

Immobiliare Grande Distribuzione
Società di investimento Immobiliare Quotata S.p.A.
abbreviated IGD SIQ SpA

REPORT ON REMUNERATION POLICY AND COMPENSATION PAID

Pursuant to art. 123-ter, para 3-ter and 6 of Legislative Decree 24 February 1998, n. 58
(Testo Unico della Finanza - TUF)

Approved by the Board of Directors on February 27th 2020

Available on the website www.gruppoigd.it





// GLOSSARY

2016-2018 Business Plan

2019-2021 Strategic Plan

Board of Directors

Code/Corporate Governance Code

Compensation Policy

FAR

Group

IGD/The Company

Long Term Incentive Plan (LTIP)

Managers with Strategic Responsibilities

Regulations for Issuers

TUF

// GLOSSARY

// 2016-2018 Business Plan

The business plan referred to years 2016-2018 approved by the Board of Directors on 10th May 2016.

// 2019-2021 Strategic Plan

The strategic plan referred to years 2019-2021 approved by the Board of Directors on 7th November 2018.

// Board of Directors

IGD's Board of Directors.

// Code/Corporate Governance Code

The Corporate Governance Code for listed companies, as approved by the Corporate Governance Committee constituted by Borsa Italiana S.p.A. (the Italian Stock Exchange), ABI, ANIA, Assogestioni, Assonime and Confindustria, in effect at the time of this Report.

// Compensation Policy

The compensation policy approved by the Board of Directors on 27 February 2020, described in Part I of this Report.

// FAR

Fixed annual remuneration, calculated for the full year based on the gross monthly salary paid in December of the prior year, comprised of basic salary plus management bonuses (the calculation relative to variable compensation is, therefore, made net of any increases/adjustments made for seniority, any ad personam allowances and any and all other items or indemnities).

// Group

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

// IGD/The Company

Immobiliare Grande Distribuzione SIIQ S.p.A.

// Long Term Incentive Plan (LTIP)

A medium/long-term incentive plan based on which beneficiaries receive a cash bonus if certain objectives, pre-determined and approved by the Board of Directors, are achieved.

// 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.

// TUF

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



// REPORT ON REMUNERATION

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// Sector 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, along with any amendments, as proposed by the Nominations and Compensation Committee (see letter b) below).

Pursuant to Art. 123-ter of TUF the Compensation Policy is submitted to the ordinary Shareholders' Meeting convened to approve the annual report for binding approval in accordance with Art. 2364 of the Italian Civil Code.

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

b) Scope, composition (distinguishing between non-executive and independent directors), and functions of the 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 Nominations and Compensation 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 6 June 2018, the Board of Directors appointed independent directors Rossella Saoncella (Chairman), Livia Salvini and Timothy Guy Michele Santini 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 regar-

ding 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 Nominations and Compensation 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 by the Board of Directors in the preparation of the Compensation Policy.

d) Purpose of the compensation policy principles, duration 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, as well as contribute to the business strategy and the Company's long-term interest and sustainability.

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 targets;

> To promote the medium/long term creation of value for shareholders taking into account the interest of all the Company's relevant stakeholders;

> To create a strong link between remuneration and performance of the Company and the Group.

Pursuant art. 6 par. 2 of the Corporate Governance Code, 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 27 February 2020, based on the proposal submitted by the Nominations and Compensation Committee which met on 21 February 2020.

The Compensation Policy has an annual duration and 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 2020.

The Nominations and Compensation Committee did not make any significant changes to the 2020 Compensation Policy with respect to the 2019 version which was updated by the Board of Directors on 26 February 2019 following the renewal of the Board of Directors on 1 June 2018 and the approval of the Business Plan 2019-2021. More in detail, while waiting for CONSOB to issue regulations relative to the implementation of EU Directive 2017/828/EU, the Shareholders' *Rights Directive II*, the Compensation Policy reflects the provisions of the revised Art. 123-ter of TUF that are strictly applicable.

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 Compensation 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, the Chief Executive Office remuneration is comprised of:

> A fixed portion composed of:

- > The compensation for each director approved by the Ordinary Shareholders' Meeting in the appointment for the office of Board of Directors' member;
- > The compensation approved by the Board of Directors, based on the Nominations and 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.

> A variable portion to be established by the Board of Directors based on the proposal submitted by the Nominations 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 75%, 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 (25% 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 25%, a three-year Long Term Incentive Plan, included in the LTIP 2019 - 2021, based on which payment of the bonus is tied to achieving the three-year economic-financial targets found in the Strategic Plan 2019-2021 (each of which accounts for 50% of the bonus), namely:

> The Loan to Value must be maintained below 45%;

> Cumulative FFO must amount to €258 million.

Lastly, an additional amount equal **to 5% of the fixed compensation**, will be paid in the instance Loan to Value is below 43% at year-end 2021.

The main characteristics of the LTI Plan for the Chief Executive Officer are summarized below.

LTIP 2019-2021

Duration	3 years
Goals	<ul style="list-style-type: none"> > Loan to Value below 45% > Cumulative FFO of €258 million
What happens in the case of <i>over-performance</i>	Payment of an additional amount, equal to 5% of the fixed compensation in the event Loan to Value falls below 43%

The Nominations and Compensation Committee must verify if the three-year targets above have 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 2021.

Based on the Compensation 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 37.5% of the yearly fixed sa-

lary, and (ii) the medium-long term component may not exceed 12.50% of the fixed salary received by the Chief Executive Officer in the three-year period in question.

The payment of the variable component will 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.

Based on the Compensation Policy, the compensation of

the **Chief Operating Officer** and **the Managers with Strategic Responsibilities** comprises:

> A fixed component which comprises the fixed FAR called for in the individual contract signed by the Company and the Chief Operating Officer and the Managers with Strategic Responsibilities which is line with the national labor contract for managers of cooperative businesses that governs the employment relationship;

> A variable component tied to the achievement of the following performance goals:

(i) for 75%, a short term variable component, tied to reaching yearly performance targets which include:

> Core business 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% (5% of the variable component);

> For up to a maximum of 50% 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 payment of 50% of the variable component payable to the **Chief Operating Officer** is subject to the achieve-

ment of the following individual performance goals:

> Total core business revenue must be in line with the budget;

> FFO must be in line with the budget.

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 25%, a three-year Long Term Incentive Plan, included in the LTIP 2019 - 2021, based on which payment of the bonus is tied to achieving the three-year economic-financial targets found in the Strategic Plan 2019-2021 (each of which accounts for 50% of the bonus), namely:

> The Loan to Value must be maintained below 45%;

> Cumulative FFO must amount to €258 million.

Lastly, an additional amount equal **to 5% of the fixed compensation** will be paid in the instance Loan to Value is below 43% at year-end 2021.

The main characteristics of the LTI Plan 2019-2021 for the Chief Operating Officer and the Managers with Strategic Responsibilities are summarized below:

LTIP 2019-2021

Duration	3 years
Goals	<ul style="list-style-type: none"> > Loan to Value below 45% > Cumulative FFO of €258 million
What happens in the case of <i>over-performance</i>	Payment of an additional amount, equal to 5% of the fixed compensation in the event Loan to Value falls below 43%

The Nominations and Compensation Committee must verify if the three-year targets above have 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 2021.

Based on the Compensation Policy, the total variable

compensation payable to the Chief Operating Officer and the Managers with Strategic Responsibilities may not exceed 40% of the fixed annual salary. More in detail, (i) the short term variable component may not exceed 30% 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 me-

dium-long term component may not exceed 10% 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 will 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, pursuant to art. 6 par. 1 letter a) of the Corporate Governance Code, 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. With regard to the Chief Operating Officer and the Managers with Strategic Responsibilities, the provisions relative to supplementary assistance (i.e. life insurance policies and insurance for permanent disabilities) found in the national labor contract for managers of cooperative businesses apply.

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.

More specifically, in order to better direct and align mana-

gerial action with the objectives defined in the Company's 2019-2021 strategic plan, the medium-long term variable compensation is typically tied to the achievement of the economic-financial targets referred to in the 2019-2021 strategic plan.

The objectives and the targets are, generally, calculated on the basis of the Company's specific business activities and are indicators of the business's performance and 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 2019-2021 to be the most effective way to focus management on the long term creation of value for shareholders. Under the LTIP 2019-2021, in fact, the medium-long term compensation is payable only if the targets established herein have been reached at the end of the two-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.

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 is described below.

In the event the mandate is terminated or is not renewed, the Chief Executive Officers will be paid: (i) a termination allowance equal to 15 months of the fixed salary paid to the Chief Executive Officer; (ii) another payment, after a non-compete agreement between the Company and the Chief Executive Officer has been signed, equal to 15 months of the fixed salary paid to the Chief Executive Officer. These amounts will be paid only in the event of (i) termination without just cause or if the mandate is not renewed; (ii) the CEO tenders just cause resignation.

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. The remuneration of the non executive Directors and the Chairman of the Board of 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 Risk Committee receive additional compensation as resolved by the Board of Directors, while the directors, members of the Nominations and Compensation Committee and the Committee for Related Party Transactions receive an attendance fee for each meeting attended as resolved by the Board of Directors, subject to approval by the Nominations 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 Nominations and Compensation Committee's proposal.

n-bis) Pay policy for members of the Board of Statutory Auditors

The remuneration of the Board of Statutory Auditors is not linked to the Company's economic results and, therefore, consists solely in the fixed emolument.

Pursuant to Art. 2402 of the Italian Civil Code and Art. 26.11 of the bylaws, the compensation of the Board of Statutory Auditors is determined by IGD's shareholders.

During the Annual General Meeting held on 1st June 2018, shareholders set the annual gross compensation for the Chairman of the Board of Statutory Auditors at €30,000.00 and the annual gross compensation of the Standing Auditors at €20,000.00.

The relative expenses incurred by the Statutory Auditors will also be reimbursed.

o) Compensation policies of other companies

The Compensation Policy was drawn up by the Company without referring to the policies adopted by other companies.

p) Elements and conditions of the Compensation Policy which may be overridden in the presence of exceptional circumstances

Pursuant to Art. 123-ter, paragraph 3-bis of TUF, the Company may temporarily override the Compensation Policy in the presence of exceptional circumstances, namely situations in which it is necessary to override the Policy in order to pursue the long-term interests and overall sustainability of the Company or ensure its ability to remain on the market.

The following elements of the Policy may be overridden:

> The fixed and variable components of the compensation paid to the recipients of the Policy including, for example, the weight of these components as a percentage of total compensation, the performance targets to

which payment of the variable components is linked, the vesting terms, as well as any share-based incentives;

> Provisions relating to bonuses or one-off emoluments;

> Provisions relating to possible severance and/or the amount of severance payable upon termination of office or the working relationship.

Any temporary waivers of the Compensation Policy must be approved by the Board of Directors, after having consulted with the Nominations and Compensation Committee, without prejudice to Regulation n. 17221 of 12 March 2010 and Procedure for related party transactions adopted by the Company, when applicable.

The Board of Directors' will determine the duration of the waiver and the specific elements of the Policy to be overridden as per the above.

// Sector II – Remuneration of the Board of Directors, the Board of Statutory Auditors, the General Manager and the Managers with Strategic Responsibilities in 2019

This part of the remuneration 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 2019.

Pursuant to Art. 123-ter, paragraph 6, of TUF, the shareholders will pass a non-binding resolution for or against this part of the Compensation Report.

> Part 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 2019 are shown in this section of Part II.

1.1 // Board of Directors

1.1.1 // Chief Executive Officer

In 2019 the Chief Executive Officer was Director Claudio Albertini.

Mr. Albertini was appointed Chief Executive Officer by IGD's Board of Directors on 6 June 2018 after the renewal of the Board of Directors was approved by shareholders during the AGM held on 1 June 2018.

Below is a description of the items comprising the Chief Executive Officer's remuneration in 2019:

> Fixed component, comprising:

> A yearly gross salary of €20,000.00 for acting as a member of the Board of Directors for the period 1 January 2019 and 31 December 2019, as resolved during the Shareholders' Meeting held on 1 June 2018;

> A gross salary of €300,000.00 for acting as Chief Executive Officer for the period 1 January 2019 and 31 December 2019, as resolved during the Board of Directors meeting held on 6 June 2018. The amount of the fixed compensation was approved by the Board of Directors, as per the recommendations of the Nominations and Compensation Committee and after having consulted with the Board of Statutory Auditors in accordance with articles 25.1 of the corporate bylaws and 2389, paragraph 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 2019, the variable component of the remuneration was approved by the Board of Directors of 2 May 2019 based on the Nominations and Compensation Committee's proposal and following approval from the Board of Statutory Auditors.

More in detail, the Chief Executive Officer's variable compensation in 2019 consisted in:

> A short term variable compensation - which was equal to 75% of the total variable compensation - was set at a maximum of 37.5% of the fixed remuneration determined by the Board of Directors. Payment of this bonus is subject to achieving predetermined performance targets: 25% of the short term variable compensation is linked to

the consolidated EBITDA margin and 25% to the earnings per share which must reach the levels indicated in the 2019 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 2019 have been approved. Any bonus owed, for up to a maximum of 37.5% of the fixed compensation, will be quantified and paid in 2020;

> A medium-long term variable compensation as set by the previous plan LTIP 2019-2021 - which represents 25% of the total variable compensation and cannot exceed 12.5% of the fixed compensation - subject to achieving the economic-financial targets found in the 2019-2021 Strategic Plan (each of which represents 50% of the bonus), namely:

> The Loan to Value must be maintained below 45%;

> Cumulative FFO must amount to €258 million.

The Nominations and Compensation Committee must verify if the three-year targets above have been reached subsequent to the date on which the Company's Board of Directors has approved the draft separate and consolidated financial statements for 2021. The bonus payable, therefore, under the LTIP 2019 - 2021, estimated at €30,000.00 gross for 2019, will be finalized and paid in 2022.

For more information about the termination allowance payable in the event of early termination or if the mandate is not renewed, please refer to section 1.5 below.

Please note, lastly, that in 2018 the Chief Executive Officer received (i) €69,658.00 gross in variable short-term compensation for 2018, after the Nominations and Compensation Committee verified that the 2018 performance targets had been achieved, and (ii) €66,080.00 in medium-long term compensation for 2017-2018 as per the LTI Plan 2017-2018 after having achieved the targets referred to in the Business Plan 2016-2018, namely (aa) Loan to Value below 50%; and (bb) distribution of 2/3 of FFO as dividends.

1.1.2 // Chairman of the Board of Directors

The Chairman of the Board of Directors in 2019 was Elio Gasperoni.

Mr. Gasperoni was appointed Chairman of the Board of Directors by IGD's Board of Directors on 6 June 2018 after the renewal of the Board of Directors was approved by shareholders during the AGM held on 1 June 2018.

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

The Chairman's total compensation comprises:

> A yearly gross salary of €20,000.00 for acting as a member of the Board of Directors for the period 1 January 2019 and 31 December 2019, as resolved during the Shareholders' Meeting held on 1 June 2018;

> Compensation of €75,000.00 for acting as Chairman during the period 1 January 2019 - 31 December 2019, as resolved during the Board of Directors meetings held on 6 June 2018.

No termination allowances will be recognized in the event the Chairmanship is terminated.

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.

The Vice Chairman of the Board of Directors in 2019 was the director Rossella Saoncella, appointed during the Board of Directors meeting held on 6 June 2018, after the renewal of the Board of Directors was approved by shareholders during the AGM held on 1 June 2018.

The total remuneration of the Vice Chairman is broken down as follows:

> A yearly gross salary of €20,000.00 for acting as a member of the Board of Directors for the period 1 January 2019 and 31 December 2019, as resolved during the Shareholders' Meeting held on 1 June 2018;

> Compensation of €25,000.00 for acting as Vice Chairman paid for the period 1 January 2019 and 31 December 2019, as resolved during the Board of Directors meeting held on 6 June 2018.

No termination allowances will be recognized in the event the Chairmanship is terminated.

1.1.4 // Other members of the Board of Directors

The remuneration of the members of the Board of Directors is not tied to the Company's economic results and,

therefore, is comprised solely of a fixed component.

In 2019 IGD's Board of Directors comprised: the following directors: Claudio Albertini (Chief Executive Officer), Elio Gasperoni (Chairman), Rossella Saoncella (Vice Chairman), Luca Dondi Dall'Orologio, Elisabetta Gualandri, Sergio Lugaresi, Gian Maria Menabò, Livia Salvini, Timothy Guy Michele Santini, Alessia Savino and Eric Jean Véron appointed during the AGM held on 1 June 2018.

During the same meeting, shareholders also set the annual gross compensation for each member of the Board of Directors at €20,000.00.

No termination allowances will be recognized in the event the Directorships are terminated.

1.1.5 // Members of the Board Committees

1.1.5.1. // Control and Risk Committee

The directors, members of the Control and Risk Committee, receive additional fixed compensation as resolved by the Board of Directors.

In 2019 IGD's Control and Risk Committee comprised directors Elisabetta Gualandri, (Chairman), Luca Dondi Dall'Orologio and Sergio Lugaresi.

On 6 June 2018 the Board of Directors approved compensation of €12,000.00 for the Chairman and €8,000.00 for each of the Committee members;

1.1.5.2. // Committee for Related Party Transactions

The directors who are members of the Committee for Related Party Transactions receive an attendance fee for each Committee meeting attended.

In 2019 IGD's Committee for Related Party Transactions comprised directors Luca Dondi Dall'Orologio, Livia Salvini and Eric Jean Véron. During the meeting held on 26 July 2018 Committee for Related Party Transactions, appointed Luca Dondi Dall'Orologio Chairman of the Committee. On 6 June 2018 the Board of Directors set an attendance fee for each Committee meeting attended of €750.00.

More in detail, the Committee for Related Party Transactions met 2 times in 2019: on 23 January 2019 and on 4 November 2019. In 2019, therefore, all the members of the Committee for Related Party Transactions (Luca Dondi Dall'Orologio, Livia Salvini and Eric Jean Véron) received €1,500.00 (for attending 2 meetings).

1.1.5.3. // Nominations and Compensation Committee

The directors who are members of the Nominations and Compensation Committee receive an attendance fee for each Committee meeting attended.

In 2019 IGD's Nominations and Compensation Committee comprised directors Rossella Saoncella (Chairman), Livia Salvini and Timothy Guy Michele Santini. On 6 June 2018 the Board of Directors set an attendance fee for each Committee meeting attended of €750.00.

More in detail, the Nominations and Compensation Committee met 5 times in 2019 on: 14 February 2019, 18 February 2019, 26 February 2019, 28 March 2019 and 2 May 2019. In 2019, therefore, the members of the Nominations and Compensation Committee received the following compensation: the Chairman Rossella Saoncella and the director Timothy Guy Michele Santini received €3,750.00 (for attending 5 meetings) and Livia Salvini received €3,000.00 (for attending 4 meetings).

1.2 // Board of Statutory Auditors

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

In 2019 IGD's Board of Statutory Auditors comprised: Anna Maria Allievi (Chairman), Daniela Preite and Rober to Chiusoli (Standing Auditors). During the Shareholders' Meeting held on 1 June 2018 shareholders set the annual gross compensation at €30,000.00 for the Chairman and €20,000.00 for the other Standing Auditors.

1.3 // Chief Operating Officer

In 2019 the Chief Operating Officer was Daniele Cabuli.

The compensation received by the Chief Operating Officer in 2019 can be broken down as follows:

- > **Gross fixed salary:** €187,664.86;
- > **Gross non-cash benefits:** €19,883.61;
- > **Gross Variable compensation:** €56,071.19 including the short-term portion and the portion stemming from the LTI 2019-2021 relative to 2019.

More in detail, in 2019 the Chief Operating Officer's short term variable compensation - which represents 75% of the total variable compensation and cannot exceed 30% of

the gross annual salary received in the previous year was subject to reaching the following performance objectives:

- > Core business consolidated EBITDA margin with a deviation of plus or minus 1% with respect to the budget, 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 5% of the short term variable component;
- > For 50% of the variable compensation, two individual performance goals:
 - > Total core business revenue must be in line with the budget;
 - > FFO must be in line with budget.

Whether or not the targets have been reached will be verified after IGD's draft separate and consolidated financial statements for 2019 have been approved. The bonus payable, estimated at €42,053.39 gross for 2019, will be paid in 2020.

The Chief Operating Officer is also entitled to a bonus under the LTIP 2019-2021 - which represents 25% of the total variable compensation and may not exceed 10% of the FAR received for the three years prior to disbursement - subject to achieving the economic-financial targets found in the 3-years 2019-2021 Strategic Plan (each of which represents 50% of the bonus), namely:

- > The Loan to Value must be maintained below 45%;
- > Cumulative FFO must amount to €258 million.

The Nominations and Compensation Committee must verify if the two-year targets above have been reached subsequent to the date on which the Company's Board of Directors has approved the draft separate and consolidated financial statements for 2021. The bonus payable, therefore, under the LTIP 2019 - 2021, estimated at €14,017.80 gross for 2019, will be paid in 2022.

There are no specific agreements in place which provide for a termination allowance in the event of termination, with the exception of the provisions found in section 1.5.

Please note, lastly, that in 2019 the Chief Operating Officer received (i) €22,352.04 gross in variable short-term compensation for 2018, after the Nominations and Compensation Committee verified that the 2018 performance targets had been achieved, and (ii) €9,313.34 in medium-long term compensation for 2017-2018 as per the

LTI Plan 2017-2018 after having achieved the targets referred to in the Business Plan 2016-2018, namely (aa) Loan to Value below 50%; and (bb) distribution of 2/3 of FFO as dividends.

1.4 // Managers with Strategic Responsibilities

In 2019 the Board of Directors defined Managers with Strategic Responsibilities as the managers who are part of the Company's Operating Division; namely the director of the Corporate and Legal Affairs Department, the director of the Asset Management and Development Division, the director of the Finance and Treasury Department, and the director of Planning, Control and Investor Relations.

In accordance with current law governing individual disclosure, the components of the compensation paid to the Managers with Strategic Responsibilities are shown below in aggregate amounts as none of the Managers with Strategic Responsibilities received total compensation that was higher than the highest total compensation received by the members of the Board of Directors, the Board of Statutory Auditors or the Chief Operating Officer.

- > **Gross fixed compensation:** €546,640.63 ⁽¹⁾;
- > **Gross non-cash benefits:** €62,438.59;
- > **Gross variable compensation:** €158,962.80 including the short-term portion and the portion stemming from the LTI 2019-2021 relative to 2019.

In 2019, the Managers with Strategic Responsibilities received variable short term compensation - which represents 75% of the variable compensation and may not exceed 30% of the FAR received for the year prior to disbursement - subject to achieving the following performance goals:

- > Core business consolidated EBITDA margin had to be in a range of between 1% higher or lower than the budgeted amount, for 20% of the variable component;
- > Earnings per share had to be in a range of between 5% higher or lower than the prior year, like-for-like excluding treasury shares, for 5% of the variable component;
- > Two or more individual performance goals defined on the basis of the role of each Manager with Strategic Responsibilities, the strategic projects in which he/she was

involved and the level of responsibility, and the extent to which any changes implemented impacted the 2018 results, for up to a maximum of 50% of the variable component.

Whether or not the targets have been reached will be verified after IGD's draft separate and consolidated financial statements for 2019 have been approved. The bonus, estimated at €119,222.10 gross for 2019, will be paid in 2020.

The Managers with Strategic Responsibilities are also entitled to a bonus under the LTIP 2019-2021 - which represents 25% of the total variable compensation and may not exceed 10% of the FAR received for the three years prior to disbursement - subject to achieving the economic-financial targets found in the 2019-2021 Strategic Plan (each of which represents 50% of the bonus), namely:

- > The Loan to Value must be maintained below 45%;
- > Cumulative FFO must amount to €258 million.

The Nominations and Compensation Committee must verify if the two-year targets above have been reached subsequent to the date on which the Company's Board of Directors has approved the draft separate and consolidated financial statements for 2021. The bonus payable, therefore, under the LTIP 2019 - 2021 will be paid in 2022.

There are no specific agreements in place which provide for a termination allowance in the event of termination, with the exception of the provisions found in section 1.5.

Please note, lastly, that in 2019 Managers with Strategic Responsibilities received (i) 72,993.48 gross in variable short-term compensation for 2018, after the Nominations and Compensation Committee verified that the 2018 performance targets had been achieved and (ii) €13,708.80 gross, in medium-long term compensation for 2017-2018 as per the LTI Plan 2017-2018 after having achieved the targets referred to in the Business Plan 2016-2018, namely (aa) Loan to Value below 50%; and (bb) distribution of 2/3 of FFO as dividends.

1.5 // Termination allowances

On 26 February 2019 the Board of Directors, in accordance with the recommendations of the Nominations and Compensation Committee, approved the following indemnities for the Chief Executive Officer in the event of

⁽¹⁾. This emolument includes the compensation due for positions held in IGD's subsidiaries that are repaid to the Company.

termination: (i) a termination allowance equal to 15 months of the fixed salary paid to the Chief Executive Officer; (ii) another payment, after a non-compete agreement between the Company and the Chief Executive Officer has been signed, equal to 15 months of the fixed salary paid to the Chief Executive Officer. These amounts will be paid only if the event of (i) termination without just cause or if the mandate is not renewed; (ii) the CEO tenders just cause resignation.

Without prejudice to the above, the regulations for the LTIP, approved by Board of Directors on 27 February 2020, based on the proposal of the Nominations and Compensation Committee and the favorable opinion of the Board of Statutory Auditors, relative to the Chief Executive Officer, the Chief Operating Office and the Managers with Strategic Responsibilities ("Recipients"), governs the impact of termination or resolution of the employment contract.

More in detail, the LTIP governed situations involving:

- (i)** Termination by mutual consent, with the written agreement of IGD;
- (ii)** Termination of one of the Plan beneficiaries without

just cause pursuant to art. 2119 of the Italian Civil Code;

(iii) Termination of one of the Plan beneficiaries for just cause pursuant to art. 2119 of the Italian Civil Code;

(iv) Termination without just cause or just cause resignation tendered by the Chief Executive Officer.

In the above instances, 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 Company or among the scope of the beneficiaries considered over the lifetime of the 2016-2018 Business 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.

> Part 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 2018 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 2019

IGD 'S BOARD OF DIRECTORS						IGD 'S BOARD OF DIRECTORS							
Name	Office	Dates in office	End of term		Fixed compensation in €	Compensation for committee membership	Not share based compensation		Non cash benefits	Other compensation	Total	Fair Value of the compensation	Termination allowance
							Bonuses and other incentives	Profit sharing					
Elio Gasperoni	Director and Chairman BoD	01/01/2019 31/12/2019	Approval of 2020 financial statements	Compensation from IGD	€ 95,000						€ 95,000		
				Compensation from subsidiaries and affiliates									
				Total	€ 95,000					€ 95,000			
Claudio Albertini	Chief Executive Officer	01/01/2019 31/12/2019	Approval of 2020 financial statements	Compensation from IGD	€ 320,000		€ 150,000 (2)				€ 470,000		
				Compensation from subsidiaries and affiliates									
				Total	€ 320,000		€ 150,000		€ 470,000				
Rossella Saoncella	Vice Chairman and Chairman of NCC	01/01/2019 31/12/2019	Approval of 2020 financial statements	Compensation from IGD	€ 45,000	€ 3,750					€ 48,750		
				Compensation from subsidiaries and affiliates									
				Total	€ 45,000	€ 3,750		€ 48,750					
Luca Dondi Dall'Orologio	Director and member of CRC and chairman of RPC	01/01/2019 31/12/2019	Approval of 2020 financial statements	Compensation from IGD	€ 20,000	€ 9,500					€ 29,500		
				Compensation from subsidiaries and affiliates									
				Total	€ 20,000	€ 9,500		€ 29,500					
Elisabetta Gualandri	Director and Chairman RCC	01/01/2019 31/12/2019	Approval of 2020 financial statements	Compensation from IGD	€ 20,000	€ 12,000					€ 32,000		
				Compensation from subsidiaries and affiliates									
				Total	€ 20,000	€ 12,000		€ 32,000					

(2). This item refers to the (i) maximum amount payable as short term variable compensation, for up to a maximum of 37.5% of the 2019 fixed compensation (the annual compensation of € 300,000.00 payable to the Chief Executive Officer approved by the BoD) and (ii) the maximum amount payable in 2019 under the LTIP 2019-2021 to the Chief Executive Officer, for up to a maximum of 12.50% of the fixed compensation, subject to reaching certain economic-financial targets indicated in the Strategic Plan 2019-2021 (each of which comprises 50% of the bonus), namely: (i) the Loan to Value must be maintained below 45%, and (ii) cumulated FFO equal to € 258 million must be achieved. Whether or not the targets of the LTIP 2019-2021 have been reached will be verified by the NCC after IGD's draft separate and consolidated financial statements for 2021 have been approved by the Board of Directors. The bonus will be paid in 2022.

IGD 'S BOARD OF DIRECTORS

IGD 'S BOARD OF DIRECTORS

Name	Office	Dates in office	End of term		Fixed compensation in €	Compensation for committee membership	Not share based compensation		Non cash benefits	Other compensation	Total	Fair Value of the compensation	Termination allowance	
							Bonuses and other incentives	Profit sharing						
Sergio Lugaresi	Director and member of RCC	01/01/2019 31/12/2019	Approval of 2020 financial statements	Compensation from IGD	€ 20,000	€ 8,000					€ 28,000			
				Compensation from subsidiaries and affiliates										
				Total	€ 20,000	€ 8,000						€ 28,000		
Gian Maria Menabò	Director	01/01/2019 31/12/2019	Approval of 2020 financial statements	Compensation from IGD	€ 20,000						€ 20,000			
				Compensation from subsidiaries and affiliates										
				Total	€ 20,000							€ 20,000		
Livia Salvini	Director and member of RNC and RPC	01/01/2019 31/12/2019	Approval of 2020 financial statements	Compensation from IGD	€ 20,000	€ 4,500					€ 24,500			
				Compensation from subsidiaries and affiliates										
				Total	€ 20,000	€ 4,500						€ 24,500		
Timothy Guy Michele Santini	Director and member of RNC	01/01/2019 31/12/2019	Approval of 2020 financial statements	Compensation from IGD	€ 20,000	€ 3,750					€ 23,750			
				Compensation from subsidiaries and affiliates										
				Total	€ 20,000	€ 3,750						€ 23,750		
Alessia Savino	Director	01/01/2019 31/12/2019	Approval of 2020 financial statements	Compensation from IGD	€ 20,000						€ 20,000			
				Compensation from subsidiaries and affiliates										
				Total	€ 20,000							€ 20,000		
Eric Jean Véron	Director and member of RPC	01/01/2019 31/12/2019	Approval of 2020 financial statements	Compensation from IGD	€ 20,000	€ 1,500					€ 21,500			
				Compensation from subsidiaries and affiliates										
				Total	€ 20,000	€ 1,500						€ 21,500		

BOARD OF STATUTORY AUDITORS IN OFFICE

BOARD OF STATUTORY AUDITORS IN OFFICE

Name	Office	Dates in office	End of term	Fixed compensation in €	Compensation for committee membership	Not share based compensation		Non cash benefits	Other compensation	Total	Fair Value of the compensation	Termination allowance
						Bonuses and other incentives	Profit sharing					
Anna Maria Allievi	Chairman	01/01/2019 31/12/2019	Approval of 2020 financial statements	Compensation from IGD	€ 30,000					€ 30,000		
				Compensation from subsidiaries and affiliates								
				Total	€ 30,000				€ 30,000			
Roberto Chiusoli	Statutory Auditor	01/01/2019 31/12/2019	Approval of 2020 financial statements	Compensation from IGD	€ 20,000					€ 20,000		
				Compensation from subsidiaries and affiliates								
				Total	€ 20,000				€ 20,000			
Daniela Preite	Statutory Auditor	01/01/2019 31/12/2019	Approval of 2020 financial statements	Compensation from IGD	€ 20,000					€ 20,000		
				Compensation from subsidiaries and affiliates								
				Total	€ 20,000				€ 20,000			

CHIEF OPERATING OFFICER AND MANAGERS WITH STRATEGIC RESPONSIBILITIES

CHIEF OPERATING OFFICER AND MANAGERS WITH STRATEGIC RESPONSIBILITIES

Name	Office	Dates in office	End of term	Fixed compensation in €	Compensation for committee membership	Not share based compensation		Non cash benefits	Other compensation	Total	Fair Value of the compensation	Termination allowance
						Bonuses and other incentives	Profit sharing					
Daniele Cabuli	Chief Operating Officer			Compensation from IGD	€ 187,664.86		€ 56,071.19 ⁽³⁾	€ 19,883.61 ⁽⁴⁾		€ 263,619.66		
				Compensation from subsidiaries and affiliates								
				Total	€ 187,664.86		€ 56,071.19		€ 19,883.61		€ 263,619.66	
Managers with Strategic Responsibilities (n 4)				Compensation from IGD	€ 546,640.63		€ 158,962.80 ⁽⁵⁾	€ 62,438.59 ⁽⁶⁾		€ 768,042.02		
				Compensation from subsidiaries and affiliates								
				Total	€ 546,640.63		€ 158,962.80		€ 62,438.59		€ 768,042.02	

(3). This is an estimate of the variable compensation for 2019, including both the short term portion and the portion relating to the LTIP 2019-2021 for 2019.

(4). This refers to the insurance premiums paid yearly for supplementary assistance (life insurance policies and insurance for permanent disabilities) called for in the national labor contract for managers of cooperative businesses and subsequent agreements.

(5). This is an estimate of the variable compensation for 2019, including both the short term portion and the portion relating to the LTIP 2019-2021 for 2019.

(6). This refers to the insurance premiums paid yearly for supplementary assistance (life insurance policies and insurance for permanent disabilities) called for in the national labor contract for managers of cooperative businesses and subsequent agreements.

> 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		Deferment period	Bonus of previous years		Other bonus
			Payable/Paid	Deferred		No longer payable	Payable/Paid	
Claudio Albertini	CEO	2019 short term variable compensation	€ 120,000.00 ⁽⁷⁾					
		LTIP Plan 2019-2021	€ 30,000.00 ⁽⁸⁾					
		2018 short term variable compensation				€ 69,658.00 ⁽⁹⁾		
		LTIP Plan 2017-2018				€ 66,080.00 ⁽¹⁰⁾		
		Compensation from subsidiaries and affiliates						
		Total	€ 150,000.00				€ 135,738.00	
Daniele Cabuli	COO	2019 short term variable compensation	€ 42,053.39 ⁽¹¹⁾					
		LTIP Plan 2019-2021	€ 14,017.80 ⁽¹²⁾					
		2018 short term variable compensation				€ 22,352.04 ⁽¹³⁾		
		LTIP Plan 2017-2018				€ 9,313.34 ⁽¹⁴⁾		
		Compensation from subsidiaries and affiliates						
		Total	€ 56,071.19				€ 31,665.38	
Managers with Strategic Responsibilities (n. 4)		2019 short term variable compensation	€ 119,222.10 ⁽¹⁵⁾					
		LTIP Plan 2019-2021	€ 39,740.70 ⁽¹⁶⁾					
		2018 short term variable compensation				€ 72,993.48 ⁽¹⁷⁾		
		LTIP Plan 2017-2018				€ 13,708.80 ⁽¹⁸⁾		
		Compensation from subsidiaries and affiliates						
		Total	€ 158,962.80				€ 86,702.28	

⁽⁷⁾. Whether or not the targets have been reached will be verified after IGD's draft separate and consolidated financial statements for 2019 have been approved. The bonus will be paid in 2020. In 2019 the Chief Executive Officer received € 135,738.00 gross in short term and long term variable compensation for 2018 and for the two-years 2017-2018.

⁽⁸⁾. This amount refers to the medium-long term variable compensation estimated and referred to 2019 following the LTIP 2019-2021, subject to the achievement of economic-financial targets of the Strategic Plan 2019-2021. Whether or not the targets have been reached will be verified by the RNC after IGD's draft separate and consolidated financial statements for 2021 have been approved. The bonus will be paid in 2022.

⁽⁹⁾. This amount refers to the short term variable compensation for 2018 paid in 2019.

⁽¹⁰⁾. This amount refers to the medium-long term variable compensation referred to the LTIP 2017-2018, paid in 2019.

⁽¹¹⁾. This amount refers to the estimated short term variable compensation payable to the Chief Operating Officer for 2018. Whether or not the performance goals for 2018 have been reached will be verified after IGD's draft separate and consolidated financial statements for 2018 have been approved. The bonus will be paid in 2019.

⁽¹²⁾. This amount refers to the medium-long term variable compensation estimated and referred to 2019 following the LTIP 2019-2021, subject to the achievement of economic-financial targets of the Strategic Plan 2019-2021. Whether or not the targets have been reached will be verified by the RNC after IGD's draft separate and consolidated financial statements for 2021 have been approved. The bonus will be paid in 2022.

⁽¹³⁾. This amount refers to the short term variable compensation for 2018 paid in 2019.

⁽¹⁴⁾. This amount refers to the medium-long term variable compensation referred to the LTIP 2017-2018, paid in 2019.

⁽¹⁵⁾. This amount refers to the estimated short term variable compensation payable to the Managers with Strategic Responsibilities for 2019. Whether or not the performance goals for 2019 have been reached will be verified after IGD's draft separate and consolidated financial statements for 2019 have been approved. The bonus will be paid in 2020.

⁽¹⁶⁾. This amount refers to the medium-long term variable compensation estimated and referred to 2019 following the LTIP 2019-2021, subject to the achievement of economic-financial targets of the Strategic Plan 2019-2021. Whether or not the targets have been reached will be verified by the RNC after IGD's draft separate and consolidated financial statements for 2021 have been approved. The bonus will be paid in 2022.

⁽¹⁷⁾. This amount refers to the short term variable compensation for 2018 paid in 2019.

⁽¹⁸⁾. This amount refers to the medium-long term variable compensation referred to the LTIP 2017-2018, paid in 2019.

// Sector 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.

> BOARD OF DIRECTORS CURRENTLY IN OFFICE AT 31/12/2019

Name	Office	Company in which interest is held	N. of shares held at the end of 2018	No. of shares purchased	No. of shares sold	No. of shares held at the end of 2019
Elio Gasperoni	Chairman					
Claudio Albertini	Chief Executive Officer		20,355			20,355
Rossella Saoncella	Vice Chairman					
Luca Dondi Dall'Orologio	Director					
Elisabetta Gualandri	Director		950			950
Sergio Lugaresi	Director					
Gian Maria Menabò	Director					
Livia Salvini	Director					
Timothy Santini	Director					
Alessia Savino	Director					
Eric Jean Véron	Director					

> BOARD OF STATUTORY AUDITORS CURRENTLY IN OFFICE AT 31/12/2019

Name	Office	Company in which interest is held	N. of shares held at the end of 2018	No. of shares purchased	No. of shares sold	No. of shares held at the end of 2019
Anna Maria Allievi	Chairman					
Roberto Chiusoli	Statutory Auditors					
Daniela Preite	Statutory Auditors					

The following table shows the interests held by 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 2018	No. of shares purchased	No. of shares sold	No. of shares held at the end of 2019
Daniele Cabuli	Chief Operating Officer	IGD	17,640			17,640

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

Name	Office	N. of shares held at the end of 2018	No. of shares purchased	No. of shares sold	No. of shares held at the end of 2019
4	IGD	21,958 ¹⁹	7,310		29,268

(19). This number includes the IGD's shares held at 31 December 2018 by the current Managers with Strategic Responsibilities. The figure has been revised with respect to the corresponding item reported in the Remuneration Report approved by the Company's Board of Directors on 26 February 2019, which included the shares held at the end of 2018 by a manager with strategic responsibilities who ended on 31 December 2018.





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