

The Board of Directors' Remuneration Report

for the year ended at 31.12.2012, approved on 28 February 2013 available on the web site www.gruppoigd.it

Pursuant to Art.123 *ter* TUF

GLOSSARY

Board: IGD's Board of Directors.

Code/Corporate Governance Code: The Corporate Governance Code for listed companies approved in December 2011 by the Corporate Governance Committee and promoted by Borsa Italiana S.p.A. (the Italian Stock Exchange).

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

Company: Immobiliare Grande Distribuzione SIIQ S.p.A.

Compensation Policy: The Compensation Policy approved by the Board of Directors on 28 February 2013, described in Part I of this Report.

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

IGD: Immobiliare Grande Distribuzione SIIQ S.p.A.

Instructions accompanying the stock market regulations: The Instructions accompanying the Regulations for Markets organized and managed by Borsa Italiana S.p.A..

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.

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

Report: This Remuneration Report which was prepared in accordance with Articles 123-ter of TUF and 84-quater of the Regulations for Issuers.

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, as described in this section of the Report, 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 19 April 2012, the Board of Directors appointed independent directors Andrea Parenti (Chairman), Fabio Carpanelli and Tamara Magalotti to the 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.

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 28 February 2013, based on the proposal submitted by the Compensation Committee dated 14 February 2013, in accordance with Art. 6 of the Corporate Governance Code.

The remuneration for 2013 relative to the Chief Executive Officer, the Directors holding special offices, the non-executive Directors, the Chief Operating Officer and the Managers with Strategic Responsibilities are included in the Compensation Policy examined in this report; the Compensation Policy is in line with the one applied by the Company in 2012.

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.

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 approved by the shareholders for each director; and
 - the compensation approved by the Board of Directors, based on the Compensation 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 approved by the shareholders for each director; (see below);
 - 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:
 - consolidated EBITDA margin with a 40% of the variable component deviation of plus or minus 1% with respect to the budget
 - earnings per share with an increase versus 40% of the variable component the prior year, like-for-like excluding treasury shares, of plus or minus 5%
 - other qualitative targets identified by the Board of Directors based on the Compensation Committee's proposal

Based on the Policy the variable compensation may reach a maximum of up to 30% of the fixed yearly salary set by the Board of Directors.

The Nomination 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.

- for the Chief Operating Officer and the Managers with Strategic Responsibilities, a variable component linked to achieving certain performance targets tied to:
 - (i) for up to a maximum of 40% of the variable component, to two company performance targets to which all the Managers with Strategic Responsibilities will be subject. More in detail, this portion of the compensation will be paid if the consolidated EBITDA margin and the earnings per share reach the levels fixed in the yearly budget with the deviations referred to above; and
 - (ii) for up to a maximum of 60% of the variable component, to three 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.

Based on the Policy the total variable compensation may not exceed 30% of the gross yearly fixed salary received by the manager at 31 December in the year 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 Nomination 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.

The fixed and variable components as a percentage of total compensation to be paid the Chief Operating 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.

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.

As shown in letter h) above, the above mentioned parameters are in line with the Company's 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.

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 the Chief Executive Officer, as described below.

With the exception of termination for good cause, the Board of Directors, subject to the opinion of the Nominations and Compensation Committee and having consulted with the Board of Statutory Auditors, will 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.

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

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 labor 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 Corporative Governance Code, considers all directors non executive with the exception of the Chief Executive Officer and the Chairman, 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 Operating Officer and the Managers with Strategic Responsibilities, the Compensation Policy was drawn up in accordance by the one adopted by the majority shareholder Coop Adriatica S.c.a r.l..

Part II – Remuneration of the Board of Directors, the Board of Statutory Auditors, the General Manager and the Managers with Strategic Responsibilities in 2012

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 2012.

The compensation of the Managers with Strategic Responsibilities is indicated as an aggregate amount insofar as in 2012 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 2012 are shown in this section of Part II.

1.1 Board of Directors

1.1.1 Chief Executive Officer

In 2012 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 19 April 2012.

Below is a description of the each of the items comprising the Chief Executive Officer's remuneration in 2012:

- Fixed component comprising:
 - a yearly gross salary of €16,500.00 for acting as a member of the Board of Directors, as approved by the shareholders on 23 April 2009 for the period ending 19 April 2012 and (ii) as approved by the shareholders on 19 April 2012, for the period beginning on the same date;
 - a salary of €250,000.00, 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 approved by (i) the Board of Directors on 30 April 2009 for the period ending 19 April 2012 and (ii) the Board of Directors on 19 April 2012, for the period beginning on the same date;
- Variable component: a significant part of the Chief Executive Officer's remuneration is linked to specific Company performance targets.

More in detail, the Chief Executive Officer's variable compensation in 2012, approved by the Board of Directors on 19 April 2012 based on the Nomination and Compensation Committee's proposal and the Board of Statutory Auditors' opinion, was set at a maximum of 30% of the fixed component determined by the Board of Directors. Payment of this incentive is subject to achieving predetermined performance targets: 40% of the total variable compensation is linked to the consolidated EBITDA margin and 40% to the earnings per share which must reach the levels indicated in the 2012 budget, while the remainder is linked to qualitative objectives (with the deviations specified in Section 1 (e)). Whether or not the targets have been reached will be verified after IGD's draft separate and consolidated financial statements for 2012 have been approved. Any incentive owed, for up to a maximum of 30% of the fixed compensation, will be paid in 2013.

With regard to early termination indemnities relative to the directors, please refer to Section I (I) of this Report.

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 2012 Chairman of the Board of Directors was Gilberto Coffari, who was reconfirmed Chairman during the Shareholders' Meeting held in ordinary session on 5 April 2011. The Chairman's total compensation for 2012 amounted to €92,000.00, approved as follows:

- for €16,500.00 by (i) the shareholders during the Shareholders' Meeting held on 23 April 2009, for the period ending 19 April 2012 and (ii) by the Shareholders Meeting held in ordinary session on 19 April 2012, for the period beginning on the same date, and
- for €75,000.00, as additional compensation for acting as Chairman, by (i) the Board of Directors on 23 June 2011, for the period ending 19 April 2012 and (ii) the Board of Directors on 19 April 2012, for the period beginning on the same date, in addition to an attendance fee of €500.00 for each meeting of the Chairman's Committee attended.

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. In 2012 IGD's Vice Chairman was Director Sergio Costalli who was reconfirmed as Vice Chairman when the new Board of Directors was appointed during the Shareholders' Meeting held in ordinary session on 19 April 2012.

The Vice Chairman's total compensation for 2012 amounted to €63,994.54, approved as follows:

- for €16,500.00, by (i) the shareholders during the Shareholders' Meeting held on 23 April 2009, for the period ending 19 April 2012 and (ii) by the Shareholders Meeting held in ordinary session on 19 April 2012, for the period beginning on the same date for being a member of the Board of Directors;
- for €40,000.00, for acting as Vice Chairman, by (i) the Board of Directors on 30 April 2009 which, for the period ending 19 April 2012, amounted to €12,021.86 and (ii) for €50,000.00 by the Board of Directors on 19 April 2012, which for the period beginning on the same date amounted, pro rata, to €34,972.00, in addition to an attendance fee of €500.00 for each meeting of the Chairman's Committee attended.
- There are no indemnities provided for in the event of termination of office.

1.1.4 Other members of the Board of Directors

Until 19 April 2012 have served as members of the Board of Directors appointed on 23 April 2009 the following members: Claudio Albertini (Chief Executive Officer), Gilberto Coffari (Chairman), Sergio Costalli (Vice Chairman) and the following directors: Roberto Zamboni, Aristide Canosani, Leonardo Caporioni, Fernando Pellegrini, Fabio Carpanelli, Francesco Gentili, Sergio Santi, Corrado Pirazzini, Andrea Parenti, Riccardo Sabadini, Giorgio Boldreghini and Massimo Franzoni.

On 19 April 2012 a new Board of Directors was appointed during the Shareholders' Meeting held on 19 April 2012, as the term of the Board appointed in 2009 had expired, comprised as follows: Claudio Albertini (Chief Executive Officer), Gilberto Coffari (Chairman), Sergio Costalli (Vice Chairman), and the following directors: 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 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 19 April 2012 the shareholders set the yearly gross salary for each member of the Board of Directors at €16,500.00, in line with the motion approved on 23 April 2009.

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

1.1.5 **Members of the Board Committees**

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

The Internal Control Committee comprised directors Leonardo Caporioni, Aristide Canosani and Massimo Franzoni at 19 April 2012.

On 19 April 2012 the Board of Directors appointed the following directors to act as members of the Internal Control Committee: Elisabetta Gualandri, Chairman, Livia Salvini and Massimo Franzoni.

On 8 November 2012 the Board of Directors resolved to rename the Internal Control Committee the Control and Risk Committee, in accordance with the Corporate Governance Code.

The compensation to be paid members of the Control and Risk Committee (formerly the Internal Control Committee), approved by the Board of Directors on 19 April 2012, amounted to €12,000 for the Chairman and €8,000 for the other members in line with the motion approved on 30 April 2009.

More in detail:

- the pro-rata compensation for 2012 paid Leonardo Caporioni and Aristide Canosani for being a member of the Control and Risk Committee (formerly the Internal Control Committee) amounted to €2,404.37 each for the period ending on 19 April 2012, as approved by the Board of Directors on 30 April 2009;
- the compensation for 2012 paid directors Elisabetta Gualandri and Livia Salvini amounted to €8,393.44 for the former, in her quality as Chairman, and €5,595.63 for the latter, in his quality as a member of the Control and Risk Committee (formerly the Internal Control Committee) for the period beginning 19 April 2012, as approved by the Board of Directors on the same date ;
- the compensation for 2012 paid director Massimo Franzoni amounted to €9,202.19 for being a member of the Control and Risk Committee (formerly the Internal Control Committee) from 1 January 2012 to 31 December 2012, as approved by the Board of Directors on 30 April 2009 and 19 April 2012.

In 2011 the Decree 231/2001 Organizational Model Supervisory Board was comprised of Directors Fabio Carpanelli, Francesco Gentili and Sergio Santi. In 2011 the compensation for members of the Organizational Model Supervisory Board, approved by the Board of Directors on 30 April 2009, amounted to €12,000 for the Chairman and €8,000 for the other members.

Until 19 April 2012 the Decree 231/2001 Organizational Model Supervisory Board was comprised of Directors Fabio Carpanelli, Francesco Gentili and Sergio Santi.

On 19 April 2012 the Board of Directors appointed the following directors to act as members of the Supervisory Board: Fabio Carpanelli, Chairman, Livia Salvini and Aristide Canosani.

The compensation to be paid members of the Decree 231/2001 Organizational Model Supervisory Board, approved by the Board of Directors on 19 April 2012, amounted to €12,000 for the Chairman and €8,000 for the other members, in line with the motion approved on 30 April 2009.

More in detail:

- the pro rata compensation for 2012 paid Francesco Gentili and Sergio Santi for being a member of the Decree 231/2001 Organizational Model Supervisory Board amounted to €2,404.37 each for the period ending on 19 April 2012, as approved by the Board of Directors on 30 April 2009.
- the pro rata compensation for 2012 paid directors Livia Salvini and Aristide Canosani for being members of the Decree 231/2001 Organizational Model Supervisory Board for the period beginning 19 April 2012 amounted to €5,595.63 each, as approved by the Board of Directors on 19 April 2012 .
- the compensation paid director Fabio Carpanelli for being a member of the Decree 231/2001 Organizational Model Supervisory Board from 1 January 2012 to 31 December 2012 amounted to €12,000.00, as approved by the Board of Directors on 30 April 2009 and 19 April 2012.

The Committee for Related Party Transactions was reappointed on 19 April 2012 and now comprises directors Riccardo Sabadini (Chairman), Andrea Parenti and Giorgio Boldreghini, all of whom had been previous Committee members. The compensation in 2012 to be paid each member of the Committee for Related Party Transactions for the period ending 19 April 2012 amounted to €12,000.00 for the Chairman and €8,000.00 for the other members. As resolved by the Board of Directors on 19 April 2012, this compensation was changed resulting in the elimination of the fixed component which was replaced by an attendance fee for each Committee meeting attended of €750.00.

More in detail, the compensation received in 2012 by the members of the Committee for Related Party Transactions amounted to:

- €3,606.56, for the Chairman and €2,404.37, for the other members, as pro rata compensation for being a member of the Committee of Related Party Transactions during the period ending on 19 April 2012, as approved by the Board of Directors on 30 April 2009.
- (i) €750.00, equal to the attendance fee paid to Riccardo Sabadini for attending one meeting; (ii) €750.00, equal to the attendance fee paid to Giorgio Boldreghini for attending one meeting and (iii) €750.00, equal to the attendance fee paid to Andrea Parenti for attending one meeting during the period beginning 19 April 2012, as approved by the Board of Directors on the same date.

Please note that through 19 April 2012 the directors which were members of the two committees, the Compensation Committee and the Nominations Committee, received an attendance fee of €500.00 for each meeting attended, as approved by the Board of Directors on 30 April 2009.

Through 19 April 2012, therefore, the Compensation Committee comprised directors Francesco Gentili, Riccardo Sabadini and Sergio Santi who received the following attendance fees:

- Francesco Gentili, €500 for attending one meeting;
- Riccardo Sabadini, €500 for attending one meeting;
- Sergio Santi, €500 for attending one meeting.

Through 19 April 2012 the Nominations Committee comprised directors Fabio Carpanelli, Giorgio Boldreghini and Andrea Parenti who each received attendance fees of €1,000.00 for attending two meetings of the Nominations Committee in 2012.

On 19 April 2012 the Board of Directors resolved to combine the Compensation and the Nominations Committees into a single "Nominations and Compensation Committee", therefore, as of 19 April 2012 the Nominations and Compensation Committee comprises directors Andrea Parenti (Chairman), Fabio Carpanelli and Tamara Magalotti.

The directors who are members of the Nominations and Compensation Committee receive an attendance fee of €750.00 for each meeting attended as approved by the Board of Directors.

For the period beginning 19 April 2012 each member of the Nominations and Compensation Committee received:

- Andrea Parenti, €3,000.00 for attending four meetings;
- Fabio Carpanelli, €3,000.00 for attending four meetings;
- Tamara Magalotti, €3,000.00 for attending four meetings.

Through 19 April 2012 each member of the Chairman's Committee received an attendance fee of €500.00 for each meeting attended.

Through 19 April 2012 the Chairman's Committee comprised directors Gilberto Coffari, Sergio Costalli, Claudio Albertini, Sergio Santi and Roberto Zamboni, who received the following attendance fees:

- Gilberto Coffari, €500 for attending one meeting;
- Sergio Costalli, €500 for attending one meeting;
- Claudio Albertini, €500 for attending one meeting;
- Santi Sergio, €500 for attending one meeting;
- Roberto Zamboni, €500 for attending one meeting.

On 19 April 2012 the Board of Directors appointed the following directors members of the Chairman's Committee: Gilberto Coffari, Sergio Costalli, Claudio Albertini and Roberto Zamboni without providing for compensation of any sort.

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

1.2 Board of Statutory Auditors

Through 19 April 2012, the Board of Statutory Auditors appointed during the Shareholders' Meeting held on 23 April 2009 comprised the following standing auditors: Conti Romano (Chairman), Chiusoli Roberto, Gargani Franco.

On 19 April 2012, the Company's shareholders, meeting in ordinary session, appointed a new Board of Statutory Auditors: Romano Conti (Chairman), Pasquina Corsi and Roberto Chiusoli and approved a yearly gross salary of €16,500.00 for the standing auditors and a yearly gross salary of €24,750.00 for the Chairman.

In 2012 the members of the Board of Statutory Auditors received the following compensation:

- Romano Conti (Chairman), €24,750 as approved (i) by the shareholders on 23 April 2009, for the period ending on 19 April 2012 and (ii) by the shareholders on 19 April 2012 for the period beginning on the same date;
- Roberto Chiusoli, €16,500 as approved (i) by the shareholders on 23 April 2009, for the period ending on 19 April 2012 and (ii) by the shareholders on 19 April 2012 for the period beginning on the same date;
- Pasquina Corsi, in office since 19 April 2012, pro rata compensation of €11,586.07, as approved by the shareholders on 19 April 2012;
- Franco Gargani, in office since 19 April 2012, pro rata compensation of €4,959.02, as approved by the shareholders on 19 April 2012;

1.3 Chief Operating Officer

In 2012 the Chief Operating Officer was Daniele Cabuli.

The compensation received by the Chief Operating Officer in 2012 can be broken down as follows:

- Fixed yearly salary equal to €139,938.00;
- 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 variable compensation in 2012 was subject to reaching the following performance objectives:
 - for up to a maximum of 40% of the variable component if the following company targets are achieved: consolidated EBITDA margin with a deviation of plus or minus 1% and earnings per share levels shown in the 2012 budget, with an increase versus the prior year, like-for-like excluding treasury shares, of plus or minus 5%; and
 - individual targets, for up to a maximum of 60% of the variable component, which include:
 - total core business revenue equal to the budget,
 - a drop in the vacancy rate,
 - preparation of the corporate sustainability report,
- quality coordination of the operating units, 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 2011.

Whether or not the targets have been reached will be verified after IGD's draft separate and consolidated financial statements for 2012 have been approved. Any incentive owed, estimated at €33,900.00, will be paid in 2013.

There are no agreements which provide for indemnities in the event of advance termination of the employee relationship, with the exception of any provisions contained in the national labor contract for managers of cooperatives.

1.4 Managers with Strategic Responsibilities

Managers who are part of the Company's Operating Division are considered Managers with Strategic Responsibilities. In 2012, these included the Heads of the Corporate and Legal Affairs Department, the Asset Management and Development Division, the Finance and Treasury Department and the Chief Executive Officer of Win Magazine.

The compensation received by the Managers with Strategic Responsibilities in 2011 can be broken down as follows:

- Fixed yearly salary for all the Managers with Strategic Responsibilities totalling €522,690.00;
- 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' variable compensation in 2012 was subject to reaching the following performance objectives:
 - company targets, for up to a maximum of up to 40% of the variable component, relating to the consolidated EBITDA margin with a deviation of plus or minus 1% and earnings per share levels shown in the 2012 budget, with an increase versus the prior year, like-for-like excluding treasury shares, of plus or minus 5%; and
 - on three individual 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 2012 results.

Whether or not the targets have been reached will be verified after IGD's draft separate and consolidated financial statements for 2012 have been approved. Any incentive owed, estimated to reach a total of €114,258.00, will be paid in 2013.

There are no agreements which provide for indemnities in the event of advance termination of the employee relationship, with the exception of any provisions contained in the national labor contract for managers of cooperatives.

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 the Chief Executive Officer, as described below.

With the exception of termination for good cause, the Board of Directors, subject to the opinion of the Nominations and Compensation Committee and having consulted with the Board of Statutory Auditors, will 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.

There are no agreements based on which non-cash benefits should be provided or maintained if a party ceases to hold office nor have any consulting agreements been stipulated with Directors for a period that runs beyond their term of office.

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

* * * * *

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 2012 are shown in the following tables.

Table 1: Compensation paid the Board of Directors, the Board of Statutory Auditors in 2012

Name	Office	Dates in office	End of term		Fixed compensation	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	01/01/2012-31/12/2021	Approval of 2014 financial statements	<i>Compensation from IGD</i>	91,500.00	500.00	-	-	-	-	-	-	-
				<i>Compensation from subsidiaries and affiliates</i>	-	-	-	-	-	-	-	-	
				<i>Total</i>	91,500.00	500.00	-	-	-	-	-		
Claudio Albertini	Chief Executive Officer and member of the CC	01/01/2012-31/12/2012	Approval of 2014 financial statements	<i>Compensation from IGD</i>	266,500.00	2,500.00	Up to a maximum of 30% of the fixed compensation	-	-	-	-	-	-
				<i>Compensation from subsidiaries and affiliates</i>	-	-	-	-	-	-	-	-	
				<i>Total</i>	266,500.00	2,500.00	Up to a maximum of 30% of the fixed compensation	-	-	-	-	-	
Roberto	Director	01/01/2012-31/12/2012	Approval of	<i>Compensation</i>	16,500.00	500.00	-	-	-	-	-	-	-

Zamboni	and member of the CC		2014 financial statements	<i>from IGD</i>										
				<i>Compensation from subsidiaries and affiliates</i>	-	-	-	-	-	-	-	-	-	-
				<i>Total</i>	16,500.00	500.00	-	-	-	-	-	-	-	-
Sergio Costalli	Vice Chairman BoD and member of the CC	01/01/2012-31/12/2012	Approval of 2014 financial statements	<i>Compensation from IGD</i>	63,494.54	500.00	-	-	-	-	-	-	-	-
				<i>Compensation from subsidiaries and affiliates</i>	-	-	-	-	-	-	-	-	-	-
				<i>Total</i>	63,494.54	500.00	-	-	-	-	-	-	-	-
Leonardo Caporioni	Director and member of the CRC	01/01/2012-31/12/2012	Approval of 2014 financial statements	<i>Compensation from IGD</i>	16,500.00	2,404.37	-	-	-	-	-	-	-	-
				<i>Compensation from subsidiaries and affiliates</i>	-	-	-	-	-	-	-	-	-	-
				<i>Total</i>	16,500.00	2,404.37	-	-	-	-	-	-	-	-
Fernando Pellegrini	Director	01/01/2012-31/12/2012	Approval of 2014 financial statements	<i>Compensation from IGD</i>	16,500.00		-	-	-	-	-	-	-	-
				<i>Compensation from subsidiaries and affiliates</i>	-	-	-	-	-	-	-	-	-	-

				<i>Total</i>	16,500.00	-	-	-	-	-	-	-	-
Aristide Canosani	Director and member of the CRC and SB	01/01/2012-31/12/2012	Approval of 2014 financial statements	<i>Compensation from IGD</i>	16,500.00	8,000.00	-	-	-	-	-	-	-
				<i>Compensation from subsidiaries and affiliates</i>	-	-	-	-	-	-	-	-	
				<i>Total</i>	16,500.00	8,000.00	-	-	-	-	-	-	
Fabio Carpanelli	Director and member of the NRC and SB	01/01/2012-31/12/2012	Approval of 2014 financial statements	<i>Compensation from IGD</i>	16,500.00	16,000.00	-	-	-	-	-	-	-
				<i>Compensation from subsidiaries and affiliates</i>	1,500.00	4,614.75	-	-	-	-	-	-	
				<i>Total</i>	18,000.00	20,614.75	-	-	-	-	-	-	
Massimo Franzoni	Director and member of the CRC	01/01/2012-31/12/2012	Approval of 2014 financial statements	<i>Compensation from IGD</i>	16,500.00	9,202.19	-	-	-	-	-	-	-
				<i>Compensation from subsidiaries and affiliates</i>	-	-	-	-	-	-	-	-	
				<i>Total</i>	16,500.00	9,202.19	-	-	-	-	-	-	
Elisabetta Gualandri	Director and member of the CRC	19/04/2012-31/12/2012	Approval of 2014 financial statements	<i>Compensation from IGD</i>	11,540.98	8,393.44	-	-	-	-	-	-	-
				<i>Compensation from subsidiaries</i>	-	-	-	-	-	-	-	-	

				<i>and affiliates</i>									
				<i>Total</i>	11,540.98	8,393.44	-	-	-	-	-	-	-
Andrea Parenti	Director and member of the NRC and CRP	01/01/2012-31/12/2012	Approval of 2014 financial statements	<i>Compensation from IGD</i>	16,500.00	7,154.37	-	-	-	-	-	-	-
				<i>Compensation from subsidiaries and affiliates</i>	-	-	-	-	-	-	-	-	-
				<i>Total</i>	16,500.00	7,154.37	-	-	-	-	-	-	-
Riccardo Sabadini	Director and member of the NRC and CRP	01/01/2012-31/12/2012	Approval of 2014 financial statements	<i>Compensation from IGD</i>	16,500.00	5,606.56	-	-	-	-	-	-	-
				<i>Compensation from subsidiaries and affiliates</i>	-	-	-	-	-	-	-	-	-
				<i>Total</i>	16,500.00	5,606.56	-	-	-	-	-	-	-
Giorgio Boldreghini	Director and member of the NRC(1) and CRP	01/01/2012-31/12/2012	Approval of 2014 financial statements	<i>Compensation from IGD</i>	16,500.00	4,154.37	-	-	-	-	-	-	-
				<i>Compensation from subsidiaries and affiliates</i>	-	-	-	-	-	-	-	-	-
				<i>Total</i>	16,500.00	4,154.37	-	-	-	-	-	-	-
Tamara Magalotti	Director and member of	19/04/2012-31/12/2012	Approval of 2014 financial	<i>Compensation from IGD</i>	11,540.98	3,000.00	-	-	-	-	-	-	-
				<i>Compensation</i>	-	-	-	-	-	-	-	-	-

	the NRC		statements	from subsidiaries and affiliates									
				Total	11,540.98	3,000.00	-	-	-	-	-	-	-
Livia Salvini	Director and member of the CRC and SB	19/04/2012-31/12/2012	Approval of 2014 financial statements	Compensation from IGD	11,540.98	11,191.26	-	-	-	-	-	-	-
				Compensation from subsidiaries and affiliates	-	-	-	-	-	-	-	-	-
				Total	11,540.98	11,191.26	-	-	-	-	-	-	-
Francesco Gentili	Director and member of the NC (now NRC) and SB	01/01/2012-19/04/2012	Approval of 2011 financial statements	Compensation from IGD	4,959.02	2,904.37	-	-	-	-	-	-	-
				Compensation from subsidiaries and affiliates	-	2,326.22	-	-	-	-	-	-	-
				Total	4,959.02	5,230.59	-	-	-	-	-	-	-
Sergio Santi	Director and member of the NC (now NRC) and SB	01/01/2012-19/04/2012	Approval of 2011 financial statements	Compensation from IGD	4,959.02	3,404.37	-	-	-	-	-	-	-
				Compensation from subsidiaries and affiliates	-	928.96	-	-	-	-	-	-	-
				Total	4,959.02	4,333.33	-	-	-	-	-	-	-
Corrado	Director	01/01/2012-19/04/2012	Approval of	Compensation	4,959.02	-	-	-	-	-	-	-	-

Pirazzini			2011 financial statements	from IGD										
				Compensation from subsidiaries and affiliates	-	-	-	-	-	-	-	-	-	-
				Total	4,959.02	-	-	-	-	-	-	-	-	
Romano Conti	Chairman of the Board of Statutory Auditors	01/01/2012-31/12/2012	Approval of 2014 financial statements	Compensation from IGD	24,750.00	-	-	-	-	-	-	-	-	-
				Compensation from subsidiaries and affiliates	-	-	-	-	-	-	-	-	-	
				Total	24,750.00	-	-	-	-	-	-	-		
Roberto Chiusoli	Standing auditor	01/01/2012-31/12/2012	Approval of 2014 financial statements	Compensation from IGD	16,500.00	-	-	-	-	-	-	-	-	-
				Compensation from subsidiaries and affiliates	-	-	-	-	-	-	-	-		
				Total	16,500.00	-	-	-	-	-	-			
Pasquina Corsi	Standing auditor	19/04/2012-31/12/2012	Approval of 2014 financial statements	Compensation from IGD	11,586.07	-	-	-	-	-	-	-	-	
				Compensation from subsidiaries and affiliates	-	-	-	-	-	-	-			

				<i>Total</i>	11,586.07	-	-	-	-	-	-	-	-
Franco Gargano	Standing auditor	01/01/2012-19/04/2012	Approval of 2011 financial statements	<i>Compensation from IGD</i>	4,959.02	-	-	-	-	-	-	-	-
				<i>Compensation from subsidiaries and affiliates</i>	-	-	-	-	-	-	-	-	
				<i>Total</i>	4,959.02	-	-	-	-	-	-	-	
Daniele Cabuli	Chief Operating Officer	-	-	<i>Compensation from IGD</i>	139,938	-	33,900	-	18,958	-	-	-	-
				<i>Compensation from subsidiaries and affiliates</i>	-	-	-	-	-	-	-	-	
				<i>Total</i>	139,938	-	33,900	-	18,958	-	-	-	-
Managers with Strategic Responsibilities (n. 4)	-	-	-	<i>Compensation from IGD</i>	522,690	-	114,258	-	70,740	-	-	-	-
				<i>Compensation from subsidiaries and affiliates</i>	-	-	-	-	-	-	-	-	
				<i>Total</i>	522,690	-	114,258	-	70,740	-	-	-	-

(1) Position held until 19 April 2012.

Table 2: Cash incentive plans benefiting the Chief Executive Officer, Chief Operating Officer and the Managers with Strategic Responsibilities

Name	Position held		Bonus for the year				Bonuses from previous years			Other bonuses
			Plan	Paid/Payable	Deferred	Deferment period	No longer payable	Paid/Payable	Still deferred	
Claudio Albertini	Chief Executive Officer	<i>Compensation from IGD</i>	-	-	-	-	-	-	-	-
		<i>Compensation from subsidiaries and affiliates</i>	-	-	-	-	-	-	-	-
		<i>Total</i>	-	-	-	-	-	-	-	-
Daniele Cabuli	Chief Operating Officer	<i>Compensation from IGD</i>	-	-	-	-	-	-	-	-
		<i>Compensation from subsidiaries and affiliates</i>	-	-	-	-	-	-	-	-
		<i>Total</i>	-	-	-	-	-	-	-	-
Managers with Strategic Responsibilities (n. 4)	-	<i>Compensation from IGD</i>	-	-	-	-	-	-	-	-
		<i>Compensation from subsidiaries and affiliates</i>	-	-	-	-	-	-	-	-
		<i>Total</i>	-	-	-	-	-	-	-	-

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 2011	N. of shares purchased	N. of shares sold	N. of shares held at the end of 2012
Gilberto Coffari	Chairman BoD	IGD SIIQ S.p.A.	11,000	12,100	–	23,100
Sergio Costalli	Vice Chairman BoD	–	–	–	–	–
Claudio Albertini	CEO	–	–	–	–	–
Roberto Zamboni	Director	–	–	–	–	–
Leonardo Caporioni	Director	–	–	–	–	–
Fernando Pellegrini	Director	–	–	–	–	–
Aristide Canosani	Director	–	–	–	–	–
Fabio Carpanelli	Director	–	–	–	–	–
Massimo Franzoni	Director	–	–	–	–	–
Elisabetta Gualandri	Director	–	–	–	–	–
Andrea Parenti	Director	IGD SIIQ S.p.A.	40,000	10,000	–	50,000
Riccardo Sabadini	Director	IGD SIIQ S.p.A.	5,000	–	–	5,000
Giorgio Boldreghini	Director	–	–	–	–	–
Tamara Magalotti	Director	–	–	–	–	–
Livia Salvini	Director	–	–	–	–	–
Francesco Gentili	Director	–	–	–	–	–
Sergio Santi	Director	IGD SIIQ S.p.A.	29,300	–	–	–
Corrado Pirazzini	Director	IGD SIIQ S.p.A.	5,000	–	–	–
Romano Conti	Chairman Board of Statutory Auditors	–	–	–	–	–
Roberto Chiusoli	Standing auditor	–	–	–	–	–

Pasquina Corsi	Standing auditor	-	-	-	-	-
Franco Gargani	Standing auditor	-	-	-	-	-

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

N. Managers with Strategic Responsibilities	Company in which interest is held	N. of shares held at the end of 2011	N. of shares purchased	N. of shares sold	N. of shares held at the end of 2012
	IGD SIIQ S.p.A.	51,300	26,700	-	78,000