-	-	-	-	-	-	
				<b>Total</b>	<b>€ 16,500.00</b>						<b>€ 16,500.00</b>		
Roberto Chiusoli	Statutory Auditor	01/01/2015 - 31/12/2015	Approval of 2017 financial statements	Compensation from IGD	€ 16,500.00	-	-	-	-	-	€ 16,500.00	-	-
				Compensation from subsidiaries and affiliates	-	-	-	-	-	-	-	-	
				<b>Total</b>	<b>€ 16,500.00</b>						<b>€ 16,500.00</b>		



**TABLE 1 - SEGUE**

STATUTORY AUDITORS WHOSE TERM OF OFFICE ENDED IN 2015 FOLLOWING RENEWAL OF THE BOARD OF STATUTORY AUDITORS													
Name	Office	Dates in office	End of term		Fixed compensation in €	Compensation for committee membership	Non share based compensation		Non-cash benefits	Other compensation	Total	Fair Value of the compensation	Termination allowance
							Bonuses and other incentives	Bonuses and other incentives					
Romano Conti	Chairman	01/01/2015 - 15/04/2015	Ended	<i>Compensation from IGD</i>	€ 7,119.86	-	-	-	-	-	€ 7,119.86	-	-
				<i>Compensation from subsidiaries and affiliates</i>	-	-	-	-	-	-	-	-	-
				<b>Total</b>	<b>€ 7,119.86</b>						<b>€ 7,119.86</b>		
CHIEF OPERATING OFFICER AND MANAGERS WITH STRATEGIC RESPONSIBILITIES													
Name	Office	Dates in office	End of term		Fixed compensation in €	Compensation for committee membership	Non share based compensation		Non-cash benefits	Other compensation	Total	Fair Value of the compensation	Termination allowance
							Bonuses and other incentives	Bonuses and other incentives					
Daniele Cabuli	Chief Operating Officer	-	-	<i>Compensation from IGD</i>	€ 140,706.00	-	€ 20,276.00	-	€ 19,221.00	-	€ 180,203.00	-	-
				<i>Compensation from subsidiaries and affiliates</i>	-	-	-	-	-	-	-	-	
				<b>Total</b>	<b>€ 140,706.00</b>		<b>€ 20,276.00</b>		<b>€ 19,221.00</b>		<b>€ 180,203.00</b>		
Managers with strategic responsibilities (n. 3)		-	-	<i>Compensation from IGD</i>	€ 435,338.00	-	€ 86,383.00	-	€ 55,707.00	-	€ 577,428.00	-	-
				<i>Compensation from subsidiaries and affiliates</i>									
				<b>Total</b>	<b>€ 435,338.00</b>		<b>€ 86,383.00</b>		<b>€ 55,707.00</b>		<b>€ 577,428.00</b>		

\* John William Vojticek waived any compensation owed him for the period in which he acted as a director of the Company in its entirety.

**Table 2: Monetary incentive plans for the Chief Executive Officer, the Chief Operating Officer and Managers with Strategic Responsibilities**

Name and Surname	Office		Plan	Yearly bonus			Bonus of previous years			Other bonus
				Payable/Paid	Deferred	Deferment period	No longer payable	Payable/Paid	Still deferred	
Claudio Albertini	CEO	Compensation from IGD	2015 short term variable compensation	Up to a maximum of 24% of the fixed compensation <sup>(1)</sup>	-	-	-	-	-	-
		Compensation from subsidiaries and affiliates	-	-	-	-	-	-	-	-
		Total	-	Up to a maximum of 24% of the fixed compensation <sup>(1)</sup>	-	-	-	-	-	-
Daniele Cabuli	COO	Compensation from IGD	2015 short term variable compensation	29,936.00 <sup>(2)</sup>	-	-	-	-	-	-
		Compensation from subsidiaries and affiliates	-	-	-	-	-	-	-	-
		Total	-	29,936.00 <sup>(2)</sup>	-	-	-	-	-	-
Managers with Strategic Responsibilities (n. 3)	-	Compensation from IGD	2015 short term variable compensation	83,976.00 <sup>(3)</sup>	-	-	-	-	-	-
		Compensation from subsidiaries and affiliates	-	-	-	-	-	-	-	-
		Total	-	83,976.00 <sup>(3)</sup>	-	-	-	-	-	-

(1) Achievement of the 2015 performance targets will be verified definitively after the financial statements for FY 2015 have been approved. The bonus will be paid in 2016. The Chief Executive Officer is also a beneficiary of the LTIP 2014-2016, subject to achievement of the Net Financial Position (NFP) target found in the Business Plan 2014-2016, for up to a maximum of 6% of the fixed portion of the compensation paid to the Chief Executive Officer in the three-year period. This is a three-year performance target and, therefore, achievement of the target will be verified in 2017. For the sake of completeness, please note that in 2015 the Chief Executive Officer received variable compensation for FY 2014 of €60,000.00.

(2) This amount corresponds to the estimated short term variable compensation that will be paid to the Chief Operating Officer for FY 2015. Achievement of the 2015 performance targets will be verified definitively after the financial statements for FY 2015 have been approved. The bonus will be paid in 2016. The Chief Operating Officer is also a beneficiary of the LTIP 2014-2016, subject to achievement of the Net Financial Position (NFP) target found in the Business Plan 2014-2016. This is a three-year performance target and, therefore, achievement of the target will be verified in 2017.

(3) This amount corresponds to the estimated short term variable compensation that will be paid to the Managers with Strategic Responsibilities for FY 2015. Achievement of the 2015 performance targets will be verified definitively after the financial statements for FY 2015 have been approved. The bonus will be paid in 2016. The Managers with Strategic Responsibilities are also beneficiaries of the LTIP 2014-2016, subject to achievement of the Net Financial Position (NFP) target found in the Business Plan 2014-2016. This is a three-year performance target and, therefore, achievement of the target will be verified in 2017.

**Part III: Information on the interests held by the members of the Board of Directors, the Board of Statutory Auditors, the Chief Operating Officer and the Managers with Strategic Responsibilities**

The following table shows the interests held by the members of the Board of Directors, the Board of Statutory Auditors, the Chief Operating Officer in IGD and its subsidiaries.

Name	Office	Company in which interest is held	N. of shares held at the end of 2014	No. of shares purchased	No. of shares sold	No. of shares held at the end of 2015
Gilberto Coffari	Chairman	IGD	54,434		–	54,434
Claudio Albertini	Chief Executive Officer	–	–	–	–	–
Fernando Pellegrini	Vice Chairman	–	–	–	–	–
Elio Gasperoni	Director	–	–	–	–	–
John William Vojticek	Director (resigned on 17 November 2015)	–	–	–	–	–
Aristide Canosani	Director	–	–	–	–	–
Leonardo Caporioni	Director	–	–	–	–	–
Elisabetta Gualandri	Director	IGD	4,000	3,000	–	7,000
Milva Carletti	Director	–	–	–	–	–
Rossella Saoncella	Director	–	–	–	–	–
Matthew David Lentz	Director	–	–	–	–	–
Andrea Parenti	Director	IGD	110,006	9,994	20,000	100,000 <sup>2</sup>
Livia Salvini	Director	–	–	–	–	–
Roberto Chiusoli	Chairman of the Board of Statutory Auditors	–	–	–	–	–
Pasquina Corsi	Statutory Auditor	–	–	–	–	–
Anna Maria Allievi	Statutory Auditor	–	–	–	–	–

<sup>2</sup> The shares of Andrea Parenti are held through Proauditconsult s.r.l.

Name	Office	Company in which interest is held	N. of shares held at the end of 2014	No. of shares purchased	No. of shares sold	No. of shares held at the end of 2015
Daniele Cabuli	Chief Operating Officer	IGD	138,000	62,000	70,000	130,000

**More Section III: Information on the interests held by the members of the Board of Directors, the Board of Statutory Auditors, the Chief Operating Officer and the Managers with Strategic Responsibilities in office through 15 April 2015:**

Name	Office	Company in which interest is held	N. of shares held at the end of 2014	No. of shares purchased	No. of shares sold	N. of shares held at termination of office
Sergio Costalli	Vice Chairman of the B.o.D					
Giorgio Boldreghini	Director					
Fabio Carpanelli	Director					
Massimo Franzoni	Director					
Tamara Magalotti	Director					
Riccardo Sabadini	Director	IGD	11,781			11,781
Roberto Zamboni	Director					
Romano Conti	Chairman of the Board of Statutory Auditors					

The following table shows the total interests held by the Managers with Strategic Responsibilities in IGD and its subsidiaries.

Number of Managers with strategic responsibilities	Company in which interest is held	N. of shares held at the end of 2014	No. of shares purchased	No. of shares sold	N. of shares held at the end of 2015
3	IGD	133,542	0	0	133,542