

A C M I L A N
FOR EVERYONE
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**SUSTAINABILITY
REPORT
20-21**

AC MILAN FOR EVERYONE

For eight seasons, we have shared our commitment and values on and off the pitch with all our fans and stakeholders. "AC Milan for everyone", the latest Sustainability Report for the 2020/21 season, provides a snapshot of everything we do and the social responsibility practices and principles that guide our efforts and further strengthen a close bond with the entire Rossoneri world.

This document is another important step on the path to fulfilling our ambition of presenting ourselves as an innovative and dynamic brand and a point of reference for a cultural transformation in the world of football. To play a credible leading role in this change, this document sums up the key elements of our approach to sustainability as we look to make our long-term vision a reality and translate our values into concrete initiatives and actions.

This once again serves as our starting point this year. Despite the pandemic, closures and lockdowns, we're pushing forward with our work and want to share the results. In doing so, we celebrate unity of purpose and passion – aspects that have always motivated all members of our family to walk side by side for the good of AC Milan and its future.

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1

THE FOOTBALLING SIDE OF AC MILAN

AC Milan has been, is and always will be about football, the 90 minutes spent on the pitch, competitions. AC Milan is about its first-team players – both men and women – who fight it out in Serie A and cup tournaments. It is about its youth players, who play and grow thanks to the values that AC Milan brings to this wonderful sport. It is about all the boys and girls who start to take their first steps in the world of football. It is about their families, who, in this sport, see a chance for their children to have fun and experience a lifetime opportunity. AC Milan is about all of those who play football, who immerse themselves in football, who love football.



MEN'S FIRST TEAM

2020/21 SEASON



AC Milan's men's First Team finished second in the Serie A table, thus qualifying for the Champions League after a seven-year absence. After the excellent results achieved in the previous season, Coach Stefano Pioli continued in his role; in July 2020, he signed a contract lasting until June 2022.



In the Coppa Italia, the team made it to the quarter-finals, where they were eliminated by Inter following a 97th-minute goal.



In the Europa League, the Rossoneri were knocked out in the round of 16 following a 2-1 aggregate defeat to Manchester United. The team needed to overcome Shamrock Rovers, Bodo/Glimt and Rio Ave to qualify for the tournament's group stage, where they finished ahead of Lille, Sparta Praha and Celtic in Group H.

THE MAIN NUMBERS FROM OUR SERIE A SEASON

16 Away wins – an all-time record in a single Serie A season

19 Teams beaten in a single league campaign (the joint-best)

3^a Best defence in the league

Franck

Kessié

Most appearances during the season

50



Zlatan

Ibrahimovic

Top goalscorer across the season

17



WOMEN'S SECTOR

2020/21 SEASON



Once again led by Coach Maurizio Ganz, our First Team took part in the Women's Serie A division for the third time and finished second. This meant that the Rossonere qualified for the 2021/22 UEFA Women's Champions League for the very first time and the Final Four of the Super Cup for the second season in a row.



We reached the Coppa Italia final, which took place at the Mapei Stadium in Reggio Emilia.



SUPERCOPPA FEMMINILE

For the first time, we took part in the Final Four of the Women's Super Cup.



The Youth Sector took part in the women's U15 and U17 championships and also participated in men's county championships with female sides.



FUTURE EXPECTATIONS

Our main goal continues to be to increase the number of players in the Women's Youth Sector and, in the process, work in such a way that more and more youngsters can make their debuts for

the First Team. This will allow us to be increasingly ambitious as we get ready to take part in the Primavera Championship for the first time as well as more and more international events.

MEN'S YOUTH SECTOR

2020/21 SEASON



PRIMAVERA

After their promotion to the Primavera 1 championship, the Primavera retained their place in the division despite all the difficulties caused by the pandemic.

When it was not possible to carry out activities on the pitch during the epidemiological emergency, all our staff worked to involve our young players by organising remote activities.

The support provided by the psycho-pedagogic team was crucial.



YOUTH TEAMS

Due to the pandemic, the other Youth Sector teams were at times able to play and at other times unable to take to the pitch. Only the U18s and U17s had the opportunity to compete in their respective divisions organised by the FIGC, with the U17s progressing to the National Finals.

All of the other sides, again due to the pandemic, were unable to take part in their respective championships and, where permitted by the federal bodies, instead played official friendlies.

OUR YOUTH SECTOR NUMBERS

In the Rossoneri Youth Sector during the 2020/21 season, there were.

264 REGISTERED YOUTH PLAYERS, divided into:

12 TEAMS

(Primavera, Under 18, Under 17, Under 16, Under 15, Under 14, Under 13, Under 12, Under 11, Under 10, Under 9 e Under 8)

At the Vismara Sports Centre, the central site of the Youth Sector's activities, there were o **20** employees actively working, including management figures, secretarial staff and organisational staff.

119 REGISTERED STAFF MEMBERS:

55 coaches/fitness coaches,
26 accompanying managers and
38 scouts.

At the Fondazione Clerici boarding school, there were o **38** boys being supported by o **10** tutors, who handled all the issues relating to the pandemic in a commendable manner.

OUR ONGOING COMMITMENT

- Raise awareness of SARS-COV-2 vaccinations among all players so that they can carry out activities in a safe manner.
- Continue to work on bringing players through to the First Team, as was the case with Giacomo Olzer (born in 2001).
- Get back to taking part in both national and international tournaments.

ACADEMY

THE PURPOSE OF MILAN ACADEMIES

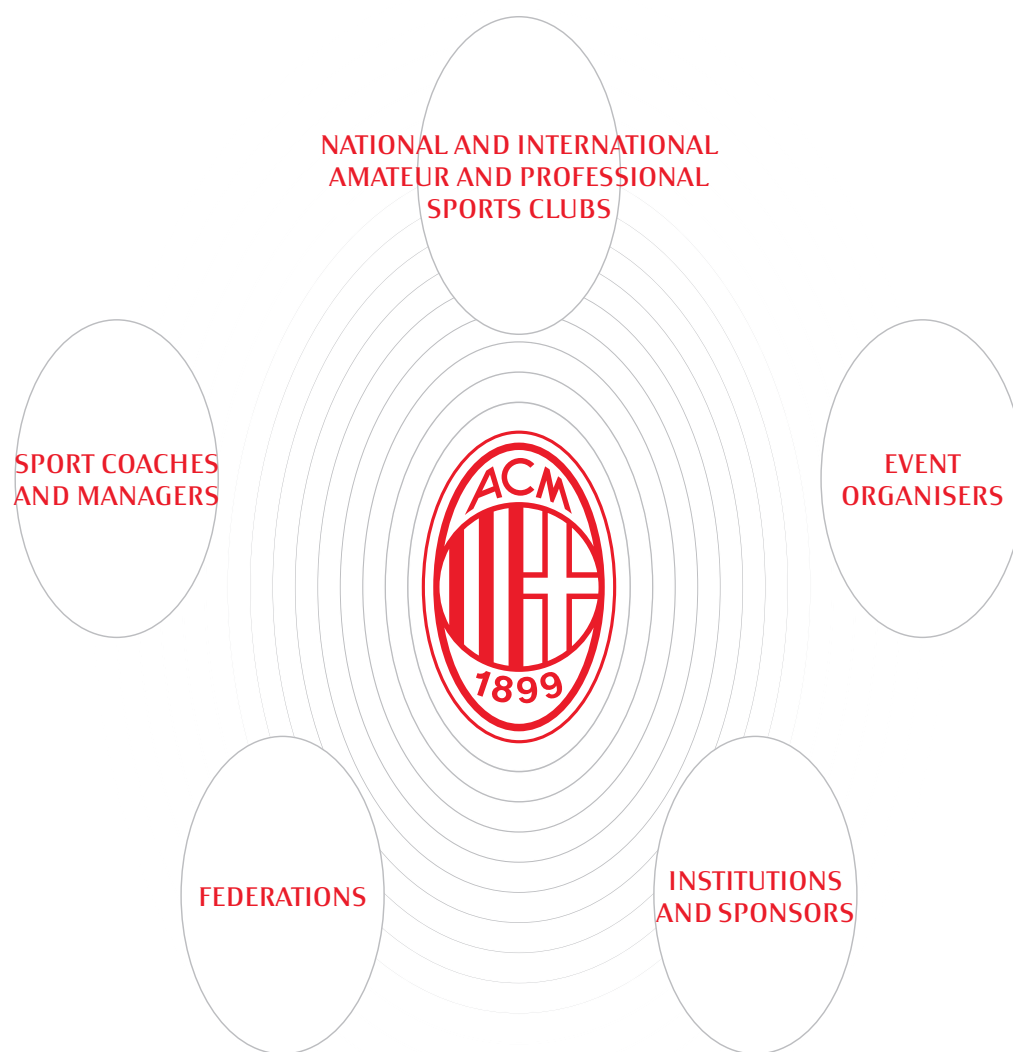
The skills within the Club are an asset that can and must be shared with the Club; this is the purpose of the Milan Academies and all the educational projects that are developed in this context.

The Milan Academy project aims to create a model of football schools that promote the values of sporting culture both on and off the pitch.

Young players are at the heart of the methodological approach of the Academies. By developing motor, technical, tactical and psychological skills, the aim is to create a pathway where technical expertise is combined with educational experiences. Values such as teamwork, passion and aiming for excellence are aspects

that characterise the Milan Method in the Youth Sector, and they can be transmitted to all of those who, on a daily basis, oversee the human and sporting growth of the youngsters involved in the football and sports activities. In pursuing this important objective, the Academies aim to consolidate these aspects, which play a fundamental role in helping children to grow, knowing that the youngsters will have a positive experience that will accompany them throughout their lives.

STAKEHOLDERS INTERESTED IN OUR ACADEMIES



AC MILAN ACADEMIES IN ITALY: RESPONDING TO ANOTHER DIFFICULT SEASON

From November to March, activities came to a halt for amateur Clubs during the 2020/21 season. This hit hard and obviously created a few problems for us and other Clubs. But it did not stop us!

We needed to reorganise our activities and, in addition to three visits by AC Milan coaches to the facilities of the Football Schools during permitted periods, we carried out all educational work online.

THIS YEAR'S DIFFICULTIES MEANT THAT WE WEREN'T ABLE TO ORGANISE ANY SPECIAL EVENTS, BUT IT WAS IMPORTANT – ALSO SYMBOLICALLY – FOR AC MILAN COACHES TO RESUME THEIR VISITS TO AFFILIATES AS SOON AS IT WAS POSSIBLE.



WHAT WE DID AND WHO WE INVOLVED

9

Technical meetings for coaches

6

Specific training meetings for various professionals

5

Scouting meetings with managers in our Youth Sector

5

Online training meetings with our coaches to support affiliates

THERE WERE

18

AC Milan technical centres and 59 AC Milan football schools involved

EVERY YEAR

1000

Coaches and 500 professionals are trained

12000

Children are involved

THE 2021/22 SEASON FOR OUR ACADEMIES

For the 2021/22 season, our objective is to be able to carry out the entire programme of scheduled in-presence and online visits and to foster partnerships and international development. The hope is to resume the Milan Junior Camps, which promote social inclusion and are organised in collaboration with Fondazione Milan.

The aim is to hold the final meetings, which are scheduled to place in April and May, in person and the Vismara Sports Centre, thus marking the return of the Football Schools after a two-year absence. Finally, another important "dream" is to have the children return to San Siro to watch matches on a regular basis through the "Tutti a San Siro" initiative.

MILAN JUNIOR CAMPS

For over 20 years, we have been involving boys and girls aged between 6 and 17 in the Milan Junior Camp project, which aims to combine the Rossoneri Youth Sector training methodology with moments of fun and integration.

This project aims to be a point of reference for the youngsters and their families by offering a unique experience in a safe environment and under the guidance of qualified staff.

Unfortunately, the pandemic did not help matters last season, but, despite this, the Milan Junior Camp project continued and was even able to grow. Indeed, in the summer of 2021, less re-

strictive protocols helped with the organisation of activities, while local and international protocols were studied and followed to reduce the risk of spread.

This allowed us to expand the project in terms of territory and membership. We are talking about very important progress: thanks to the work and contribution of all those involved in the project, we were able to continue pushing ahead with Junior Camp activities, export our programme to new locations abroad and offer many children and families moments of fun, friendship and serenity after a second year of restrictions due to the pandemic.

2020/21 JUNIOR CAMP NUMBERS

SEASON KPI	2020	2021
OPERATORS	8	17
VENUES	20	56
WEEKS	30	70
ENROLLED	1.200	3.000

OUR INTERNATIONAL ACADEMIES

The 2020/21 season was strongly impacted by the pandemic on an international level too, meaning the approach was mainly one of consolidating and supporting existing International Football Schools.

This, however, did not divert our attention away from making strides forward in new territories

as we looked to enrich the project's educational programme through online tools and visits.

Our coaches continued their Academy training and activities despite the difficulties, thus guaranteeing the continuation of structured training based on the Milan Method and participation in tournaments and championships.

INTERNATIONAL ACADEMY NETWORK



INTERNATIONAL ACADEMY NUMBERS

14 International Academies throughout the world

2 Continents

1 New Academy

9 Countries

NUMBERS IN 2021

50 Local managers involved

280 Coaches trained

3500 Children involved

ONLINE TRAINING

Our staff were highly resourceful and displayed real perseverance in the face of restrictions.

Also with the involvement of our main Sponsors, various online activities were organised where all the players carried out special training sessions under the supervision of our coaches. Official Rossoneri coaches also led some fun dig-

ital activities, with the youngsters taking part in challenges alongside peers from the Rossoneri Youth Sector.

Meanwhile, guest coaches were provided the exclusive access they needed to discuss the Youth Sector's training methods with our staff and meet the Club's brand ambassadors.

THE FUTURE OF OUR INTERNATIONAL ACADEMIES

The main objective for next season is to significantly expand the International Academy network and consolidate in the places where we are already present. Local goals include the establishment and implementation of new training programmes dedicated to local players and coaches, both online and in person.

We also want to expand our strategic and commercial consultancy services to promote Football Schools through technical, commercial and experiential activities and, in doing so, create new Academies and a platform that makes Rossoneri training methodology and know-how available to all future partners.







2

AC MILAN FOR THOSE WHO LOVE FOOTBALL

AC Milan belongs to its fans. We are one of the most renowned Clubs in the history of football and have more than 500 million fans throughout the world. This is why we want to honour Milanisti from all parts of the globe, providing a unique, all-encompassing experience for them to enjoy. This goes beyond the stadium and matchday and includes AC Milan's history, which is on display at our Museum, as well as a high-quality digital experience that brings together and embraces Rossoneri of all nationalities.



OUR ROLE AND RESPONSIBILITY TOWARDS SOCIETY

An entity like AC Milan plays an important role in the social fabric of the country and society it operates in. This is why we proudly include the desire to have a positive social impact on the community and throughout the football world

in our list of responsibilities. Through our commitment to CSR, we promote projects that celebrate the values of sport, while we also aim to become ambassadors of a new culture of sustainability in football.

RESPACT: A HOST OF INITIATIVES TO PROMOTE EQUALITY AND INCLUSION

One of our most significant projects to demonstrate our commitment to social responsibility is the **RespAct Manifesto**. RespAct aims to promote the values of equity, diversity and inclusion and consists of a series of initiatives

to implement the Club's vision and further its commitment to fight against all forms of prejudice and discrimination. There are four pillars underpinning the Manifesto: Raising Awareness, Education, Prevention and Collaboration.



AC MILAN FOR ALL	We guarantee all fans accessibility to AC Milan, both physically at San Siro and digitally through our published content. We offer an average of 250 free tickets for fans with disabilities and their carers, as well as content that is subtitled and translated into sign language and an audiodescription service during home matches, meaning deaf and visually impaired or blind fans do not miss out.
FREE ADMISSIONS TO SAN SIRO FOR ORGANISATIONS AND ASSOCIATIONS	A select number of free tickets for home games are made available to organisations and associations providing social/disability support.
AC MILAN AT UNIVERSITIES	Rossoneri spokespeople visiting the most prestigious Italian universities.
ALL THE COLOURS OF SPORT	A series of meetings involving Rossoneri spokespeople, who engage in dialogue with Italian secondary school students.
PAROLE O_STILI	Adherence to the Manifesto of non-hostile communication for sport, which was drawn up by the non-profit association Parole O_Stili to promote responsible use of digital communication.
LEGA SERIE A	Coordinating with Serie A to carry out campaigns and activities relating to social responsibility.
PARALYMPIC AND EXPERIMENTAL FOOTBALL DIVISION	The adoption of two teams in the FIGC's Paralympic and Experimental Football Division and the donation of ACM kits for them to wear during the competition.
RESTORE THE MUSIC UK	A partnership with an important charity to help improve the quality of music education in Milan. Two schools involved in an international initiative to make music accessible to all children thanks to a donation from the Singer Family Foundation.
ADOPTION OF A STOLPERSTEIN	On Holocaust Remembrance Day, supporting the project to commemorate the victims of Nazi extermination camps.
"CHAMPIONS OF EQUITY" AT SAN SIRO	Telling the stories of athletes who have made a contribution to the promotion of tolerance and inclusion internationally.
IMPROVEMENT OF THE CLUB'S SOCIAL NETWORK MODERATION POLICIES	Moderation of posts and comments published on social networks and related to people, entities or discussions involving the Club to ensure friendly discussion and prevent the use of bad language.
EMPLOYEE VOLUNTEERING	Activities with children at a hospital in Milan.
SUPPORTING FANS WITH SPECIAL NEEDS, LISTENING AND RESPONDING THROUGH A DEDICATED CHANNEL	<p>Running a dedicated communication channel for fans with disabilities to respond to their requests and needs.</p> <p>Furthermore, in the midst of the pandemic, the CSR department has also been actively involved in a series of initiatives to support Rossoneri supporters and local organisations while also promoting corporate volunteering. This is what has been done:</p> <ul style="list-style-type: none"> • Donation to Opera San Francesco: 12 thermal scanners given to an organisation that takes care of particularly vulnerable people • Donazione a SVSeD: A donation to help female victims of sexual and domestic violence find independence • Donation to the IC Galli and IC via Scialoja: 70 tablets to support distance learning and digital classrooms in two primary schools

DERBY TOGETHER

The Derby Together initiative, which was organised in the build-up to AC Milan's match against Inter on 21 February, saw the Club call on its more than 500 million supporters throughout the world to virtually fill up San Siro. By purchasing a personalised ticket for the match, fans had

the chance to win many Rossoneri prizes and experiences and, above all, contribute to Fondazione Milan's "Assist" project, which aims to support particularly vulnerable people affected by the social and economic impact of the pandemic.

“

The Derby Together initiative is a great opportunity to show the team your support in the run-up to the derby. However, more importantly, it is a concrete gesture of support for the most vulnerable communities and sections of the population affected by the pandemic.

Football is a team game and AC Milan is ready to stand alongside its supporters to make a contribution.

Franco Baresi



PAROLE O_STILI: PLAY INCLUSIVELY, SPEAK INCLUSIVELY

In April 2021, AC Milan announced its adherence to the Manifesto of non-hostile communication for sport drawn up by the Parole O_Stili Association, which has been carrying out an important awareness-raising project against hostile words, hate speech and online intolerance since 2017.

During a digital event promoted by the Club, CEO Ivan Gazidis signed the Manifesto and said the following: "This is another important step on

the Club's social responsibility journey. AC Milan's RespACT campaign aims to create a more inclusive, open and responsible environment around the Club and provide a positive example for the football world."

AC Milan was the First Team in Serie A to sign the Manifesto, which consists of ten simple principles to draw on in order to reestablish transparent and honest dialogue based on the positive values of sport.

NO MISSING OUT

AC Milan matches are a spectacle that everyone should be able to enjoy.

This is why an audiodescription service was set up for blind and visually impaired Rossoneri supporters. This service, which is provided during home games, is available at the stadi-

um (thanks to the equipment distributed in the dedicated sector) and at home through the Club's official website. AC Milan also ensures that its deaf supporters can access its content by providing subtitles and translations into sign language on its official channels, including Coach Pioli's pre-match press conferences.

THE FUTURE OF RESPECT

The idea behind RespAct is to provide a framework for the Club to develop future projects and initiatives and make AC Milan a point of reference when it comes to the challenges of inclusion in football. Obviously, during the

2021/22 campaign and the seasons to come, we'll be aiming to develop activities related to the principles set out in the Manifesto and add to our areas of action so that further key issues of interest are included.



ORGANISATION OF EVENTS AT SAN SIRO

Planning, organising and managing all AC Milan events at San Siro is the task of the Stadium Operations department.

This is a complex job that requires extensive and continuous interaction with all the different stakeholders involved in each game, from the First Team through to the fans and sponsors.

All expectations and needs must be understood to make each event a success.

The coordination of all parties taking part is an essential part of this process, and the Stadium Operations department ensures that the information flow needed to organise events is delivered.

A NEW APPROACH

Stadium operations have been particularly affected by the restrictions put in place due to the pandemic.

One of the main tasks during the 2020/2021 season was to implement a protocol that would allow matches to be held behind closed

doors in complete safety, ensuring that all service personnel could perform their jobs to the best of their ability even during the health emergency thanks to sanitisation practices, the maintenance of social distancing and distribution of PPE.

OUR MAIN ACTIVITIES

- Ticketing services for fans, sponsors and corporate guests, the management of season tickets and Cuore Rossonero cards;
- The planning and coordination of stadium parking, including online bookings;
- Accreditation and distribution of passes to all matchday service providers;
- Accreditation for disabled supporters, to whom a specific section of the stadium with 200 seats is reserved.

NOT JUST MATCHES: COMMERCIAL ACTIVITIES INSIDE THE STADIUM

During the 2020/2021 season, San Siro hosted the campaign shoot for the new AC Milan shirts to be worn in 2021/22. This lasted more than four days, with more than five companies and 120 people involved.

The right spaces needed to be made available, while the scheduling and coordination of activities as well as administrative/legal support were also required. All of this was managed by the Stadium Operations department.

OUR FUTURE EXPECTATIONS

The main goal for the 2021/22 season is to safely reopen the stadium to the fans. Ongoing collaboration with Lega Serie A, the FIGC and UEFA has led to a protocol being drawn up.

This is subject to periodic updates so that the ever-changing epidemiological situation can be adapted to as required, and it ensures that

matches can be held in a safe manner for both fans and service personnel. The primary subjects of the protocol are the players: through the creation of a so-called "sanitary bubble", sanitised and reserved spaces are dedicated to the entire group, allowing the team to carry out activities safely and without the interference of external parties.



THE ROSSONERI DIGITAL EXPERIENCE

During a season in which the presence of fans in the stadium was severely limited, the work done by Milan Media House has become all the more important.

That arm of our Club continues to work with the utmost commitment as they seek to involve fans on the Club's digital and social platforms.

NEW PLATFORMS, SAME QUALITY

Content pieces, created and published to cover all bases on all platforms and developed together with the Club's partners, allowed AC Milan to reach and interact with a younger generation of fans, who represent a key target market for the Club's communications and business models. To that end, the Club launched an official Twitch channel – a social media platform that is particularly popular among young people.

The effort spent this year in terms of social media content production was significant and saw a total increase in content posts of 22% compared to last season.

If you add to this a constant attention to the quality of content produced, amazing results can be attained. Particularly noteworthy is the success of our Instagram channel, which now has over 10 million followers.



OUR PERFORMANCE ON SOCIAL MEDIA

During the 2020/2021 season, the San Siro stadium hosted the shooting campaign for Milan's jerseys for the 2021/2022 season. The operations lasted more than 4 days, with more than 5 companies and 120 people involved. All this

required a precise definition of spaces, timing and coordination of activities, as well as administrative/legal support and was managed by the Stadium Operations department.

+34% interactions from 19/20

25 MLN Total number of fans on Facebook

497 K Average monthly visits to the site of

825 K Total number of subscribers on YouTube

215 K Average number of individual visitors to the site of

8.2 MLN Number of followers on Twitter

01:16 Average time spent on the website

10 MLN Number of followers on Instagram

23.9 K Number of social media content pieces published this season:

1.4 MLN Number of followers on TikTok

“THE STUDIOS: MILAN MEDIA HOUSE” – A NEW WAY TO CREATE CONTENT

In the context of the evolving sports industry, which is becoming increasingly geared towards entertainment, “The Studios: Milan Media House” was founded in January 2021. The Media House is an innovative hub for the production and sharing of Club content.

This new addition is the beating heart of the Club's digitalisation process following the arrival of the new owners in 2018. This model will allow the Club to reinforce those strong emotional bonds with the fans and engage them thanks to relevant content pieces and to posi-

tion itself as a driving force in the evolution of international sports entertainment.

“With The Studios: Milan Media House, we have significantly increased the production of multimedia content, both for the more traditional and the newer platforms.

The project, using flexibility and the latest technology, has two core ideas that allow the Club to give space to its commercial partners or interested third parties, as well as, of course, the Club's own internal structures.”

Lamberto Siega

Digital, Media & The Studios Director AC Milan



FONDAZIONE
MILAN

3

AC MILAN AND ITS COMMUNITY

We are a Milanese Club and we are a global Club. It is with this philosophy in mind that we define our role in and responsibility towards society. AC Milan is a Club made of everyone, for everyone, and our ability, voice and commitment are elements that we want to put at the disposal of the people. Fondazione Milan is a leading example with which we want to transmit our values and help fans, families and children throughout the world.



FONDAZIONE MILAN

FONDAZIONE MILAN'S MISSION

Fondazione Milan promotes projects in Italy and throughout the world, making use of sport's immense capacity to educate, unite and inspire,

and it helps children and young people who are experiencing situations of hardship and social exclusion.

MAIN AREAS OF INTERVENTION



Aimed at children at risk of falling through the cracks or already in conflict with the law and to restore the right to play to all children, even in contexts of crisis.



For the support of sports practice by children with disabilities in inclusive settings, using sports as a social glue.



It is Fondazione Milan's concrete response to humanitarian, health and social emergencies in order to bring positive social changes and improve people's quality of life.

FONDAZIONE MILAN IN NUMBERS

Active since

2003

>50.000

Young people involved in socio-educational initiatives

210

Projects completed

>12 MILIONI

Euros invested

IN 2020/21

Around

5.000

Children involved in projects

Around

1.300

Hours of sports in eight locations

4

Assist meetings in the province of Milan



A GLOBAL PROJECT FOR THE 2021/22 SEASON

From Milan to the World

The launch of AC Milan's away shirt, dedicated by Puma to Fondazione Milan – with the logo of the charity featuring on the collar – became a chance to present “AC Milan to the World”.

This international project took place in six cities, with as many NPOs from those cities taking part: Milan, New York, Rio de Janeiro, Nairobi, Kolkata and Melbourne.

The initiative gave Rossoneri fans from all over the world the chance to vote to support one of six proposed social projects, developed alongside local NPOs and all dedicated to young people and minorities, that use sport as a tool for education and social inclusion.

PROJECTS AND INITIATIVES IN 2020/21

In difficult social contexts, continuing to practise sport is a fundamental element of social inclusion. In these times of Covid, the need for this is even higher.

Giving children the chance to get up, remain active and continue to socialise with their peers has absolutely allowed us to bring positivity in an otherwise trying time. Continuing to undertake these projects was especially difficult given the strong limitations, repeated lockdowns and

restrictions to contain the spread of COVID-19. Still, Sport for All bases in Milan, Reggio Emilia, Rome, Naples and Catania continued their work with sport and education, and a new base was also added in Bologna.

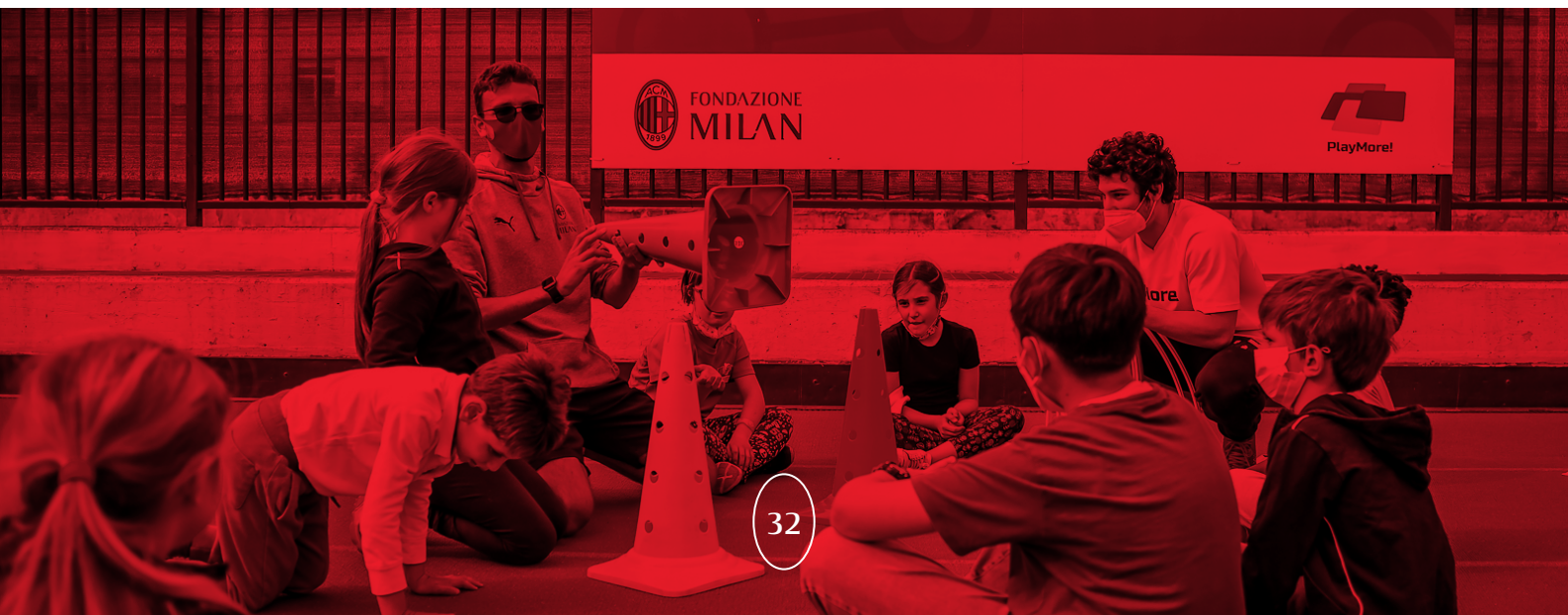
The five **Sport for Change** bases in Milan, Como and Naples, as well as abroad in Salvador de Bahia in Brazil and Nairobi in Kenya, also faced a similar challenge. But, also in this case, Fondazione Milan's commitment allowed for the addition of six other bases in the cities taking part in From Milan to the World, with which a path will be embarked on that aims to concretise the initiatives submitted to the contest and voted on by fans around the world.

Beyond sport with the Assist programme

Fondazione Milan also decided to include projects not related to sport and assist in the Municipality of Milan's Food Policy. This is how the **Assist** programme began. The project aims to support the population affected by Covid by donating food.

Thanks to the commitment and contribution of Fondazione Milan together with Food Policy, in the summer of 2021, a Hub was founded in the district of Gallarate.

This will become a part of the network of food Hubs in the city of Milan that seek to alleviate the economic consequences of the pandemic and, at the same time, tackle hunger. Rossoneri fans were also able to make a contribution to the realisation of this project thanks to the Derby Together initiative for the derby in February.







4

AC MILAN AND ITS PEOPLE

The "behind the scenes" of a Club like AC Milan is a complex machine made up people and divisions that manage every aspect of the Club from an economic and organisational standpoint. AC Milan's staff may not take to the pitch every weekend, but they help the Club to grow day by day and be competitive, and they also shape the future of the Club.



STAFF IN SERVICE OF AC MILAN, AC MILAN IN SERVICE OF ITS STAFF

The Human Resources Department has the key role of making sure people have the best possible working conditions because that helps them to reach their full potential and bring their experience, competence, capabilities and motivation to the fore.

- Searching the market and within the Club to find the most adept people for new roles, or roles that are evolving;
- Providing all of our employees with the tools and information they need to contribute to the Club;
- Fulfilling administrative requirements in a timely manner;
- Monitoring and managing individual performance in a way that is aligned with the Club's strategic goals;
- Designing and developing the organisational model in line with the business' needs;

In order to carry out this mission as effectively as possible – and to give a strong signal of cultural change – it's essential that we lay the foundations to empower and develop the processes and systems that aid our employees. In particular:

- Rewarding and recognising staff for the level of responsibility and complexity they achieve, ensuring internal equity and competitiveness with respect to the labour market
- Offering a leadership and skills development plan aligned with organisational and individual expectations;
- Facilitating the spread of a positive and stimulating work environment, including fostering discussion and dialogue.

JOB SECURITY

For the second year, AC Milan had accounted for the health emergency and has kept the aim of guaranteeing the business' continuity at its core, safeguarding its own employees and minimising the number of employees that might potentially get exposed to the virus in the workplace.

This has seen us, therefore, extend our concept of flexible working, meaning that the only activities that take place on site are those that are absolutely necessary as we look to favour working remotely. In addition to these base measures,

we have maintained compulsory and emergency training processes, while new firefighting and first aid rescue teams were integrated. Finally, given the complex nature of the emergency, we have continued to provide optional channels of psychological and medical support to serve our employees and their families.

For the coming year, we want to continue on our path of improvement by optimising the procedures for technical and professional verification of contractors and activating new safety training courses.

	EMPLOYEES	MEMBERS
CASA MILAN	171	
BOARDING SCHOOL	3	
MILANELLO	10	69
VISMARA	10	157

PRIVACY

With the adoption of the GDPR, our Companies have embraced the reversal of the need to comply primarily with formal obligations required by previous legislation, instead adopting a substantial approach tailored to our needs in accordance with the Accountability principle.

With regards to this principle, an internal Privacy Board was constituted, formed of Legal, IT and HR functions, as well Organisation & Compliance functions for guidance, stimulation and coordination aimed at implementing the data protection system. As an operational tool, procedures have been implemented to govern some of the most critical data protection-related profiles governing the management of data rights of our fans and users in general, possible data breaches and other related business processes.

With the support of our Data Protection Officer (DPO), all processes and procedures are monitored, allowing us to make important adjustments and improvements. Furthermore, the full resumption of commercial activity following the imposed lockdowns involved installing – alongside the aforementioned systems – a Compliance function for drafting or updating the necessary documentation.

The work that we will be carrying on into next year also includes – as well as constantly monitoring and updating the necessary practices and documentation – continued collaboration

on business functions that will allow us to carry out projects according to the principle of privacy by design and by default. We will continue with new courses of education and awareness raising for our staff on topics of privacy and we will participate in meetings with the DPOs of the other Serie A teams with the aim of creating a Code of Conduct that would bring – for those that adhere to it – significant benefits.

Entity administrative responsibility

We have updated our Organisation, Management and Control Models (OMCMs) by implementing the provisions of the PIF Directive, which saw a further expansion of the predicate offenses for Entity liability.

In addition, following the updated risk assessment, all Milan Group entities have implemented a remediation plan that is taking the form of the drafting of certain procedures deemed relevant and the scheduling of the necessary refresher courses with respect to both the OMCMs approved by the Boards of Directors.

Key activities for the coming year include the implementation of new procedures deemed necessary, training courses aimed at recipients of the Models explaining the principles and rules, and full and active support from each AC Milan company to the monitoring activities carried out by the Supervisory and Control Bodies.

SPONSOR & PARTNERHIP

AC Milan's partners are global businesses that share the values of our Club: community, style, passion and excellence.

They collaborate with the Club to uphold our progress and commercial objectives.

SEASON KPI

32 Partner businesses
23% More partners than last season

A revenue increase of
17 MILLIONS through promotional sponsorships

KPI	2020/21	2019/20
MAIN SPONSOR	2	2
MAJOR PARTNER	9	8
OFFICIAL PARTNER	12	12
TECHNICAL SUPPLIER	7	4
REGIONAL PARTNER	2	0
TOTAL	32	26

WHAT THE FUTURE HOLDS

For the 2021/22 campaign, a season where we hope "normality" will return to football, the signs are good in terms of business, and we have already added a significant number of new partners with over 15 new deals.

- Among the main additions is BitMEX, one the world's leading cryptocurrency platforms, which is now the Rossoneri's first Official Sleeve Partner and Official Cryptocurrency Trading Partner.
- We formed a strategic partnership with Dubai Expo 2020, which has created a firm link between the city that hosted the last Universal Exposition in 2015 and the city that will host Expo 2020.
- Our Sponsorship Sales Team is also working on technology that will give our sponsors geolocalised visibility with up to four international feeds covering every continent.

BANCO BPM AND MILAN TOGETHER FOR WOMEN'S FOOTBALL

We announced a historic partnership with Banco BPM, which has become the shirt sponsor of AC Milan Women in a deal lasting multiple years. This sponsorship is a firm demonstration of AC Milan's commitment to growing the women's game, supporting the modern strategic vision of the Club's owners of having a financially and commercially independent women's team

that has its own clearly defined identity. These values and aims are in line with BPM's inclusive nature. The renewal of this partnership is a clear example of AC Milan's redefined strategy for its partnerships as the Rossoneri seek to increase sponsorships and, therefore, the potential for its commercial partners going forward.



OUR PARTNERSHIPS

Ac Milan brand goes beyond football with **Roc Nation**

We decided to consolidate our collaboration with world leading entertainment firm Roc Nation.

The identified areas of interest include philanthropy, music programming, collaboration on merchandising, brand amplification and creative activation, digital strategy and execution, commercial sales and events, and cultural experiences.

17 Years with **Emirates**

We're proud to have signed a new three-year deal with Emirates, another step forward in a relationship that has lasted since 2007.

San Siro digital with **Electronics Arts**

We also formed a multi-year partnership with Electronic Arts (EA) to create world-class innovative entertainment for their global audience. For the first time in AC Milan's history, fans will only be able to play as the Rossoneri in their iconic stadium – San Siro – in EA SPORTS™ FIFA.

A future-driven partnership with **BMW**

We announced a new multi-year deal with BMW, who will become our new Automotive Partner and Premium Partner. This union of two leading brands aims to build a future based on innovation, sustainability and style, with a view to the younger generations.

HOSPITALITY AT SAN SIRO

The global pandemic had a negative impact on the total income of the Venue department. The turnover from the stadium and hospitality amounted to €89k, from AC Milan v Spezia, while the income from the ticket office and museum remained at zero.

International Academies and Camp Italia also suffered a sharp drop in revenue, taking in 473k (-31% vs budget) and 27k (-86% vs budget).

The commercial team mainly worked on managing corporate clientele and focused on finding new partners and breaking into new sectors,

such as business welfare, seeking out a new array of businesses interested in the AC Milan world. For next season, we will get back to focusing on ticket sales, both for the stadium and the museum, for which no consumer subscriptions will be sold for the year.

Regarding hospitality, we are looking at season packages as well as the sale of Online Hospitality products. We also want to focus on varying the service – from standing to seated – which will markedly improve the quality and experience of the customer in hospitality sales and lead to an increase in revenue.



ADMINISTRATION & FINANCE

The Finance, Administration and Control Division monitors finances and manages the assets of the Milan Group, contributing to the development of the Club and strategic planning.

2020/21 SEASON PERFORMANCE

As of June 30, 2021, the Milan Group's consolidated Net Financial Position presented a net debt of €101.6 million. This was a slight improvement over the previous financial year (€103.8 million).

This is mainly due to the bank loan disbursed by Unicredit amounting to €42 million following the transaction related to the acquisition of the "Casa Milan" property, offset by the net movement in factoring contracts amounting to €32 million.

WHAT WAS DONE

The principal aims in this regard were the improvement and streamlining of internal management procedures.

Compared to what was planned the previous year, throughout the 2020/2021 sporting season, we implemented a new purchasing procedure to identify and define responsibilities and internal guidelines for the operational and administrative management of procurement processes for goods and services.

Furthermore, an RdA (Purchase Request) loading system was installed to allow the simultaneous logging of the order with the supplier and the related cost. On 23 February 2021, the Club bought Casa Milan from Vittoria Assicurazioni for a fee worth €41.9 million. The transaction was enabled by a bank loan given to Casa Milan from Unicredit S.p.A and includes, among other things, the lease of the site to AC Milan for a period of 7 + 6 years.

WHAT WE WILL DO

As part of the constant improvement of our internal management process, for the 2021/2022 season, we want to implement a system that would allow us to monitor any remaining room in the budget at the time of ordering, once the RdA systems have been installed. This would make the procurement process more effective and efficient.

Furthermore, we're also looking into the prospect of introducing new systems for Management Control. This would give us the possibility to receive timely analysis verification of management performance by reporting any deviations from budget targets.

Thanks to this system, we will be able to outline more accurate and detailed Core Business planning on a multi-year basis. This will therefore introduce the possibility of being able to monitor, at any time and in a timely manner, the cost items entered into the system against what is defined in the budget.

THE RESOURCES BEHIND EVERY AC MILAN INITIATIVE

AC Milan is a complex machine and requires good management in order to function as best it can. This is, in fact, at the core of what the Finance, Administration and Control Division does, namely, the proper administrative, fiscal and financial management of the

Group's assets and resources. All activities and strategies depend on AC Milan's capacity to have the right foundations upon which to build, and the Division plays a fundamental role, being responsible for:

- The preparation of the annual financial statements and consolidated financial statements and management of compulsory sports requirements;
- Managing relationships with lending institutions, managing corporate treasury and cash, and determining appropriate financial policies;
- Fiscal and administrative performance through verification of the legality of administrative acts and contracts and management of tax compliance;
- Preparation of annual budget and periodic analysis of deviations between budget and actual standing



SEASON KPI		2020-2021	2019-2020
ECONOMIC VALUE GENERATED BY THE GROUP		260,544	193,501
SALES AND PERFORMANCE INCOME		-	23,629
CHANGES IN INVENTORIES OF WORKS IN PROGRESS, SEMI-FINISHED PROJECTS		150	75
CHANGE IN CONTRACT WORK IN PROGRESS		-	-
INCREASES IN FIXED ASSETS FOR INTERNAL WORK AND CAPITALISATION OF COSTS		-	-
OTHER REVENUE AND INCOME		260,941	168,611
FINANCIAL REVENUE		1,426	647
VALUE ADJUSTMENTS OF FINANCIAL ASSETS		- 1,973	539
ECONOMIC VALUE DISTRIBUTED BY THE GROUP		267,460	252,578
RECLASSIFIED COSTS OF PRODUCTION		88,226	82,497
SUBSIDIARY RAW MATERIALS, CONSUMABLES, GOODS		4,951	4,307
SERVICES		51,019	51,957
USE OF THIRD-PARTY ASSETS		8,681	10,035
OTHER OPERATING EXPENSES		23,575	16,198
STAFF REMUNERATION		169,687	160,878
COSTS OF STAFF		169,687	160,878
REMUNERATION OF FINANCIERS		4,683	6,984
FINANCIAL EXPENSES		4,683	6,984
REMUNERATION OF PUBLIC ADMINISTRATION		4,864	2,219
INCOME TAXES		4,864	2,219
ECONOMIC VALUE RETAINED BY THE GROUP		- 6,916	- 59,077
DEPRECIATION AND AMORTISATION		81,149	125,683
PROVISIONS FOR RISKS		8,352	9,858
OPERATING INCOME		- 96,416	- 194,616
		30.06.2021	30.06.2020
FACTORING		83,843	115,170



**SUSTAINABILITY
REPORT
20-21**

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