

SUSTAINABILITY  
REPORT  
2012

AC MILAN GROUP





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REPORT  
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*Dear Stakeholder,*

*Our society is going through a period of profound transformation: economic balances quickly change with a strong impact on enterprises and people's wealth; the rapid dissemination of multimedia tools is significantly affecting the quality of social relationships. Enterprises, in whichever industry they operate, represent the core of this system, and for this reason, regardless of their size, they should make their choices in a socially responsible way, laying down the foundations for a sustainable long-term development. This requires an important rethinking process in relation to one's Mission and consequently to one's business model that must take due account of the multiple cross-interests of the various types of stakeholders.*

*If this is generally true, it is even truer for sport and in particular for football. Just consider that there are more countries affiliated to FIFA than to the UNO. This testifies the unquestionable universality and importance of this discipline, not only within the sports world or economically, but above all in terms of social value.*

*AC Milan, aware of the values they represent globally, have undertaken a comprehensive process of corporate social responsibility by leveraging on the value and cultural assets of their history. AC Milan firmly believe indeed in the social value of football, capable of creating dreams, feelings, expectations and values for millions of people.*

*Following this direction, we have thus decided, as one of the first top international football clubs to do so, to make available the reporting of accounting practices and principles of social responsibility that guide our business and our way of doing entertainment.*

*We are thus proud to present this first ever Sustainability Report, which is a tangible sign of AC Milan's global leadership and commitment to sustainable excellence, to the soundest values of development and co-living, rejecting any form of discrimination, offering emotions, image and positivity in bringing their Brand up to world top levels.*

*We have defined the areas of interest in the fields of our strategic plan – sport, organization, communication, development and infrastructures – addressing the most significant issues for our stakeholders: from the team competitiveness to safety and security, from economic sustainability to ethical values, from the reduction of environmental impacts to health protection.*

*We trust that the reading of this document may provide you with new insights and interesting information about a Club that operates in a complex, fascinating and valuable world, and that, beyond fans and passion, pays attention to the values it expresses, satisfying above all the need to feel a sense of belonging!*

*Barbara Berlusconi*  
Director in Charge  
of Special Projects

*Adriano Galliani*  
Vice Executive President  
and Chief Executive Officer

## Methodological Note

The Sustainability Report (hereinafter referred to also as the “Report”) of AC Milan Group (hereinafter referred to also as the “Club”), in its first edition, contains the standard disclosures provided for by the G4 GRI Sustainability Reporting Guidelines.

At the end of the document the standard disclosures specify where the information required by the Guidelines can be found in the Report, therefore serving as a guidance for readers interested in methodological aspects.

The Report represents the consolidated performance of AC Milan SpA, Milan Entertainment Srl, Milan Real Estate Spa and Fondazione Milan Onlus (AC Milan Foundation - socially useful NPO). Environmental data relative to the San Siro Stadium have been provided by the company M-I Stadio Srl, in which the Club holds a 50% participation. Therefore data refer to the quota held by AC Milan.

The document presents the main economic, environmental and social impacts of the Club on certain topics duly taken into account in the CSR strategy. The issues that are perceived as highly important by stakeholders concern major environmental, social and economic risks related to the Club's activity.

The Report content has been defined with the involvement of the main internal stakeholders, taking in due consideration the principles of inclusiveness thereof, the sustainability context, materiality and completeness.

Data and indicators presented in the Report refer to the fiscal year from 1st January 2012 to 31st December 2012 and, whenever possible, to the two previous years for the sake of comparability. Information on significant events occurred after the end of the year is also included. Information merely pertaining to the sports domain refers to the 2012-2013 sports season and to the previous one, for the sake of comparability. Furthermore, the Report contains updated information with respect to the end of the 2012 fiscal year.

The Report will be published on an annual basis to allow stakeholders to evaluate the continuity of performance over time and will be distributed through the communication media usually employed by the Club.

For easier reading and comprehension, the language used in the document is simple and clear, data are presented with images, graphs and tables. Key performance indicators reflect the measurement of performance either on a positive or negative trend.

Data have been processed and verified by the various heads of management/function.

The section concerning economic performance has been prepared with data taken from the Consolidated Financial Statements approved by the Board of Directors on 27 March 2013.

For further information and suggestions or to request a copy of the Sustainability Report visit the web site **[www.acmilan.com](http://www.acmilan.com)** or contact: [csr@acmilan.it](mailto:csr@acmilan.it).

# Corporate Social Responsibility Policy

The Sustainability Report of AC Milan Group is part of a wider-scope accountability project started in the course of 2013. The Club, in co-operation with PwC, has defined a multi-year strategic Corporate Social Responsibility (CSR) plan, setting out precise working plans and a true CSR Roadmap.

The primary objective is to include CSR principles in the strategic approach and management style, taking account of sustainability issues in the relationships with stakeholders. Being aware that CSR is a key element for the long-term development of the club, we aim at obtaining a competitive advantage over the other sports clubs, especially in terms of innovation and development of the relationships with our stakeholders.

In line with the Club's will to include CSR elements in its strategic policy, areas of intervention have been thus identified in the fields of our strategic plan: sport, organization, communication, development and infrastructures.

As regards the topics, the analysis has taken the following aspects into account:

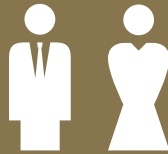
- if stakeholders consider it important;
- if it represents a future challenge for the industry and competitors have already addressed it;
- if it's relevant under law or national and international multi-stakeholder agreements;
- if it presents an opportunity or a risk for the Club;
- if it's recognized by experts as a risk to sustainability;
- if the Club has special skills for the management of this aspect;
- if it contributes to the successful implementation of the overall strategy.





## SPORT

Team competitiveness  
Adequate economic and financial management  
Social values and messages  
Youth development  
Safeguarding health and well-being  
Legacy



## ORGANIZATION

Regulatory compliance  
Development and Training  
Adequate organizational structure



## DEVELOPMENT

Brand value enhancement  
and commercial partnerships  
International development  
Pricing policies  
Closeness to the community



## COMMUNICATION

Information management  
CSR Communication



## INFRASTRUCTURES

Reduction of environmental impacts  
Safety and comfort

- **Sport:** the Club is aware that the expectations of all its stakeholders focus on team competitiveness, but this objective must be attained also through adequate financial management in compliance with regulatory provisions and with the wider-scope principle of sustainability.
- **Players** represent a model for young people and for this reason they must convey, through their behaviour, the positive messages of sport, such as fair play, legality, fight against racism and against doping.
- **The safeguarding of the health** and well-being of players is the additional pillar that supports the Club's approach to sports activity.
- **Organization:** ethical code of conduct and respect for rules must be the milestones of corporate management. Training and development are the means used to pursue the objectives in this thematic area.

- **Development:** commercial partnerships must be in compliance with the Club's CSR approach and must aim at enhancing the value of the brand, especially with regard to values and identity. Also the pricing policy for goods and services used by the consumer (from merchandising to ticketing) takes this into account and considers, as much as possible, the stakeholders' expectations.
- **Communication:** the Club intends to leverage on the media impact generated by its popularity to convey the positive values of sport and contribute to a sustainable growth of the entire football industry. Transparency in information management represents an essential asset.
- **Infrastructures:** the structures and sports facilities used must guarantee safety and comfort, and comply with the modern principles of eco-efficiency and eco-compatibility.

Primary importance is attributed to the governance system and monitoring of programs and activities developed within the CSR area. Governance within CSR issues thus represents for AC Milan an internal and external management tool: internally, because it allows for identifying the fields in which there is a misalignment between corporate policies and ongoing activities; externally, because CSR is a fundamental asset in reputation.

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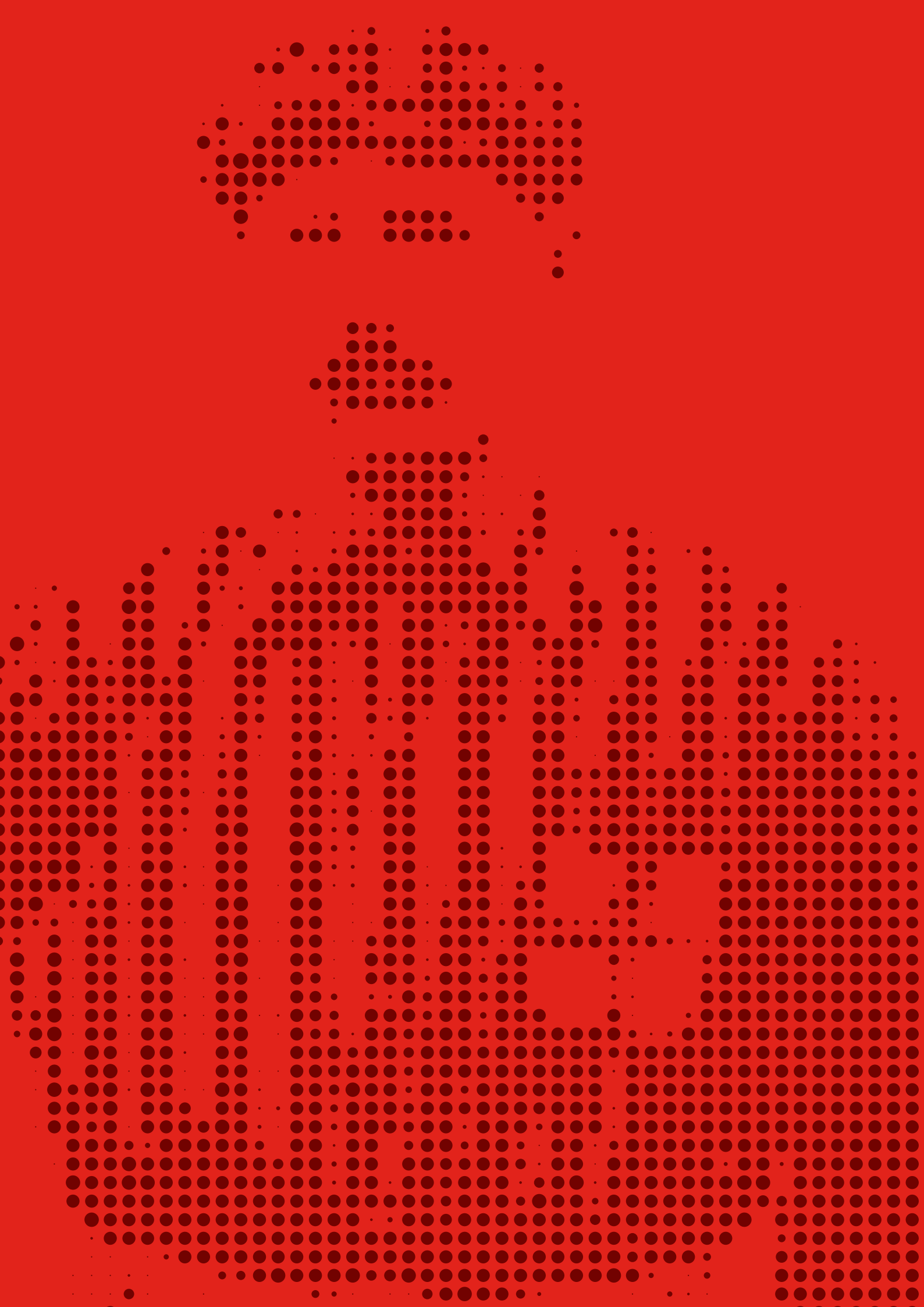
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# 1

# IDENTITY AND GOVERNANCE

- 1.1 History of the Club
- 1.2 AC Milan
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## 1.1 History of the Club

AC Milan is one of the most important and glorious sports clubs in the world. The red and black history is legendary in many respects, just as legendary are the men who have contributed to writing it: presidents, trainers and players.

Names of authoritative sports personalities have distinguished themselves through the course of history of AC Milan: from the English Alfred Edwards, who two years after the club's foundation won the first red and black "scudetto" (i.e. Italian league title), to Silvio Berlusconi, the president who won more titles than ever.

Highly prestigious victories achieved in every part of the world testify the power and organization of an unequalled group.

In addition to the challenges on the football fields and the development of the entertainment industry, with the objective of the highest brand value enhancement, now also the **Sustainability** challenge has become an integral part of the Club's history and philosophy, a strategic element of our business model.

Value creation depends on the capacity of conjugating economic goals with continuing attention towards not only sports results, but also to social and environmental impacts, in view of a sustainable development, trying to meet all of our stakeholders' expectations more effectively.

This document marks the beginning of a course that is deeply rooted into the tracks of a long history.

1907 Season



Alfred Edwards



Herbert Kilpin



Nereo Rocco



## 1.2 AC Milan



113

years of history



27

years of ownership by the  
Berlusconi family321.3<sub>m</sub>turnover in 2012  
(youth sector excluded)

6

Golden Ball Players



18

international trophies

16<sub>m</sub>

followers on Facebook

155<sub>k</sub>

channel subscribers

2<sub>m</sub>single users  
per month on acmilan.com260<sub>k</sub>single users  
per month on the mobile site



122

employees



262

players in 2012  
(32 first team,  
230 youth sector)



58

days unbeaten  
in the Italian championship



1.2<sub>m</sub>

Twitter followers



1.7<sub>m</sub>

Google+ followers



8

languages for the web site  
+ accessible and navigable  
version



40<sub>k</sub>

children involved  
in the Youth Project



40

Countries where soccer  
schools and AC Milan Junior  
Camps activities take place



10

special projects completed  
by AC Milan Foundation in 2012

## 1.3 Values and Mission of the AC Milan Group

Our DNA is made of heart, passion, entertainment and sports results at top levels.

Sports excellence is the result of the Ownership's entrepreneurial vision that has allowed today's AC Milan, a modern entertainment company, to daily interact with millions of fans all over the world.

Thanks to their extraordinary achievements, AC Milan can claim today to be the **"Most Successful Club in the World"** and can look at the future with the solid awareness of their brand value and the will to continue ranking among the leaders in the entertainment world - and not only within the merely sports domain.

AC Milan have always operated to promote both sporting excellence and projects for business development and innovation. The corporate functions supporting the Club range from the use of the most advanced **communication media** to the design and development of projects such as **MilanLab**.

AC Milan, as **trend setter**, also endeavour to enhance the innovation and evolution of the football system, together with institutional organs and other market players.

Style, stability, tradition, winning spirit, innovation, leadership: these are the values internationally recognized that guide the work of the team and of the Club as a whole.

AC Milan pay close attention to the communication with their stakeholders conveying the positive values football represents: passion, loyalty, sharing, will to win and fair play.

**PASSION**

**TEAM SPIRIT**

**SHARE**

**LEADERSHIP**

**TREND SETTING**

**INNOVATION**

**RESPECT**

## MISSION

1 To maintain the balance of management and of accounts both to support sporting excellence and the activities associated with the expectations of our clients and our stakeholders. The economic and financial management oriented to structural sustainability must be in compliance with the provisions of **UEFA Financial Fair Play**.

2 To be leader in adding originality and enthusiasm to any sports, development and communication activity.

3 To affirm the values of the city of Milan in the world through the legend of our brand.

## 1.4 Strategic Lines

### Sport

The First Team and the Youth Sector share the same rules, the same culture, the same models and the same values. Top flight players must be genuine home grown players, from a very young age, focusing on education and training, and on the importance of educational, school and sports values.

### Infrastructures

San Siro Stadium, Milanello Sports Centre, Vismara Sports Centre and new Headquarters

### Organization

An organizational structure capable of delivering the highest efficiency and effectiveness levels in the development of business processes and in the pursuit of strategic objectives

## AC Milan Group

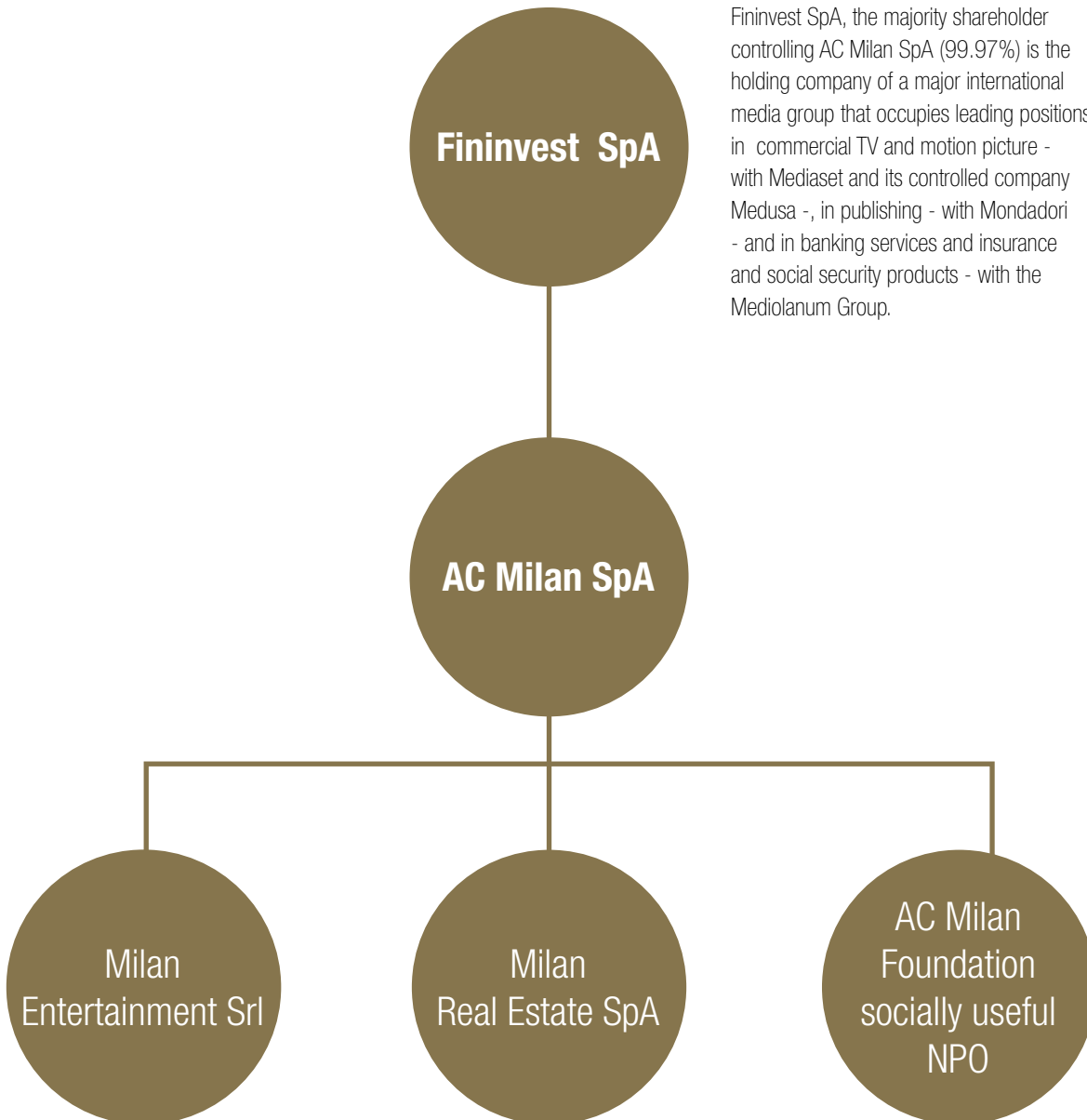
### Communication

Not only sports-centred communication, but also institutional, brand and development communication

### Development

Internationalization of any activity, brand extension, definition of a new corporate identity

## 1.5 The AC Milan Group



Fininvest SpA, the majority shareholder controlling AC Milan SpA (99.97%) is the holding company of a major international media group that occupies leading positions in commercial TV and motion picture - with Mediaset and its controlled company Medusa -, in publishing - with Mondadori - and in banking services and insurance and social security products - with the Mediolanum Group.

Milan Entertainment Srl (100% controlled by AC Milan SpA): a company whose main purpose is the management and value enhancement of the distinctive signs owned by or available to AC Milan SpA for commercial purposes.

Milan Real Estate SpA (100% controlled by AC Milan SpA): a company whose purpose is the development of real estate operations and initiatives within the area of sports facilities through activities of construction or acquisition of buildings and infrastructures.

AC Milan Foundation socially useful NPO (100% controlled by AC Milan SpA): an organization whose main purposes are the satisfaction of people's basic needs and the fulfilment of human fundamental rights, the dissemination of the sports culture and practice as a tool to achieve psycho-physical well-being, social integration, improvement of the quality of life, and the support and development of charity initiatives.

Note: AC Milan hold a 50%-stake in the company M-I Stadio Srl, co-founded with F.C. Internazionale SpA for the technical and commercial management of the San Siro stadium of Milan.



## 1.6 Governance

For the organization of its governance structure, the AC Milan Group relies on the following organs:

- Shareholders' Meeting;
- Board of Directors;
- Board of Auditors.

Further components of the governance structure are the internal control and risk management system, the Code of Ethics and the organization, management and control model pursuant to Legislative Decree 231/01. Furthermore, the Club avails itself of an audit company for accounts auditing.

The governance and control organs are listed herein below:

<b>HONORARY PRESIDENT</b>	<b>SILVIO BERLUSCONI</b>
<b>BOARD OF DIRECTORS</b>	
President	-
Vice Executive President and Chief Executive Officer	<b>Adriano Galliani</b>
Vice President	<b>Paolo Berlusconi</b>
Director in Charge of Special Projects	<b>Barbara Berlusconi</b>
Director	<b>Pasquale Cannatelli</b>
Director	<b>Leandro Cantamessa</b>
Director	<b>Alfonso Cefaliello</b>
Director	<b>Giancarlo Foscale</b>
Director	<b>Antonio Marchesi</b>
Secretary of the Board of Directors	<b>Rolando Vitro</b>
<b>BOARD OF AUDITORS</b>	
President of the Board of Auditors	<b>Francesco Vittadini</b>
Statutory Auditor	<b>Achille Frattini</b>
Statutory Auditor	<b>Francesco Antonio Giampaolo</b>
Alternate Auditor	<b>Claudio Diamante</b>
Alternate Auditor	<b>Giancarlo Povoleri</b>
<b>SUPERVISORY BOARD</b>	
President of the Supervisory Board	<b>Giovanni Puerari</b>
Supervisory Board	<b>Leonardo Brivio</b>
Supervisory Board	<b>Giacomo Cardani</b>
<b>AUDIT COMPANY</b>	<b>RECONTA ERNST &amp; YOUNG</b>

## INTERNAL CONTROL SYSTEM

AC Milan Group's Internal Control System focuses on and prioritizes the governance of the company through the definition, assessment, monitoring, measurement and management of enterprise risks. The purpose is to guarantee compliance with accounting laws and regulations in force (Italian Civil Code, Accounting Principles), the Legislative Decree 231/2001 (concerning the administrative liability of legal entities), the Legislative Decree 81/2008 (concerning environment and safety on the work place), the Legislative Decree 196/2003 (Personal Data Protection Code) and regulations of national and international sports authorities (LNP, FIGC, UEFA, FIFA).

## ORGANIZATION, MANAGEMENT AND CONTROL MODEL

Within the already existing preventative internal control system, the AC Milan Group has implemented the Organization, Management and Control Model provided for by the Legislative Decree 231/01 with a resolution of the Board of Directors dated 30 November 2004.

The Board of Directors, by means of its corporate structures, has informed all the persons concerned of the existence and content of the Organization Model, by disseminating knowledge of the Legislative Decree, Code of Conduct and Protocols as subsequently amended and supplemented in order to prevent the commission of crimes.

## SUPERVISORY BOARD

The Board of Directors of AC Milan SpA, implementing the provisions of section 6 of the Legislative Decree 231/01, with resolution dated 30 November, set up the Supervisory Board (Organismo di Vigilanza e di Controllo - OdV) in order not to incur any liability for crimes committed by its organs; the board has the task to supervise the functioning and compliance with the Organization Model, as well as provide for the updating thereof and manage reports related thereto.

## CODE OF ETHICS

AC Milan Group's Code of Ethics is a document approved by the Board of Directors convened on 27 September 2007.

The fundamental principles of the Code comprise:

- 1 Repudiation of any discrimination against people based on sex, race, language, personal and social status, religious and political beliefs.
- 2 Respect, loyalty, correctness and collaboration in business relationships.
- 3 Involvement and accountability of athletes, managers, employees, co-operators and professionals in pursuing corporate objectives.
- 4 **“Fair Play”** that embraces the concepts of loyalty, friendship, respect for the others and for the rules, sporting spirit, fight against doping and violence.

## THE CODE OF CONDUCT OF CO-OPERATORS WORKING WITH CHILDREN

AC Milan Group has adopted a Code of Conduct intended for all co-operators (including employees, registered members and contractors) who carry out activities with young people under the age of 18.

The violation of the rules and guidelines of the Code determines the automatic cancellation of any relationship, whichever the nature thereof (either subordinated or autonomous employment contracts, work contracts, voluntary work, etc.), between the perpetrator of the violation and AC Milan Group.

## 1.7 Contribution to the Development of the Football System

The AC Milan Group actively contributes to the development of the football system, through the participation and contribution of its institutional representatives involved in the major national and international football governance organs.

### NATIONAL ORGANS

**Lega Nazionale Professionisti Serie A** and **FIGC**.



### INTERNATIONAL ORGANS

**UEFA**: the Union of European Football Associations, the administrative, organizational and control organ of European football, based in Nyon, Switzerland. UEFA, that represents 54 member associations, organizes nine official competitions for national teams and five for clubs.



**ECA** (European Club Association): the only independent organ that directly represents European football clubs. ECA, which replaces the G14 and the Forum of European Clubs, was officially recognized by UEFA and FIFA in a memorandum of understanding signed in January 2008. Presently it counts 207 member clubs from 53 associations (9 from Italy).



**FIFA** that represents the world football governance.



## 1.8 Organization

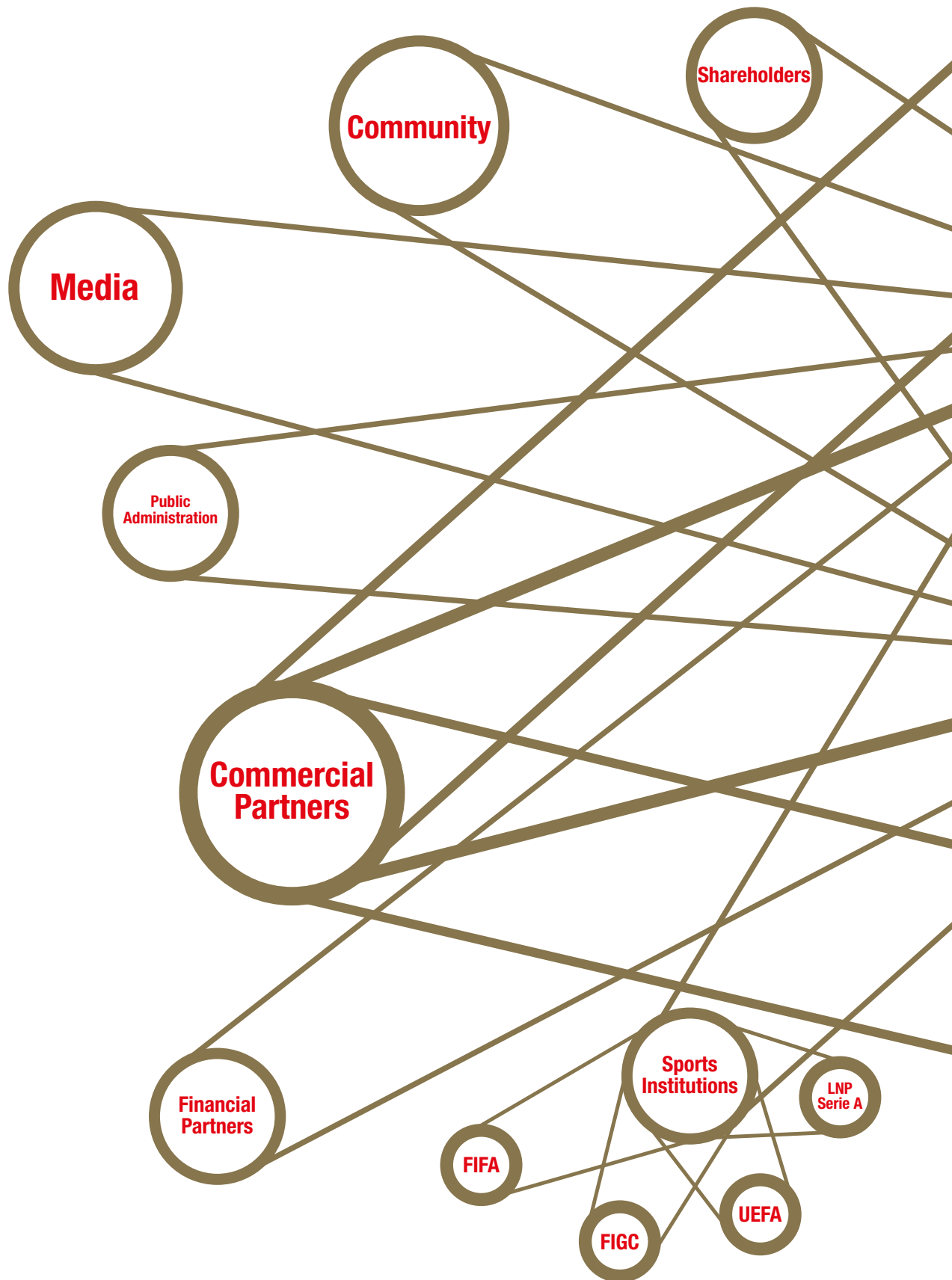
The AC Milan Group is fully aware that human resources constitute an essential element for its own growth. Therefore, also the Code of Ethics provides that the management of human resources must be based on the respect for the person and his/her professional skills.

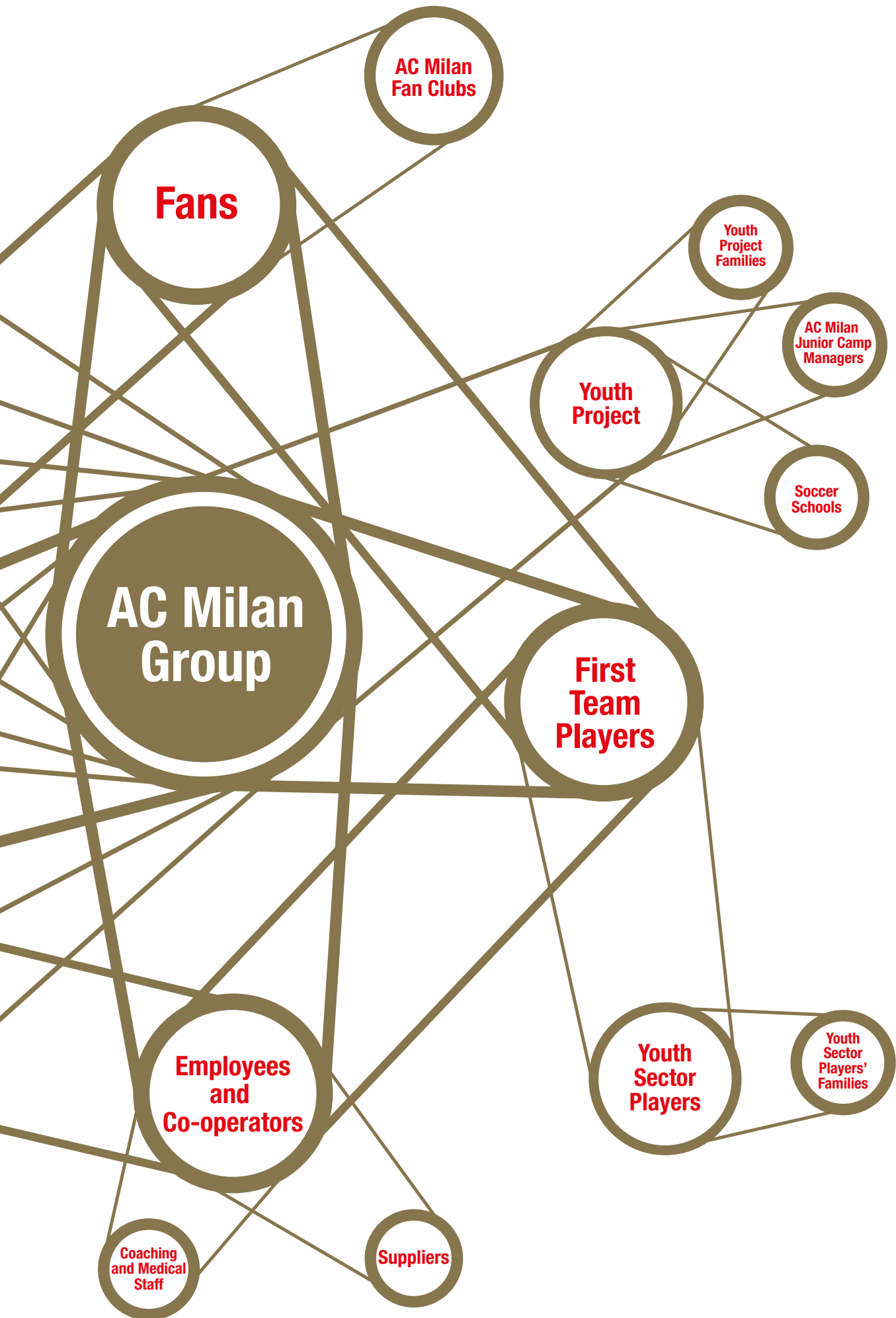
The organizational structure of the AC Milan Group is oriented to achieve the highest efficiency in business processes and complies with the criteria set out by UEFA aimed at ensuring an adequate level of management organization and competence within the clubs.

According to such rules, the Club's corporate structure must be in compliance with the provisions of the Italian Civil Code and must include a clear-cut allocation of hierarchical and functional responsibility to organizational functions.

Furthermore, it offers the First Team's and Youth Sector's players the daily support of the coaching staff (football trainers and fitness coaches), medical staff (physicians, masseurs and physiotherapists) and psycho-pedagogical team who constantly assist them with focused interventions.

# 1.9 Map of Stakeholders









# 2 SPORT

2.1 The Power of the Team

2.2 The First Team

2.3 The Youth



## 2.1 The Power of the Team

In any entrepreneurial reality the human element is strongly characterizing and decisive for success orientation and long-term leadership.

The consistent commitment of the AC Milan Group towards its human resources is based on the relationships with its employees, co-operators, First Team and Youth Sector players and all the stakeholders of the Youth Project.

The AC Milan Group is focused on safeguarding the integrity of the person: the Group continuously invests in training, counselling, safety on the workplace and well-being.

The Club's philosophy is based on a "WHOLE PERSON" approach, according to which any improvement in the player's technical and athletic performances has to be developed hand in hand with his personal, educational and cultural growth to achieve a condition of general well-being.

## 2.2 The First Team

In addition to its brand and its history, the most important asset of the AC Milan Group is the first-team squad. Over the years many of the greatest champions ever contributed to enrich AC Milan's Honours and to further increase the Club's brand value with numerous achievements at a national and international level.



Gianni Rivera  
**1969**



Ruud Gullit  
**1987**



Marco Van Basten  
**1988, 1989, 1992**



George Weah  
**1995**



Andrij Shevchenko  
**2004**



Kakà  
**2007**

In the 2012/2013 season the average number of players in the squad was 32.

The commitment of all the players wearing AC Milan's jersey is to maintain a high level of competitiveness of the squad so that they are always able to aim for the best results through discipline, dedication to work and sacrifice.

Based on economic, financial and sustainability considerations, the number of players in the squad should be reduced to a maximum of 25, with a cost equal to 50% of the revenues.

**FIRST-TEAM SQUAD 2012/2013 SEASON**

<b>NAME</b>	<b>ATTENDANCES</b>	<b>MINUTES PLAYED</b>	<b>GOALS</b>
ABATE IGNAZIO	33	2928	0
ABBIATI CHRISTIAN	36	3346	31
ACERBI FRANCESCO	10	815	0
AMBROSINI MASSIMO	25	1742	0
AMELIA MARCO	13	1249	20
ANTONINI LUCA	9	731	0
BALOTELLI BARWUAH MARIO	13	1215	12
BOATENG KEVIN PRINCE	37	2890	3
BONERA DANIELE	17	1561	0
CONSTANT KEVIN	31	2430	0
DE JONG NIGEL	16	1329	1
DE SCIGLIO MATTIA	33	2952	0
DE SOUZA ROBINHO ROBSON	27	1226	2
EL SHAARAWY STEPHAN	46	3658	19
EMANUELSON URBY VITORRIO DIEGO	20	1373	2
FLAMINI MATHIEU PIERRE	22	1700	4
KRKIC BOJAN PEREZ	27	1289	3
MESBAH DJAMEL	2	162	0
MEXES PHILIPPE	32	2988	2
MONTOLIVO RICCARDO	39	3541	4
MUNTARI SULLEY ALI	18	1171	2
NIANG MBAYE	24	1101	1
NOCERINO ANTONIO	29	2011	2
PAZZINI GIAMPAOLO	37	2307	16
RODRIGUES DA SILVA PATO ALEXANDRE	7	365	2
SALAMON BARTOSZ	0	0	0
STRASSER RODNEY	1	77	0
TRAORE' BAKAYE	9	177	0
VASCONCELOS FERREIRA GABRIEL	0	0	0
YEPES MARIO ALBERTO	18	1450	1
ZACCARDO CRISTIAN	1	47	0
ZAPATA VALENCIA CRISTIAN EDUARDO	29	2528	0



## 2.3 The Youth

The corporate policy followed over the last few years has increasingly focused on the new generations. The actions undertaken and planned for the youth involved in our Club's initiatives show that the AC Milan Group believes and invests in this strategic and key asset.

### YOUTH SECTOR

The goal pursued in the management of the Youth Sector is to achieve excellence in young talent scouting, and focus the work on the educational training of all these young athletes. School and sport constitute the important pillars of our educational training program.

YOUTH SECTOR TEAMS			
TEAM		PLAYERS	RESIDENT PLAYERS
Primavera	U19	32	16
Allievi nazionali	U17	29	13
Allievi regionali	U16	21	5
Giovanissimi nazionali	U15	23	7
Giovanissimi regionali	U14	24	
Giovanissimi regionali B	U13	22	
Esordienti 2001	U12	24	
Esordienti 2002	U11	19	
Pulcini 2003	U10	16	
Pulcini 2004	U9	20	
<b>TOTAL</b>		<b>230</b>	<b>41</b>



## KEY FIGURES OF OUR YOUTH SECTOR



230

players



10

teams



24

professional trainers



5

psychologists on the field



7

tutors



22

accompanying managers



7

Milanlab coaches  
professional trainers

22

medical staff  
(8 doctors, 14 physiotherapists)



## TECHNICAL DEPARTMENT

The Technical Department represents the core of the Youth Sector. It comprises the technical directors and coordinators of the Competition Activity, of the Basic Activity and all the trainers.

Each team is taken charge of by a Head Trainer, a co-trainer (assistant trainer) and for the Competition Activity a goalkeeper trainer. The Primavera (Under 19) and Allievi Nazionali (Under 17) are also supported by a Technical Assistant. The Technical Department, in particular with regard to the Competition Activity, follows a document that illustrates the 'AC Milan Model' and describes the philosophy, the objectives and the working method to be shared by the trainers.

The **AC Milan Model** is a whole of essential concepts useful for training a player to express his skills within a proactive and winning group and for developing a common playing style for all teams.

## SCOUTING

Scouting is a crucial activity for the Youth Sector, especially for the youngest groups. Through the work of scouts/observers very young players under the age of 9 (Pulcini team) are recruited. A good selection in this age group avoids excessive interventions in the older age groups with higher economic investments for the Club.

## Scouting/Observation Network:

## BASIC ACTIVITY

35

scouts operating in:  
 - City and Province of Milan  
 - Lombardy Region  
 - Italy

## COMPETITION ACTIVITY

5

scouts operating in:  
 - Italy  
 - Europe and South America

Main criteria and skills observed by scouts for reporting a player:



**TECHNICAL SKILLS**  
 Coordination as the prerequisite for technique, imagination, creativity



**TACTICAL SKILLS**  
 Proneness to problem-solving approach in mastering simple and complex play situations



**ATHLETIC MOTOR AND PHYSICAL CHARACTERISTICS**  
 Coordination as the prerequisite of fastness and speed, structure and aptitude for running (based on the position)



**PERSONALITY**  
 Courage, will to get possession of the ball, proneness to be proactive

Such criteria and skills are less or more relevant according to the age of the player observed.



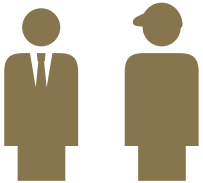
# 7,500

playing actions analysed  
every sports season

## VIDEO ANALYSIS

The video analysis department was established during the 2010/2011 sports season to support the Technical Department through advanced technological media. The purpose is to produce footage to be broadcast on a private TV channel available to trainers who can thus view the entire match or single actions to improve the team organization on the pitch, study individual tactics in ball possession, non-possession and transition, and techniques for each player. The TV channel can be watched also by all the players engaged in competitions as an educational tool. Furthermore, each trainer receives a document containing the statistics of the match recording analyzed.

## “Supporting the person, enhancing the athlete, managing a group and making the team popular”



# 5

psychologists  
in the Team Staff

## PSYCHO-PEDAGOGICAL DEPARTMENT

In consideration of the “whole person” approach underlying the development of the Youth Sector, the psycho-pedagogical department has assumed over the years a primary role in the organizational structure of the AC Milan Group. The training courses for coaches introduced during the 2007/2008 season with the collaboration of the Graduate School (Alta Scuola) of Psychology of the Università Cattolica del Sacro Cuore of Milan further developed two years ago with the establishment within the Youth Sector of expert psycho-pedagogical staff that operates in two separated but closely interconnected areas:

- The Team Staff;
- The Resident Team Staff.

# 7

tutors in the  
Resident Team Staff

The Team Staff, consisting of five psychologists, supports the trainers in their relationships with individual athletes, with the team group and with colleagues. It also reports any issue of concern within the team, promoting the attainment of preset objectives.

TYPE OF ACTIVITY	RECIPIENTS	NUMBER OF SERVICES
Mental Skills Questionnaires	Giovanissimi Nazionali; Allievi I and II division; Allievi Nazionali; Primavera	104 at season's start; 96 (February-March)
"I'd rather have a trainer who" Questionnaire	Giovanissimi Nazionali; Allievi I and II division; Allievi Nazionali; Primavera	104 at season's start
Interviews with individual players	Giovanissimi Nazionali; Allievi I and II division; Allievi Nazionali; Primavera	120 at season's start
	All categories (basic + competition act.)	An average of 20 interviews per team
Exit interviews (data may be subject to change)	All categories (basic + competition act.)	22 (basic + competition activity)
Interviews with injured players	All categories (basic + competition act.)	11 (basic + competition activity)
Activities with the team	Giovanissimi Nazionali; Allievi I and II division; Allievi Nazionali; Primavera	An average of 3 interviews per team
AC Milan Generation Project	Giovanissimi Nazionali; Allievi I and II division; Allievi nazionali	6 small group meetings on attention, anxiety management and objectives
Training meetings with coaches	Giovanissimi Nazionali; Allievi I and II division; Allievi nazionali	3
Training meetings with parents	Giovanissimi Nazionali; Allievi I and II division; Allievi nazionali	2 per category
Interviews with individual families	All categories (basic + competition act., except for Primavera)	An average of one interview per family
Training meetings with Accompanying Managers	All categories (basic + competition act.)	2 meetings
Feedback meetings with the management	All categories (basic + competition act.)	3
Training meetings with secretarial staff (Vismara Sports Centre)	Youth Sector organizing secretariat staff	2
Observation grids for trainers related to each individual player	All categories (basic + competition act., except for Primavera)	2
Network meetings with MilanLab	Giovanissimi Nazionali; Allievi I and II division; Allievi nazionali	2
Supervision	Resident Team Staff	8
Meetings with the technical staff of individual teams	All categories (basic + competition act.)	An average of 3
Psycho-pedagogical staff meetings		20
Observations on the field	All categories (basic + competition act.)	Training: an average of 160 hours per category; Matches: an average of 80 hours per category; Tournaments and final stages: an average of two tournaments per category
Training camp	All categories (basic + competition act.)	Presence of staff members throughout the duration of the camp
Meetings/interviews with school managers and/or teachers	All categories of the basic activity	49 (on the phone or at the main school)
Meetings with assistants/social services supporting our players	Basic Activity	2 (at the local social service office)
Preparation of assessment questionnaires for the Youth Sector	All categories; Basic and Competition Activity Parents (all teams) and players (up to Esordienti 2001/Under 12)	20 hours

The **Resident Team Staff** consists of **7 tutors** coordinated by a Pedagogist who stays in close contact with the resident young athletes entrusted by their families to the Club. One of the most important aspects of the tutors' educational intervention is the interpersonal relationship established with the young players and their families; this is an essential component of the objectives of the Staff focused on building very good relationships with the young players they take charge of.

#### RESIDENCE DATA 2012/2013 SEASON

RESIDENT TUTORS COORDINATION	1
RESIDENT TUTORS including:	7 2 Psychologists 3 Educators 1 Language Teacher 1 with Master's Degree in Law attending the second master's degree course in Educational Sciences
EVENING CLASSES TEACHERS	9
RESIDENT YOUTH	41 from August to December; 38 from January to June
INTERVIEWS WITH PARENTS	interview at season's start for newcomers + once a week on average during the season for all the young players
INTERVIEWS WITH SCHOOL TEACHERS	once every two months, if necessary also once a month
INTERVIEW WITH THE SCHOOL PRINCIPAL	once per term + meeting at school year's start (3/4 times a year)
TUTORS - ATHLETES MEETINGS	4 times per year
TRAINING MEETINGS	3 per year (organized with the participation of external persons)
PARTIES / SOCIAL EVENTS	6 per year (organized internally and externally)

#### Psycho-pedagogical Team's Objectives:

- Supporting and accompanying the individual athletes focusing on emotional-relational aspects
- Supporting and accompanying the families in their educational role with their children
- Supporting and accompanying the trainer in his coaching role
- Advising the Club in conveying the principles and values typical of AC Milan's style
- Collecting research data for internal and external use

## YOUTH PROJECT

The Youth Project originates from the growing attention dedicated to children who approach the game of football and to young football players. It is based on the concept of sport and football as an opportunity of growth if offered with the due educational attention on the part of adults involved (coaches, managers and parents). The focus is on:

- the centrality of the playful dimension in sport as an essential condition also to achieve a good sports performance;
- the harmonious development of the various components in the youth's growth (physical, mental, relational and technical-tactical components);
- the team group as a place to experiment collaboration, leadership, cohesion, but also to cope with and manage conflicts, and accept the others' difference.

In order to achieve the above, a key ingredient is common sensitivity and collaboration among the various subjects involved in the project. The recipients are thus not mere users of activities, but proactive participants and dialogue partners.

The Youth Project comprises two different programs:

- AC Milan Soccer Schools (Italy and World);
- AC Milan Junior Camps.

As a constant support to these programs there are the Research and Training Centre "AC Milan Academy" and the "MilanLab Junior" project with its "MilanLab Kit" - a tool used for efficiently monitoring the youth's health.

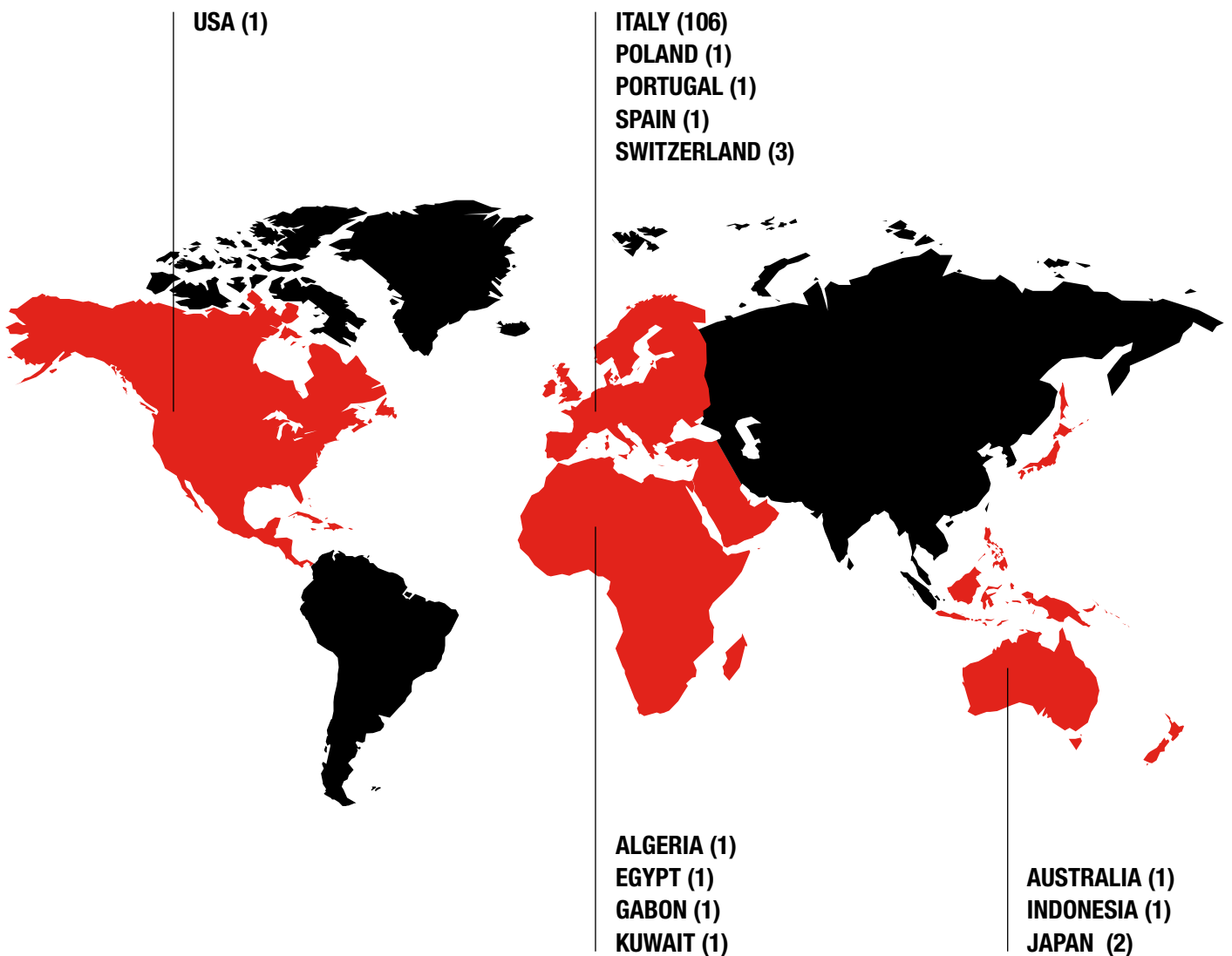
## SOCCER SCHOOLS

Through Soccer Schools, the AC Milan Group offers sports clubs the opportunity to share its knowhow to train kids and teenagers (from 5 to 16 years) to play the game of football according to the philosophy of integrated well-being.

This means:

- a partnership that allows for the association with a brand synonymous with quality and success;
- a coaching experience for trainers, managers and parents;
- the possibility of pursuing a shared path that may lead to a substantial growth of society as a whole.

The network of Soccer Schools in Italy and in the world constitutes today a methodological asset that is generating, and will in future reinforce, a new culture of football at a national and international level. The goal is to challenge stereotypes and scaremongering that often affect the children's football world.



In order to monitor the project quality, a collaboration study with the *Università Cattolica del Sacro Cuore of Milan (Alta Scuola Agostino Gemelli)* aims at identifying the strengths and criticalities of the affiliation process, and its impact on the sports culture within the networks of clubs in Italy and in the world..

### AC MILAN SOCCER SCHOOLS EVENTS

With a view to interpret the Soccer School as a place to develop the sports culture in a global manner, several projects have been developed, including:

- the contest “**Play and Read to Grow Up**” exclusively intended for AC Milan Soccer Schools: a way to approach kids to reading and writing in a playful manner. The young team players had to write a short “newspaper article” telling about an experience lived during a training session, an away game or a match in general. Each registered team (kids from 6 to 10 years) was given a kit containing gadgets and useful tools to write the article. They also received indications about the topics, including fair play and the laws of the game;
- the “**Intesa Sanpaolo AC Milan Cup Challenge**”: the closing event of the sports season. It is a football tournament (approved by FIGC) organized by AC Milan during the month of June at the Vismara sports centre (the Youth Sector home). In its first edition (2012) 112 teams affiliated to the AC Milan Soccer School Project participated, coming from all regions of Italy. A total of 2000 young athletes were subdivided in 7 categories based on year of birth, from 1998 to 2004;
- the event “**All together at San Siro**”: all the kids (aged from 6 to 14) of the AC Milan Soccer Schools and their accompanying persons can live the experience of watching Italian Championship, UEFA Champions League or Italian Cup home games.



**AFFILIATED CLUBS**

As of today the network of Soccer Schools consists of 106 national clubs and 15 international clubs. AC Milan's selection criteria include the presence of adequate facilities, but above all the reliability, enthusiasm and availability of the persons involved to a concrete and proactive collaboration.

Number of ACM Soccer Schools Italy	106
Number of ACM Soccer Schools Abroad	15
Number of ACM registered trainers involved in Italian Soccer Schools	10
Number of ACM registered trainers involved in international Soccer Schools	10
Number of AC MILAN ACADEMY registered members	4
Number of managers in charge of ACM Soccer Schools	1
Number of employed/registered personnel	3
Number of children involved	ca. 25,000
Number of coaches involved	ca. 1,800



## AC MILAN JUNIOR CAMPS

AC Milan Junior Camps are the official summer camps of AC Milan, where fun and football play the starring role. They are organized in over 190 selected Italian and international locations, in the city, at the seaside or in the mountains in order to offer a comprehensive package for all needs. Open to boys and girls, these camps offer the unique opportunity to live a “total football experience” under the guide of AC Milan trainers, and spend unforgettable weeks dedicated to having fun and making friends. They give the possibility of living a sporting, healthy, safe, fun and educational holiday dedicated to football.

AC Milan provide all the participants and trainers with an adidas training kit to foster the kids' spirit of identification with the Club and make them fully experience the atmosphere of a true training camp.

Types of AC Milan Camps:

- **City Camp**
- **AC Milan Junior Camp**
- **AC Milan Junior Camp + English**
- **AC Milan Junior Camp Elite goalkeepers**
- **AC Milan Junior Camp in resort village**

	COUNTRIES	LOCATIONS	COURSE WEEKS	PARTICIPANTS
1997	1	6	19	1,074
2007	27	96	196	11,500
2008	29	124	242	13,500
2009	35	146	262	14,000
2010	37	152	279	15,000
2011	42	159	293	16,297
2012	39	169	283	16,504

## AC MILAN JUNIOR CAMP EVENTS

**AC Milan Junior Camp Day:** a party where over 400 children and teenagers coming from all over the world gather in Milan to play together and meet with different languages and cultures.

**Sunday Camp “A Champions Sunday!”:** organized during AC Milan’s home matches, all the kids aged from 6 to 11 can spend a Sunday as champions in red and black colours.





# 3

# ORGANIZATION

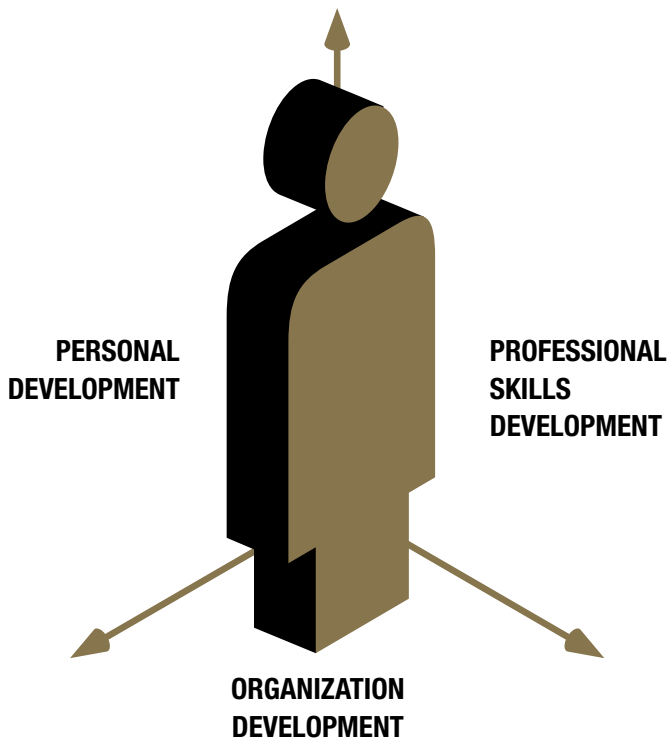
- 3.1 Our People
- 3.2 New Organization Model
- 3.3 Incentive Policies
- 3.4 Development and Training
- 3.5 AC Milan Academy



## 3.1 Our People

Human Resources represent an asset and a value for the organization of the AC Milan Group and can turn into a real competitive advantage over the market in which we operate.

Over the years the focus has shifted to educational, motivational aspects and the overall well-being of individuals. This led to the introduction of actions to promote organizational efficiency and the development of human resources. For this purpose, the Club has significantly invested in the growth of professional skills and worked in a balanced and synergic manner on three dimensions.



Presently the AC Milan Group\* is structured as follows:

347

Persons

122

Employees (35.1%)

1

Trainee (0.3%)

62

Co-operators (17.9%)

162

Registered Members (46.7%)

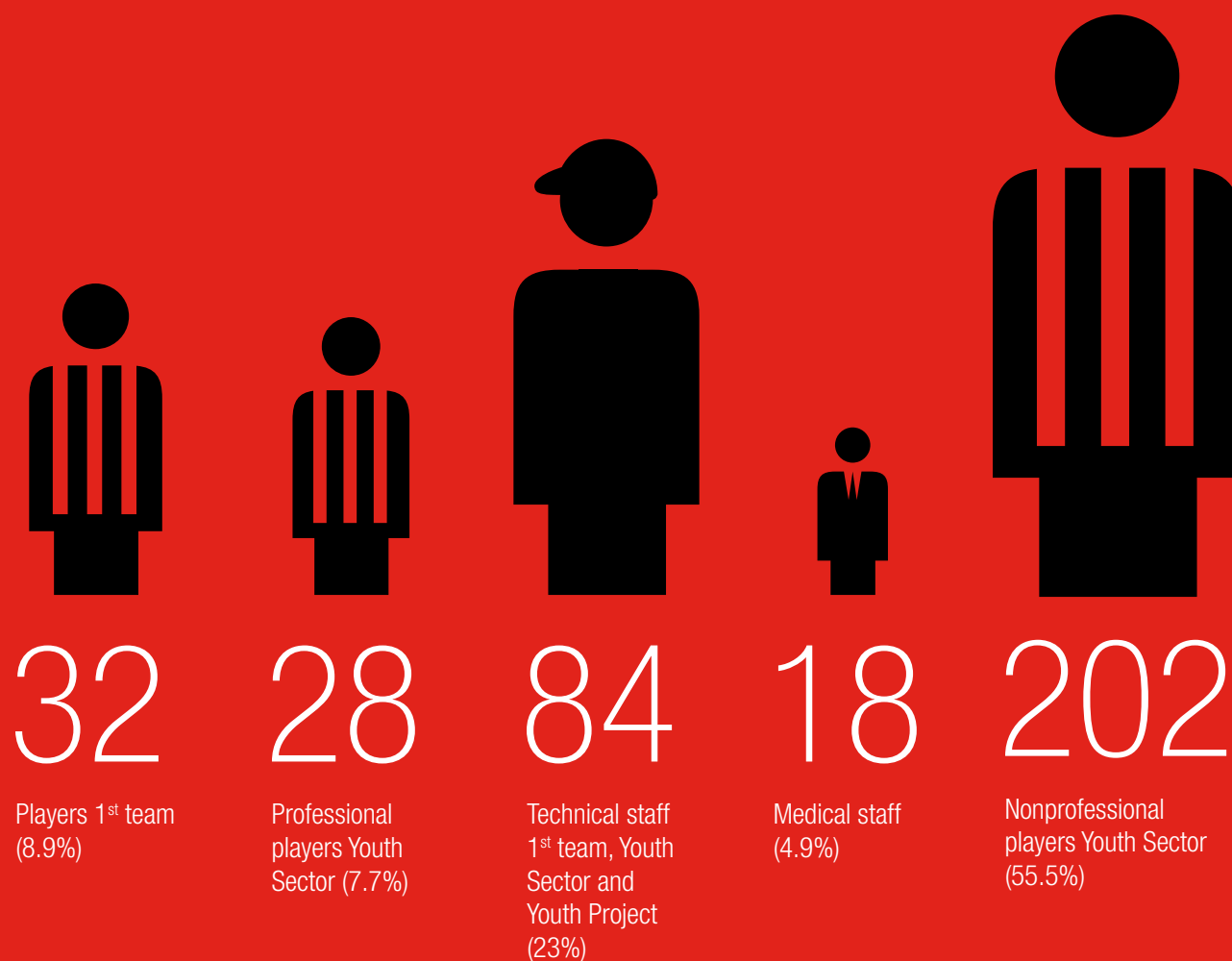
(\* Data do not include subjects with whom the Club has consultancy relationships; registered members data refer to the 2012/2013 season; employees data refer to the status as of 31 December 2012.

364

Registered Members

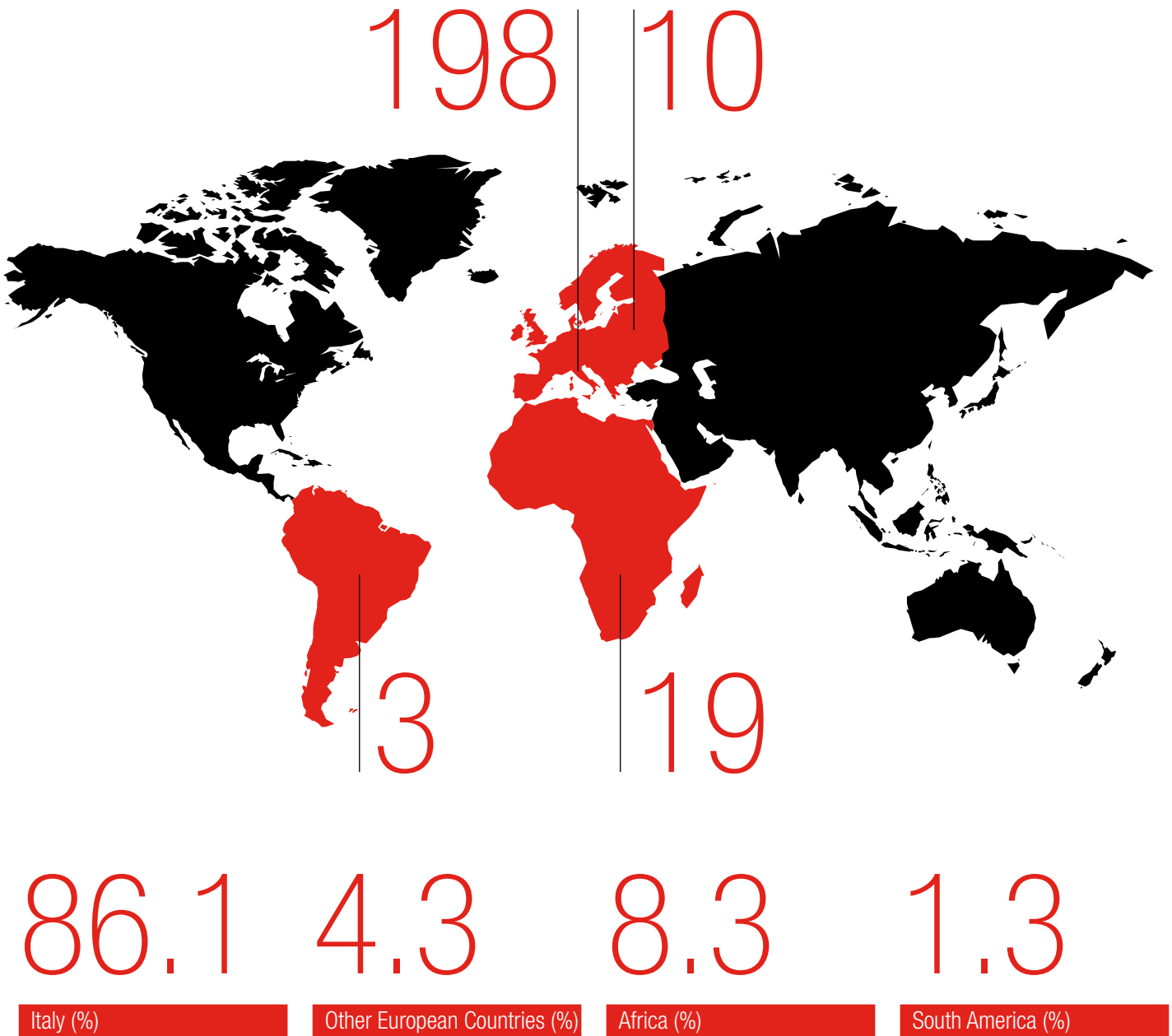
## REGISTERED MEMBERS

The registered members (players, technical staff and medical staff) consist of:





The number of players in the Youth Sector is 230 (including 28 professionals), with the following geographical distribution:



Other European countries include Bosnia-Herzegovina, Serbia, France, Slovenia, Austria, Hungary, Spain and Romania.

## EMPLOYEES

The AC Milan Group has always cared for the development of its people, regardless of their gender. Its organizational structure is indeed well-balanced and includes 49.2% women under a permanent or temporary employment contract.

### STAFF COMPOSITION (JOB TITLE AND SEX)

JOB TITLE	MEN		WOMEN		TOTAL	
	No.	%	No.	%	No.	%
Executives	7	5.7%	4	3.3%	11	9.0%
Journalists	1	0.8%	0	0.0%	1	0.8%
Managers	11	9.0%	8	6.6%	19	15.6%
White-collar employees	41	33.6%	46	37.8%	87	71.4%
Blue-collar employees	2	1.6%	2	1.6%	4	3.2%
<b>TOTAL</b>	<b>62</b>	<b>50.7%</b>	<b>60</b>	<b>49.3%</b>	<b>122</b>	<b>100%</b>

122

Employees



### TYPE OF CONTRACT

Of the 122 employees, 6.6% work part-time (all women); there is nearly no employee turnover and 94.3% of employees enjoy the benefits of a permanent employment contract.



114

8

Full-Time (93.4%)

Part-Time (6.6%)



115

7

Permanent Job (94.3%)

Temporary Job (5.7%)

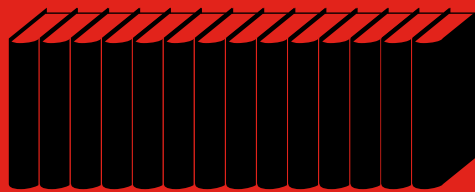
### LEVEL OF EDUCATION

# 86%

Employees who have attained at least a secondary school diploma

# 49

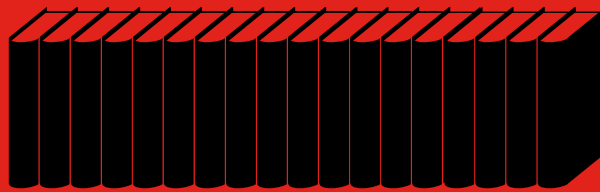
Degree



40.1%

# 56

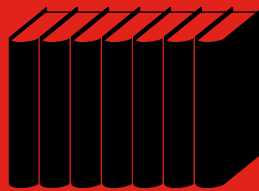
High School Diploma



45.9%

# 14

Middle School Diploma



11.5%

# 3

Elementary School Diploma



2.5%

## EMPLOYEES BY AGE RANGE

The average age of employees is 44 years, the average age of executives is 51 years.

AGE			EXECUTIVES	
	No.	%	No.	%
Less than 30 years	12	9.8%	0	-
From 30 to 40 years	35	28.7%	1	9.1%
From 40 to 50 years	46	37.7%	3	27.3%
From 50 to 55 years	16	13.1%	5	45.4%
From 56 to 60 years	8	6.6%	2	18.2%
From 60 years and over	5	4.1%	0	0.0%
<b>TOTAL</b>	<b>122</b>	<b>100.0%</b>	<b>11</b>	<b>100.0%</b>

The opening towards trade union organizations, with which the AC Milan group has always maintained a constructive collaboration, is testified by the union membership of 25 employees (about 20% of the total workforce).

## 3.2 New Organization Model

During 2012 a process of reorganization of the AC Milan Group corporate structure led to the revision of some functions and the introduction of new management competencies.

The following objectives have been defined:

- **enhancing the growth of internal functions and resources:** a training program is being defined for the development of technical, management skills tailored for functional areas, in line with the company's middle and long-term objectives, and for the improvement of relationships among employees (see further details in the section 3.4 "Development and Training");
- **identifying competencies and professional skills required within the organizational structure through the assessment of actual internal competencies and continuous confrontation with the market:** the setting of new strategic lines and the consequent identification of new businesses and activities has required the search for new professional figures on the market and project consultants;
- **guaranteeing efficiency and effectiveness in business process management:** both internal organizational procedures for the main business processes and the composition of the entire structure (organizational charts and service orders) are being revised to monitor the functioning and organization of each corporate function.

## 3.3 Incentive Policies

The definition of new strategic lines has raised the need to introduce incentive and performance assessment policies to support a significant development process.

The AC Milan Group believes that each individual should responsibly perform his/her own function within the organizational structure and consequently be rewarded upon the attainment of short, middle and long-term targets previously set.

Within the internal organization model human resources and their development play a central role.

The objectives of current incentive policies are:



**Supporting the participation and commitment of all the organization members promoting results-oriented performance culture.**



**Linking variable compensation to incentive mechanisms correlated to business objectives and decision-making levers defined for each employee.**



**Optimizing the labour costs making the system not only more meritocratic and consistent with the contribution given by individual employees, but also partly directly linked to attained results.**



**Structuring a more flexible compensation scheme according to individual needs through various incentive mechanisms.**

The defined incentive system provides for a progressive increase in the commitment and motivation level.

The incentive analysis and implementation plan started from the understanding of the company business strategy, the context within which the AC Milan Group operates and from the study of the operating processes underpinning the development of specified activities.

Subsequently the implementation steps have been defined through the analysis of the following aspects:

- compensation policy and related objectives;
- motivations and expectations of resources;
- criticality of functioning mechanisms of the incentive plan;
- qualitative and quantitative analysis to define the various impacts on the budget and results of the plan;
- assessment of the incentive plan compliance with the regulatory framework;
- identification of improvement opportunities.

The result of the project will lead to the definition for 2014 of a new variable compensation system that will redefine the architecture of the system and functioning mechanisms through the determination of team and individual incentives, the main key performance indicators and the target for each company management team.

## 3.4 Development and Training

Training is considered within the Group as a valuable tool to timely achieve the expected development in the best possible way.

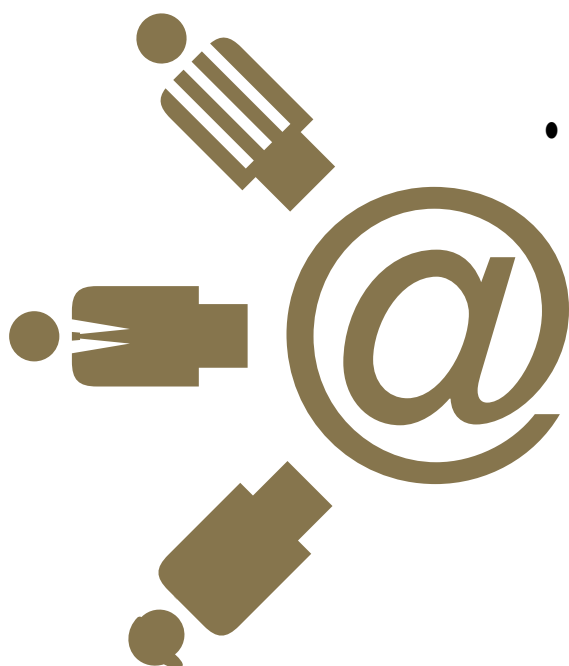
It is structured as follows:

- compliance training;
- soft skills training;
- training of technical-management skills supporting business.

### COMPLIANCE TRAINING

The training for compliance purposes ensures that each employee, co-operator and registered member is informed and trained on the topics covered by laws and regulations applicable to the company. These include the Legislative Decree no. 231 of 8 June 2011 that introduces the culture of internal controls as a tool to prevent the commission of crimes, the Legislative Decree 81/08 “Occupational Health and Safety Code” and the Legislative Decree no. 196 of 30 June 2003 “Personal Data Protection Code”.

- Legislative Decree 231/01: the Group has adopted an Organization, Management and Control Model pursuant to the Legislative Decree no. 231 of 8 June 2011 applicable to AC Milan, Milan Entertainment, Milan Real Estate and AC Milan Foundation; the training course, required for each employee, registered member and new employee, is delivered and managed on line through a web link with personal password and user. The course includes the completion of training sessions and a mandatory final test to assess the actual level of knowledge achieved.
- Legislative Decree 81/08: comprises class and on-line sessions according to the functions performed within the organizational structure. The objectives pursued through the training pursuant to the law 81/08 are:
  - illustrating the overall framework of laws and regulations concerning safety issues;





- promoting the acquisition on the part of employees of adequate practices in compliance with safety procedures, risk management and emergency plans;
- making employees aware of the main health and safety risk factors at work, as a cause of serious occupational injuries and diseases;
- providing cognitive and behavioural tools to enhance employees' self-protection and injury prevention;
- encouraging cooperation among colleagues to prevent risks and focus on safety in one's own and others' working behaviours.

Furthermore, in 2012 the "Work-Related Stress" risk assessment within the working environment was carried out. The risk assessment analysis made by the AC Milan Group was conducted not only to comply with law requirements, but also to follow the company decision to act responsibly in order to improve the organization conditions and the quality of life at work.

The AC Milan Group carried out a preliminary analysis in order to highlight objective work-related stress risk factors and obtain indications to maintain the strengths and improve the critical issues identified.

The following areas were taken into account:

- **the content: environmental dimensions;**
- **the context: organizational dimensions.**

Although the overall work-related stress risk proved to be low (22%), in accordance with a continuous improvement policy that considers the employees' well-being a strategic element of development, the following actions were defined:

- information and enhanced awareness of employees;
- training on stress productive management;
- development of a stress management training program, implementing prevention and improvement actions.



# 22%

Work-Related Stress  
Risk Assessment

## SOFT SKILLS TRAINING

During 2012 and 2013 the Club started a training program contemplating the participation in 4 training days concerning soft skills, organized in a first stage dedicated to relational skills rather than to technical skills:

- role of the persons in charge in human resources management;
- leadership as competence;
- “TANGRAM Leadership” model, useful to identify seven core competencies for effective leadership actions;
- ways to develop effective communication and create a positive business climate required to manage work-related stressful situations and explore the possibility of contributing to the improvement of the working environment.

Objectives:

- promoting integration of the various organizational areas;
- encouraging individuals to develop greater self-awareness, awareness of one's own relational approach, strengths and areas of improvement.

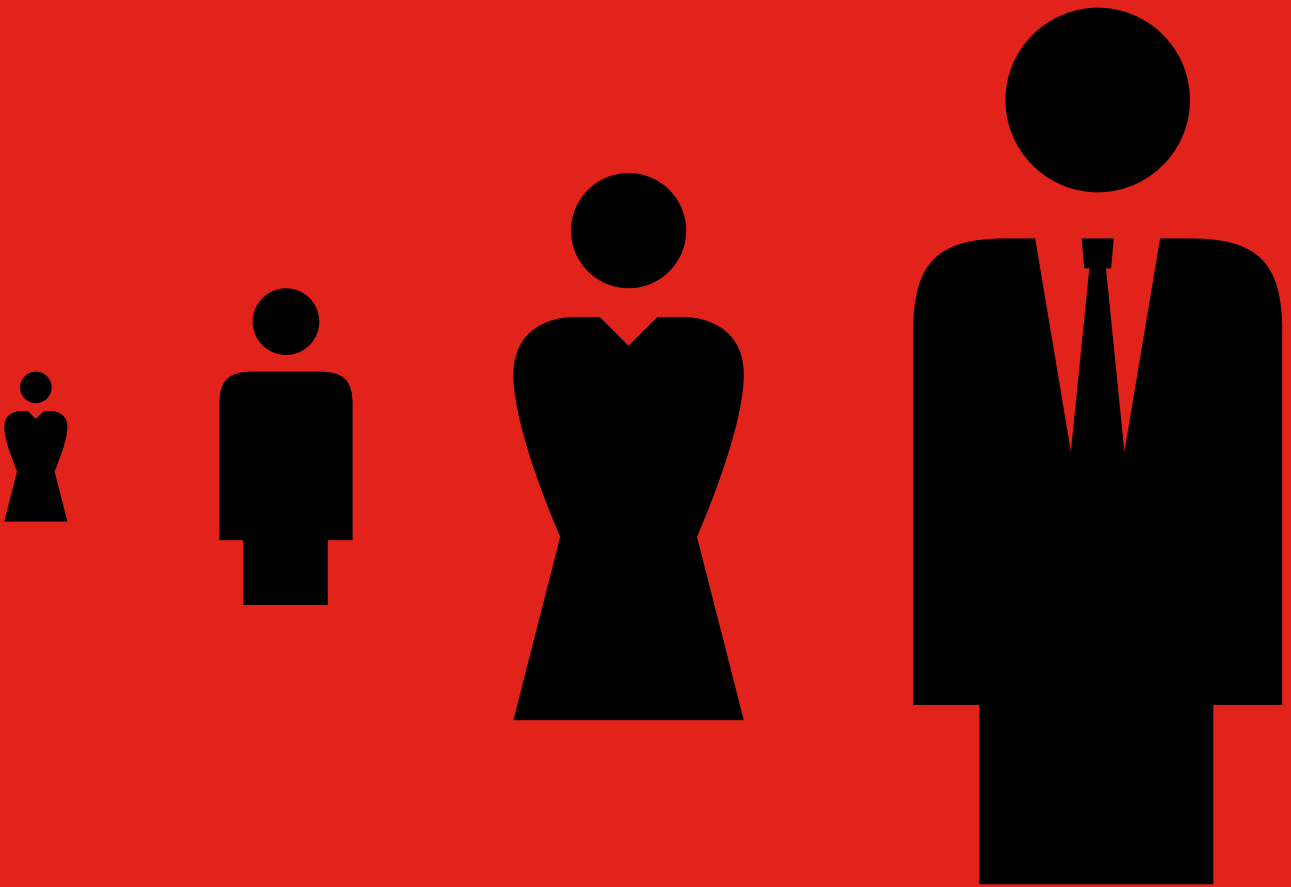
The involvement and participation of each employee is fostered by an action learning approach emphasizing confrontation and socialization.

## TRAINING OF TECHNICAL-MANAGEMENT SKILLS SUPPORTING BUSINESS

The training program within the AC Milan Group aims at developing the competencies of individual resources promoting the regular updating of their specialized skills.

Training is considered a strategic tool to enhance the value of resources and consequently optimize the company performance: that's why the attainment of high-level competencies represents a key objective of the strategic lines.

The second stage of the training process will include, starting from 2014, the support to the development of technical-management skills of specified company resources based on their respective corporate functions and middle/long-term objectives. Such activity will be prepared by a prior analysis of the training needs of each company management team.



## 3.5 AC Milan Academy

The training program introduced by the AC Milan Group is also supported by the activities of AC Milan Academy. It is a working group composed of expert professionals in various disciplines (psychology, pedagogy, motor area, football techniques, etc.) engaged in the continuous development and dissemination of the working methods and philosophy adopted by the Club. The first recipients of this training program are the technical and coaching staff of the Soccer Schools affiliated to the Club in Italy and in the world, and the trainers of AC Milan Junior Camps.

The training activity is meant as the development of an integrated methodology that is capable of:

- developing technical-tactical, psycho-pedagogical, relational and motor-coordinative skills;
- promoting in the persons accompanying the children (trainer, managers, parents) a social responsibility culture.

AC Milan considers children and young people a resource for which it is necessary to develop all the areas of personality, accompanying them in a complete growth not merely focused on technical aspects.

The training planning and targets are set in accordance with the critical phases of growth, taking into account in each training session technical, tactical, relational, motor and social elements, by always emphasizing the playful dimension.

In order to monitor the quality and effectiveness of the training programs offered by AC Milan Academy, since 2012 there has been a collaboration with the Università del Sacro Cuore (Alta Scuola Agostino Gemelli) developed with the involvement of University professors who participate in the training meetings regularly organized for the managers and technical staff of AC Milan Soccer Schools and AC Milan Junior Camps.

## AC MILAN ACADEMY'S ACTIVITIES


**SOCCER SCHOOL  
TECHNICAL STAFF  
TRAINING:**

60 training courses  
in Italy,  
20 regions,  
36 locations,  
300 lesson hours,  
over 2,500 technical  
staff members,  
over 3,000 children.


**AC MILAN JUNIOR CAMP  
TECHNICAL STAFF  
TRAINING:**

13 training courses  
in Italy,  
3 methodological areas,  
60 lesson hours,  
500 technical staff  
members.


**AC MILAN TECHNICAL  
STAFF TRAINING:**

12 training courses,  
3 methodological areas,  
180 lesson hours,  
50 technical staff  
members.


**PARENTS INFORMATION  
COURSES:**

50 informative meetings,  
over 2,500 parents  
involved.


**TRAINING DAYS FOR  
SOCCER SCHOOL AND  
AC MILAN JUNIOR CAMP  
MANAGERS**

**PARTICIPATION IN  
SOLIDARITY EVENTS**

**WRITING ARTICLES FOR  
SPECIALIZED MAGAZINES  
("IL NUOVO CALCIO")**

**UPDATING COURSES FOR  
A.I.A.C. (ITALIAN FOOTBALL  
COACHES ASSOCIATION)**



# 4

# DEVELOPMENT

- 4.1 Subjects
- 4.2 Actions
- 4.3 Health
- 4.4 Economic Performance



The development model adopted by the AC Milan Group aims at maintaining the balance of management and of the accounts, both to support sporting excellence and the activities associated with the expectations of our clients and stakeholders. The purpose is to increase the AC Milan brand internationalization through targeted structural projects and the penetration into new markets for the acquisition of new supporters, including the very young generations and people not interested in football. In general, the focus will be on B2C strategies, B2B being already well developed.

The development also contemplates a greater attention to the search for new and better structured commercial partnerships as well as new business formats through sponsoring or brand licensing agreements. A challenge that the AC Milan Group can tackle only through continuously new perspectives and new ways of thinking, qualities that arise from and are based on a glorious sports tradition and a long solid entrepreneurial experience. Each action is planned with a view to sustainability and in compliance with the Financial Fair Play rules set out by UEFA.



## 4.1 Subjects

### FANS

Fans are the most important stakeholders of the AC Milan Group: they thus deserve much attention in planning development policies. There are several activities planned to build fans' loyalty and get them closer and closer to the Club: from match ticket pricing policies intended to attract families to the stadium and contain costs in a time of general economic crisis, to CRM and loyalty initiatives.

The Club's history also demonstrates a significant attention to the "sporting" expectations of our supporters: the search for excellence in results, the maintenance of a high level of competitiveness of the squads over the years, are goals expressly set and pursued by the AC Milan Group.

#### AC Milan Fans



317<sub>m</sub>

in the World



41.7<sub>m</sub>

in Europe



7<sub>m</sub>

in Italy

- **Over 1 billion families follow AC Milan football matches\***
- **AC Milan matches are broadcast in 6 continents, 211 countries by 82 broadcasters\*\***

\* Thanks to the wide global distribution of UEFA Champions League and Serie A matches

\*\* Source: Serie A International Distribution, 2010-2011 Report; MP Sylva



## SUPPORTERS AND GROUPS

A special category of fans is represented by those who attend the stadium. The relationships with this group of supporters are important for the development and evolution of the stadium as a place of entertainment.

In 2009, AC Milan and the Italian AC Milan Fan Clubs Association (AIMC) signed a Memorandum of Understanding that regulates the relationships between the Club and the Association. The AIMC, which coordinates the officially affiliated AC Milan Fan Clubs, has committed itself to promote the principles of the Olympic Charter, of tolerance, of opposition against any form of violence and the principles of AC Milan's Code of Ethics.

Furthermore, in the 2012/13 season, the function of the SLO - Supporter Liaison Officer - was introduced, as provided by UEFA and FIGC regulations. The SLO, in collaboration with the Chief Security Officer of the stadium, has the task of improving the management of the relationships with organized fans groups.

## COMPANIES

The ties that bind the sponsor companies to AC Milan are based in many cases on multi-year partnerships. Over the years the relationships with these fundamental stakeholders have changed and developed so significantly that the increasing trust in the AC Milan brand value results in a progressively greater involvement of the partners.

The Club is perceived both as an opportunity of visibility and as a sales platform, through which products and services can be distributed by means of new channels other than the traditional ones. All initiatives and events organized with the sponsors are indeed geared towards this direction: from the AC Milan Mall Tour to the meetings at the Milanello Sports Centre, from the sales promotions on the web platforms to the events at the Stadium.

In the **2012/2013** season commercial partnerships reached a total of 39, subdivided in six categories:

MAIN SPONSORS



MEDIA PARTNERS



TOP SPONSORS



PREMIUM SPONSORS



OFFICIAL PARTNERS



SUPPLIERS



## 4.2 Actions

The relationship with so many fans takes place at the stadium - the home of the Club - a symbol and theatre of history and emotions. The commitment and dedication to foster the presence and enhance the comfort of supporters at the stadium continue uninterrupted, due to the higher expectations and needs of spectators especially at a time when the TV “competition” has increased exponentially. Ticket pricing and distribution, fans loyalty and involvement policies, safety, security and progressive upgrading of the stadium facilities, careful and consistent communication with the fans represent key elements in the staging of a “match”. The goal is to make the live match a unique event, full of experiential content and support services (parking, food & beverage, etc.).

### CUORE ROSSONERO CARD

Introduced in the 2008/2009 season with a gift for all ticket-season holders, the “fan card” has been initially designed by AC Milan as a simplified tool to access the Stadium and purchase match tickets (elimination of the paper ticket and introduction of the digital ticket).



411,643

Cuore Rosso Nero cards



76,252

Female card-holders



335,391

Male card-holders

AGE OF CRN CARD HOLDERS	CARD HOLDERS/NON SEASON-TICKET HOLDERS	CARD HOLDERS/SEASON-TICKET HOLDERS*	CARD HOLDERS
<b>Under 18</b>	<b>41,192</b>	<b>1,285 (80)</b>	<b>42,477</b>
0-14	18,727	560 (35)	19,287
15-16	10,608	305 (19)	10,913
17-18	11,857	420 (26)	12,277
<b>Over 18</b>	<b>351,383</b>	<b>17,783 (526)</b>	<b>369,166</b>
19-21	24,920	889 (49)	25,809
over 21	326,463	16,894 (477)	343,357
<b>Total</b>	<b>392,575</b>	<b>19,068 (606)</b>	<b>411,643</b>

\* Numbers into brackets refer to card holders/season-ticket holders with a mini season-ticket package

Over the time the Cuore Rossonero Card has turned into:

- **Advantages for all card holders:** match ticket purchase through dedicated sales channels and/or within dedicated selling time frames; discounts on official merchandising items and at licensed points of sale, discounts on San Siro Museum & Tour entry tickets, dedicated contests offering unique opportunities to meet AC Milan players.
- **Meritocracy Program:** value enhancement of the fan's history of each card holder, with allocation of points for each match ticket/season ticket purchased. The sales phases for the most "sought-after" matches are then planned on the basis of criteria that allow for rewarding the commitment of each fan towards the team. Frequent fans can thus have greater chances to attend the matches of their favourite team.

During the 2012/2013 season two contests have been staged, one on line addressed to all the Cuore Rossonero card holders and one dedicated to the Cuore Rossonero card holders attending the San Siro stadium on match days. Prizes included "red and black" premiums (i.e. cruise, watch, jersey, etc.) and emotional prizes (meeting with AC Milan captain at the end of the match).

Plans for the 2013/2014 season include:

- the introduction of the Cuore Rossonero card in a "non-bank" version that can be subscribed also by international fans. Simplified procedures of subscription will further widen the "official" fan base in Italy and in the world, significantly increasing the AC Milan database;
- the collaboration with ATM (Azienda Trasporti Milanesi/Public Transportation Company of Milan) to upload the Cuore Rossonero Card with public transport tickets;
- the possibility of using the meritocracy program also for loyalty programs.

## SAN SIRO ATTENDANCES (during the 2012/2013 season)

# 486,078

Tickets

# 512,360

Season ticket-holders

# 998,438

Total spectators

# 31,813,642

Total receipts in euro

## TICKETING SERVICES

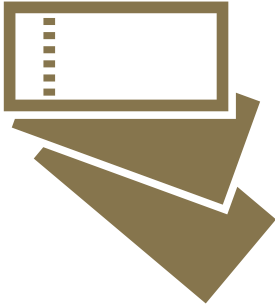
Ticketing and stadium services include:

- extensive sales network throughout Italy by means of Intesa Sanpaolo Bank branches (over 5 thousand offices);
- e-ticketing service on acmilan.com;
- ticketing service through ATMs;
- international e-ticketing service (through the AC Milan web site with ticket collection at the stadium);
- ticket sale at the stadium ticket office before the match (upon availability after the presale period);
- corporate ticketing with customized package offers for companies, including season tickets and match tickets;
- corporate services: Cuore Rossonero Mother/Daughter Cards with on-line card management platform for each individual company;
- incoming travel agencies: customized offers for travel agencies and special agreements with AC Milan;
- free accreditation service for disabled people (100% disability with accompanying person);
- free accreditation service for AIA, CONI, FIGC members;
- change of name in case of ticket transfer pursuant to regulations in force. Online service open 24 hours a day until match kick-off on stadio. acmilan.com;
- Cuore Rossonero card loss/theft service with card blocking via the phone 24 hours a day;
- SDS service at the stadium (help desk for fans): for Cuore Rossonero card malfunctioning, thefts or losses. Upon prior checks, a substitute coupon is provided to the fan.

Plans for the 2013/14 season include:

- development of a new mobile channel for ticket sales with the possibility of buying tickets from a smart phone;
- development of a stadium access system through one's smart phone.





## PRICING POLICIES

The current pricing policies contemplate:

- average savings above 40% with the subscription for a season ticket for the sports season that includes 19 home matches of Serie A Championship and 1 match of the round of 16 of the Italian Cup;
- special season ticket packages: in the 2012/13 sports season a season ticket package offer included the last 7 home matches with a discount of about 30%;
- a match-based ticket price list: B Level, A Level for big matches (i.e. AC Milan-Juventus, AC Milan-FC Inter), APlus Level for the most appealing matches (i.e. AC Milan-FC Barcelona). For some matches of the Italian Cup a 50%-discounted special price list may be offered;
  - discounted tickets for Under 14 children and Over 65 adults; children under the age of 7 have free admission to the stadium as long as there are available seats;
  - free admission for groups of young members of AC Milan Soccer Schools, parish centres and schools. During the entire 2012/13 season over 31,000 kids attended the stadium.

Plans for the 2013/2014 season include:

- family-oriented policies with season-ticket packages offered to encourage the presence of children and kids accompanied by adults at the Stadium;
- development of an instalment-based buying system for season tickets;
- additional promotional activities to reward fans' loyalty based on stadium attendance, with discounted tickets or complimentary tickets for friends.





## COMMUNICATION WITH FANS

The attention given to the communication with the fan base is determined by the Club's will to provide fans with all the required information through all available channels to meet various needs.

Digital channels make it possible to reach the red and black community all over the world, shortening the distance between the Club and the supporters and enhancing the value of a fan-centred relationship. Through a specifically designed strategy, indeed, digital communication is geared to satisfy the different needs of supporters and attain the Club's objectives.

This strategy is developed through the following media:

- official web site **www.acmilan.com**, available in 8 languages, daily updated with the latest news on the squad and on the Club;
- **newsletter** and **DEM** (direct email marketing) sent on a weekly base;
- **social network: Facebook** (16 million fans), **Twitter** (1.2 million followers) and **Google plus** (1.7 million fans) offer content and services exclusively dedicated to the online community, such as live chats with players (**Q&A on twitter** and **hangout** on Google plus), contests and interactive applications on facebook or geo-targeted communications according to the target market.



AC MILAN 1912 | NEWS | TEAMS | SEASON 12/13 | ARCHIVE | STADIUM | TICKETS | CLUB | MILAN JUNIOR | COMMUNITY | SHOP | PRESS AREA

AC Milan THE MOST SUCCESSFUL CLUB

NEWS 27 APR 2013

**ABBIATI KEEPS IT SAFE**  
 Claudio Abbiatecchio has been appointed as the club's chief executive from 2013 until the end of the season.

**BREAKING NEWS**  
 OF THE DERBY TO LINDO IN PIACENZA FINALE - 15:48 - ROSSONERI CLONDI HAT

**LAST MATCH**

VIDEO HIGHLIGHTS  
 TICKET TRAILER  
 HOW TO GET THERE  
 MATCH PROCEDURE

**MILAN TIME**

NEWS  
 YOUTH SECTOR  
 MOMENTS  
 SEARCH ARCHIVE  
 SEARCH ARCHIVE  
 CLASSICS  
 EXTRA

**MILAN TIME**

**YOUTH SECTOR**

**FOCUS ON**

AC MILAN SEASON 2013/2014  
 AC Milan Season 2013/2014

AC MILAN ON TWITTER  
 Follow the club on our favourite social network

**COMMUNITY**

**PHOTOGALLERY**

**E-STORE**

Support your team in official AC Milan products

Discover all the upcoming offers

HOME JERSEY 1213 € 99,90  
 ALTERNATIVE JACKET 1213 € 69,90  
 WHITE CORE TRACKTOP 1213 € 69,90  
 THIRD JERSEY 1213 € 59,90

**DNA MILAN**

Galassi | Di Shaaryny (Milintina) | Mezzalana (Cuore Rossanero) | Facebook | Robinho | Pizzilli | Piro | Berlusconi | Inglese | Padoa | San Siro | Andreola | Der Jorg | daiball | Video | Community

adidas | sky | PREMIUM | Emirates

AVIVA | Audi | INTESA | SINOLO | BERTINI | DOLCE & GABBANA | MSC

TACI OIL | Indesit | NESTLE | Maalox | Sussogas | IZi poker

NEWSLETTER N°41 | 27 giugno 2013

AC Milan 1912

**AC MILAN SEASON 12/13 THE MOVIE**

Il film della stagione

Carattero, gli ma anche route ad abbono. Ecco il riassunto della stagione 2012/13 del Milan.

92 | 45 | Nuova maglia gara | **THIRD** 2013/14

**SE TE LA RACCONTANO NON E' LA STESSA COSA**

Campagna Abbonamenti 13/14

Questa settimana è in corso la vendetta per tutti gli abbonati della stagione 2013 del Tercio. Anche Rossetti che saranno le possibilità di ricevere in un altro settore della storia. Scopri tutte le altre informazioni sulla campagna abbonamenti 13/14, se la racconto non è la stessa cosa.

**E-STORE**

Maglia 13/14 numero 1213 € 34,90

**OFFERTA DELLA SETTIMANA**

**Workshop e Passione**

Si è tenuto a Santa Margherita di Pula (CA) il terzo workshop rossoneri che ha visto la Società rossonera incontrare gli Sponsor al Forte Village. Accanto a Gianni e Paolo Bogneri, sono presentati la nuova maglia commercialmente per la prossima stagione.

**INIZIA OGGI LA TUA STAGIONE CON MILAN CHANNEL**

Non sei ancora abbonato ma vuoi rimanere con i tuoi compagni i giorni di sabato? Vuoi sapere come sarà? Scopri prima Milan Channel per una settimana a soli 4€. Entra in via Venezia, accessi all'area sport e diventa uno di noi!

**FRIGO UFFICIALE AC MILAN LIMITED EDITION: scopri come avere uno dei 50 esclusivi pezzi**

**Il Derby alla Semifinale**

Attivo per oggi alle 18 il derby Milan-Inter per i Supercoppa. Non sono impegnati nella Semifinale Scudetto 2013/2013. Segui tutti gli aggiornamenti su Twitter @acmilanofficial. Forza Rossori!

**TWEET OF THE WEEK**

ACMilan @acmilanofficial  
 #GialloFC: "L'obiettivo sarà il nostro calcio!"

A.C. Milan ha condiviso un link. 28 maggio '13

Discover how we collaborate with adidas Football in the team's performance monitoring: discover miCoach Elite Team System!

**miCoach Elite Team System -- adidas football**

Introducing miCoach Elite Team System. This new adidas product is the latest advancement in performance monitoring, measuring

Mi piace · Commenta · Condividi 3.285 158 133

AC Milan MILAN FOR YOU

LE OFFERTE SPECIALI PER I TIFOSOSSONERI

**offerta esclusiva solo per te!**

**sconto 20%**

Adidas e Milan Junior Calcio ti offrono un'occasione unica: un'offerta di sconto del 20% su tutti i prodotti Adidas e Milan Junior Calcio. L'offerta è valida fino al 30 giugno 2013. Per saperne di più vai su [www.acmilan.com](http://www.acmilan.com)

AC Milan

Sono pronto a rispondere alle vostre domande! I'm ready to answer your questions! Use [hashtag #ACMILAN](https://www.acmilan.com/hashtag/ACMILAN) on Twitter.

[www.acmilan.com](http://www.acmilan.com)

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50+ NETWORK 9 PRESENTI



## MERCHANDISING

The AC Milan Group granted adidas the Master License rights starting from the 2008/2009 season and until the 2016/2017 season. Over 70 licenses are included, except for certain rights that remain with the Club: publishing, multimedia, videogames, mobile, internet, credit cards, loyalty programmes, financial services, insurance, names and numbers on official jerseys, and franchising.

# 2

# 23

2012/2013  
Season Contracts

### Master License

ACM	700,000€
ME	1,300,000€

### Direct Licensing

LICENSING	500,000€
FRANCHISING	450,000€

Objectives:

- Initiatives and promotions to incentivize fans to buy merchandising
- Increasing revenues from franchising
- Activities to reduce counterfeiting

Potential partners are selected and proposed by Adidas to the AC Milan Group for approval, according to criteria of high quality standards, professional image, compliance with applicable laws and regulations, and conflict with merchandise categories already covered by the AC Milan Group. Licensing promotion takes place through the Club's institutional communication media: the "Forza Milan!" magazine, the thematic channel "Milan Channel", the web site [www.acmilan.com](http://www.acmilan.com), official pages on social networks, and periodical events organized with partners, such as meetings and events at official stores or national and international exhibitions.

As of today franchising opportunities comprise the following:



**OFFICIAL RETAILER**

**OFFICIAL E-COMMERCE**

**OFFICIAL CORNER**

**OFFICIAL RESTAURANT CAFÈ**

Other business areas, including food & beverage, MilanLab, touring museum exhibits are being developed.

## FRANCHISING



AC MILAN MEGASTORE

Milan



AC MILAN STORE

Milan San Fedele  
Milan San Gottardo

AC MILAN STORE

Globo Shopping Mall



AC MILAN STORE

San Siro

AC MILAN RESTAURANT &  
CAFÈ

Nagoya

## FIGHT AGAINST COUNTERFEITING

One of the issues faced by the AC Milan Group in the distribution of its branded products is counterfeiting that represents in Italy a parallel business industry totalizing estimated revenues of 6.9 billion euro (Source: Censis 2010).

The awareness of the serious damage caused to the system and the need to protect the value of its own brand pushed the AC Milan Group to actively and intensively engage over the last few years in the fight against counterfeiting. The evolution of available tools has placed our Group in the forefront, being the first, for instance, to claim for a suspensive customs procedure.

### EVOLUTION OF ANTI-COUNTERFEITING TOOLS



## 4.3 Health

The Club is constantly committed towards safeguarding employees' health and athletes' well-being.

The AC Milan Group has prepared the Training and Information Document drawn pursuant to section 28 of the Legislative Decree 81/08 and has provided each employee with adequate information, in particular concerning:

- safety and health risks related to the business activity in general;
- protection and prevention measures and activities undertaken;
- job-specific risks, applicable safety laws and regulations, and relevant corporate provisions;
- procedures concerning first aid, fire fighting, workers' emergency evacuation;
- the person in charge of prevention service.

Furthermore, within the area of health and well-being protection, the AC Milan Group has stood out for over ten years, at a national and international level, for its focus on the development of advanced technologies and new approaches through MilanLab.

### MILANLAB

MilanLab is aimed at improving the management of the personal well-being and is a high tech system supporting the decision-making process.

Well-being is the primary objective of MilanLab that studies and defines the guidelines to reach and maintain the best possible condition in each individual. Personal well-being constitutes indeed an essential prerequisite for any performance, whether in sport or in any other field.

The fundamentals of MilanLab are:

- holistic vision: the objective is the attainment of a structural, mental and biochemical balance;
- systemic vision: the objective is the analysis of all the variables that have an impact on well-being and performance;
- customization: each individual is considered unique.

Today MilanLab represents a method and a system of specifically designed instruments. It is also the holder of intellectual property rights to special proprietary algorithms owned by AC Milan.



KEY FIGURES OF MILANLAB

1,005,600

tests performed



531

athletes monitored at Milanello

596

athletes monitored in the Youth Sector

51

athletes monitored from other disciplines

---

1,178

total monitored athletes

The key success factors of MilanLab are:

- continuous technological updating;
- involvement of primary academic institutions both in the technological, arts and scientific fields.

#### MILANLAB JUNIOR

AC Milan decided to extend the MilanLab know-how also to the Youth Project to contribute to the youth's well-being management by correct behaviours and healthy habits.

For this purpose, the MilanLab Junior kit was created to monitor the well-being of children through an important collection of data by means of specially designed non-invasive instrumentation.

The Soccer Schools involved designate for this purpose one or more persons in charge of the MilanLab Junior to be trained by MilanLab staff during special training meetings organised at Milanello.

#### FIGHT AGAINST DOPING

The AC Milan Group is committed to safeguarding the health of players and the correctness of sports competitions. Players must comply with anti-doping rules and with the prohibition to use prohibited substances and be available to undergo the required tests for the accomplishment of anti-doping measures.

During the 2012-2013 season 49 anti-doping testing procedures were carried out for a total of 89 tests on the First Team athletes (57 in the Championship/Italian Cup, 8 in Champions League, 22 at Milanello Sports Centre and 2 within the activities required by the Italian Olympic Committee concerning the athletes included in the RTP - Registered Testing Pool).

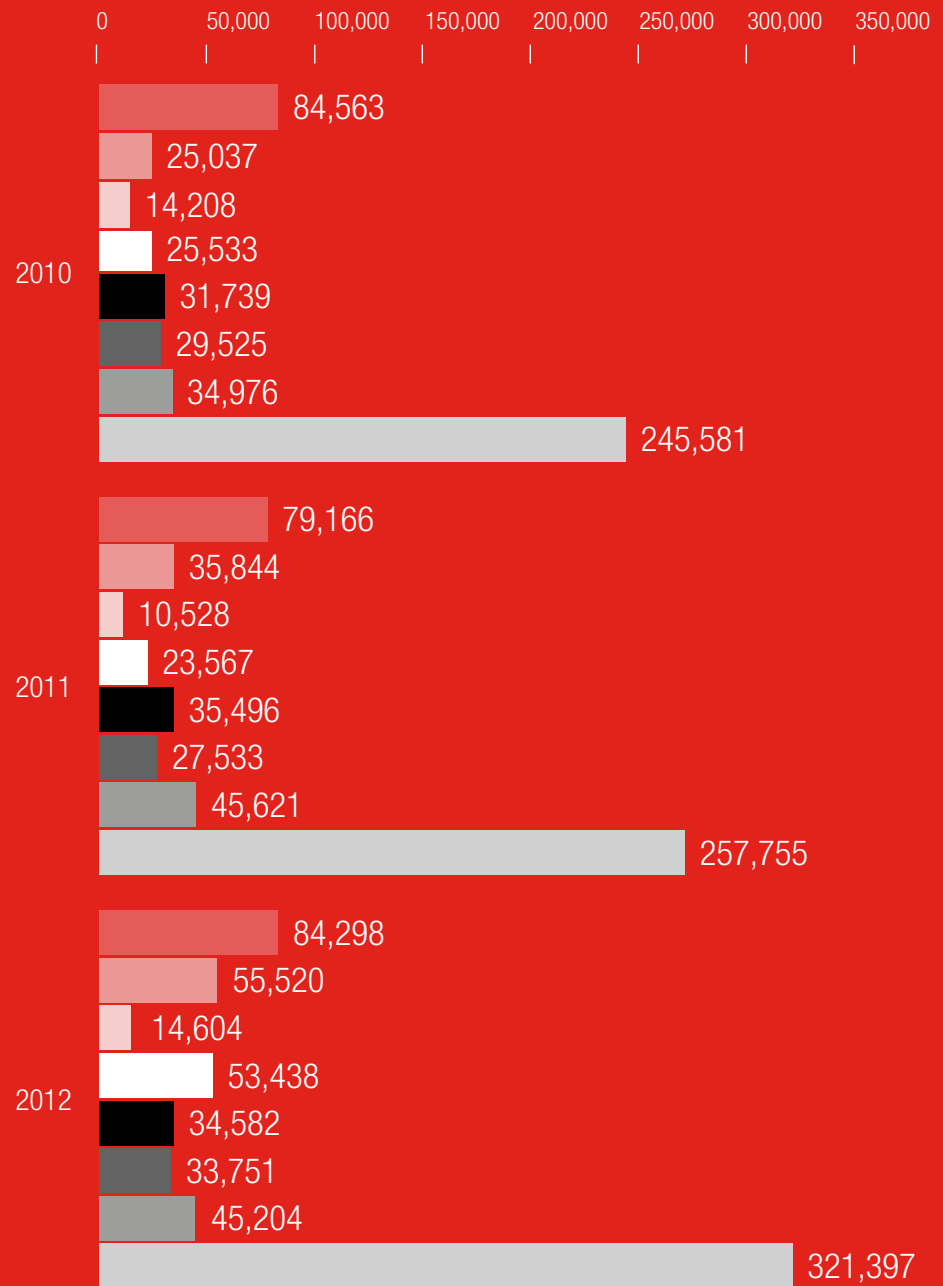
All test results were negative.



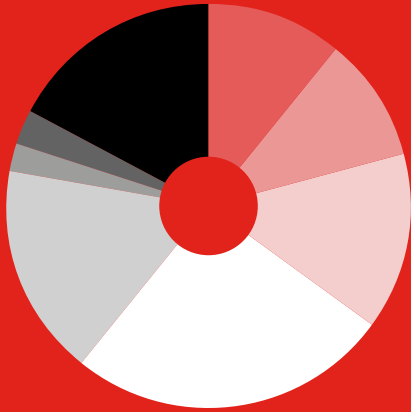
## 4.4 Economic Performance

Economic performance data are based on AC Milan Group's financial statements as of 31st December 2012.

### OPERATING REVENUES (in thousand Euro)



BREAKDOWN OF REVENUES 2012



11%

Sponsorships

10%

Gate receipts

14%

Royalties and other commercial activities

26%

Broadcasting rights

17%

European/international competition rights

2%

Archive rights

3%

Other income

17%

Capital gains

GATE RECEIPTS 2012



36%

Championship matches

2%

Italian Cup matches

19%

International matches

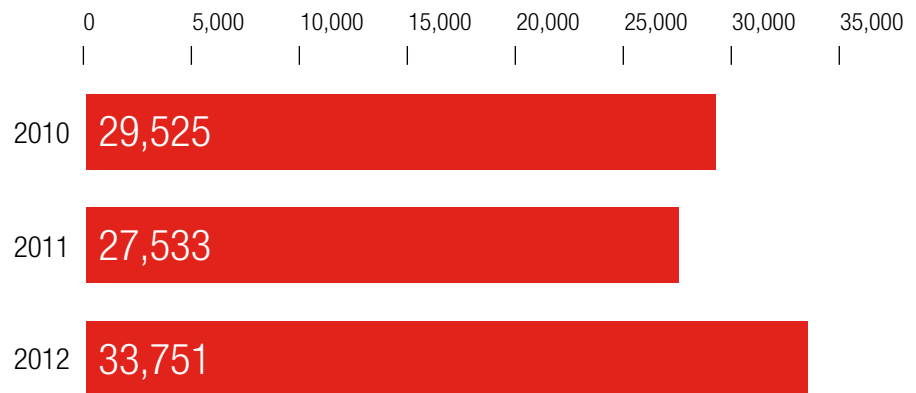
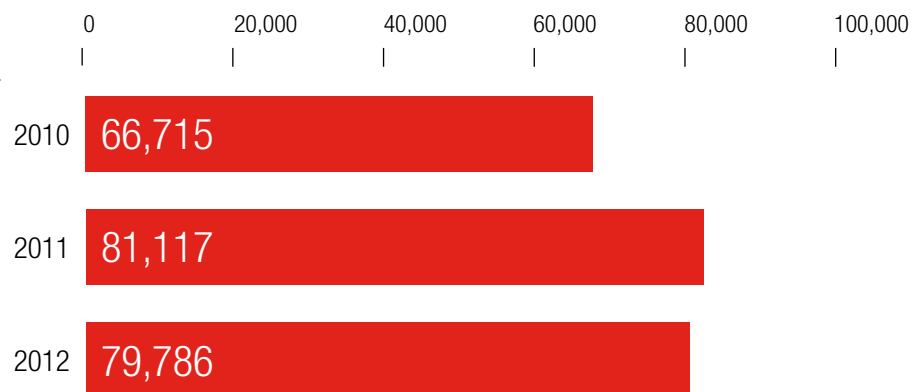
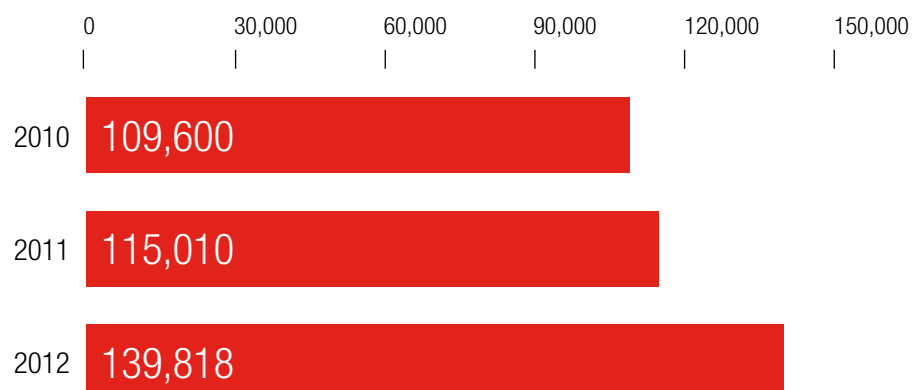
35%

Season tickets

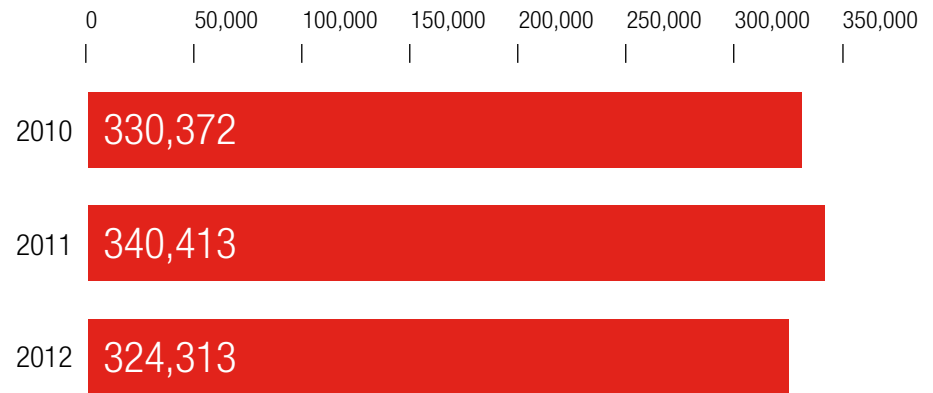
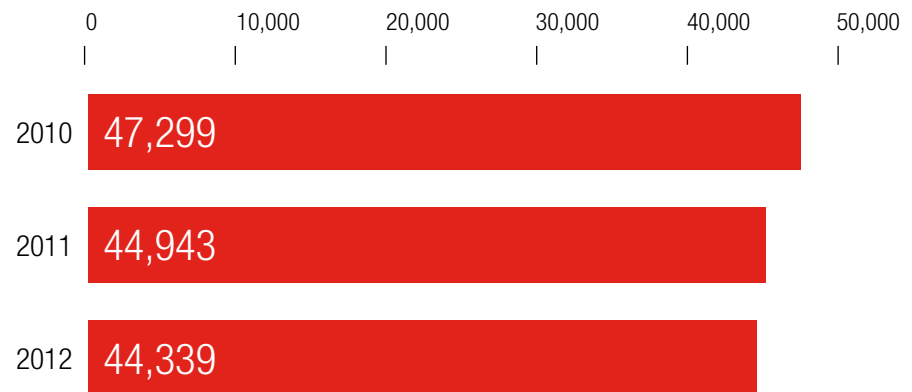
8%

Other competitions

## GATE RECEIPTS

SPONSORSHIPS  
AND OTHER COMMERCIAL  
ACTIVITIESBROADCASTING  
RIGHTS AND  
INTERNATIONAL  
COMPETITION RIGHTS

## OPERATING EXPENSES

PLAYER  
AMORTISATION  
AND DEPRECIATION





# 5

# COMMUNICATION

- 
- 5.1 Channels and Messages
  - 5.2 AC Milan Foundation
  - 5.3 Partnerships with Nonprofit Organizations and Civil Society

For an entertainment company such as AC Milan the management and use of information is essential.

The need of many stakeholders (fans, media, commercial partners, sports authorities) is to receive clear and accurate information, in different forms and contents, but with ever increasing frequency.

For this reason the various platforms are continuously monitored and updated: from classical media (TV, print media) to digital media.

AC Milan's task is to satisfy the needs of different stakeholders by increasingly customising the contents addressed to them.

## 5.1 Channels and Messages

CHANNELS	CONTENT
MILAN CHANNEL	Daily updating on the Club's life
ACMILAN.COM	Institutional communication (texts, photos, videos)
FACEBOOK (Ac Milan, Fondazione, MJC) TWITTER (@acmilan, @acmilanyouth) GOOGLE+	Constant updating, informal language, exclusive contents and services (live chats with players, dedicated APPs), backstage
YOUTUBE	Exclusive viral videos
FLICKR	Photographic content
TENCENT and SINA.COM	Latest news for the Chinese market
MOBILE APP iMILAN 2.0	Updating of text, photos and videos from acmilan.com
FORZA MILAN!	Monthly institutional magazine

Milan Channel is the first thematic channel entirely dedicated to a football club. Operating 24 hours a day, 7 days a week, Milan Channel broadcasts preview news, yesterday's and today's matches, live press conferences, training sessions at Milanello, pre-match and post-match interviews and highlights from the stadium both at league, cup matches and all delayed broadcast matches.

Every week during the competition season, the trainer and at least three players meet with the media in press conferences or one-to-one interviews. About 400 interviews are organized during the sports season.

Media involved in this activity are mainly Italian. International media that show the greatest interest and curiosity in the AC Milan world come from, in order of interest: Indonesia, Japan, United States, Canada, Brazil, Sweden, Germany, Spain and Malta.

As an average, the number of journalists who follow during the season AC Milan matches are over 5 thousands (with 1,500 international attendances), with over 3 thousand photographers and about 4 thousand TV operators.

## ACMILAN.COM WEB SITE

13<sub>m</sub>

total users  
with 42 newsletters delivered

9

different languages

over 20<sub>m</sub>

clicks on commercial banners  
published in the Italian version of the  
web site [www.acmilan.com](http://www.acmilan.com)

over 4<sub>m</sub>

clicks on the pre-roll spots  
on Milantime, the official web TV

over 140

Countries generating international  
traffic on the web

12%

more page views compared to the  
2011/2012 season

## AC MILAN REACH GLOBAL RESULTS ON SOCIAL AND ENGAGEMENT PLATFORMS



### FACEBOOK

16<sub>m</sub>

fans

1<sup>st</sup>

Italian brand page on Facebook, among the 5 top clubs

3<sub>m</sub>

views



## TWITTER

1.2<sub>m</sub>

followers

over 15K

tweets per month with platform daily updates

70%

international followers



## GOOGLE PLUS

1.7<sub>m</sub>

followers with daily updates and interactions with fans



YOUTUBE

85<sub>m</sub>

views

110<sub>k</sub>

subscribers

5

top clubs on YouTube, including AC Milan



TENCENT

1<sub>m</sub>

followers on the 3<sup>rd</sup> ranked club in the world

1<sup>st</sup>

club in Italy for number of followers







## 5.2 AC Milan Foundation

AC Milan Foundation (Fondazione Milan) is a socially useful NPO, founded on 20 February 2003 with the purpose of actively supporting, with constant commitment, activities intended to promote social welfare of the weaker groups of population, with special focus on safeguarding children's rights.

8<sub>m</sub>

euro funds raised

3

areas of action:  
health, education, sport

90

finished projects

16

Countries where the Foundation has  
operated

40<sub>k</sub>

facebook fans

## MAIN PROJECTS IN 2012:

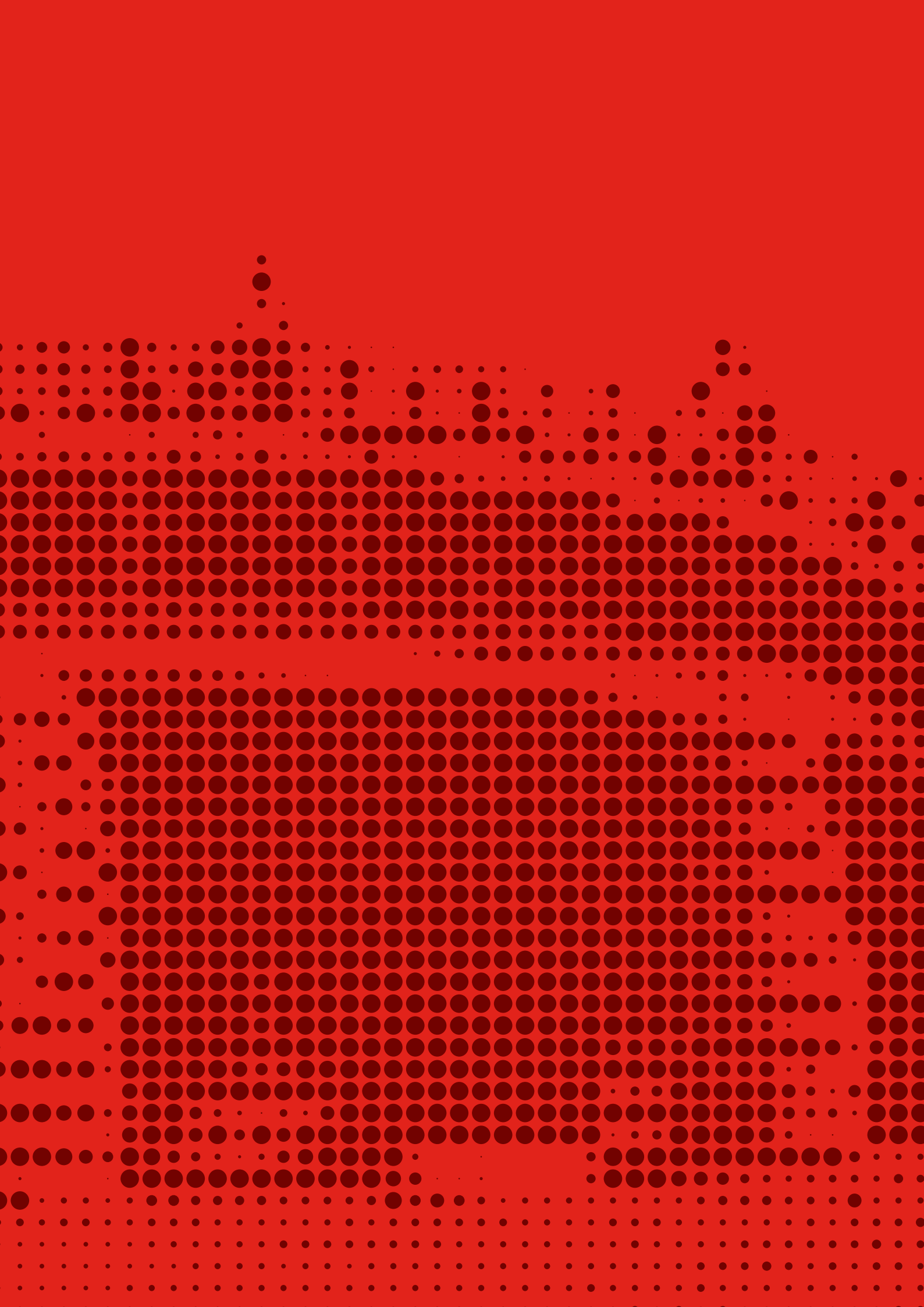
- 1. “The House of FATA”:** a new housing facility was built in the province of Milan to host children living in poverty- FATA (Famiglie Temporanea Accoglienza/Family Temporary Accommodation) is engaged in supporting those children and teenagers that the Juvenile Court separates from their families due to serious hardship situations.
- 2. Project Playground:** is a nonprofit organization that operates in South Africa. The goal of the project is to consolidate the presence of the organization in the slums of Cape Town through sport. Sport, especially team based sports, and play are indeed considered essential elements in children’s education and growth as individuals (about 100 children involved).
- 3. Dynamo Camp** is the first recreational therapy camp in Italy for children suffering from serious and chronic pathologies, during treatment or in the post-hospitalization period. The Camp is free for children aged between 7 and 17. Dynamo Camp aims at offering these kids the possibility to take back their childhood by means of a special program that helps them regain self-confidence and trust in their potentials in a secure and joyful atmosphere. The Camp also includes special programs for parents and siblings, thereby involving the entire family facing the experience of the disease. Every year in Italy there are over 10,000 seriously or chronically ill children. AC Milan Foundation supported Dynamo Camp financing a 10-day treatment period for 80 children.
- 4. Polisportiva Europa in Naples:** : “Nobody excluded” project. The goal here is to draw young people’s attention to educational aspects within sport. The project, in collaboration with local institutions and organizations, aims at carrying out a project of “Education in Sport” involving not only young students, but also their families.

## 5.3 Partnerships with Nonprofit Organizations and Civil Society

The support and collaboration that the AC Milan Group offers to nonprofit organizations are not limited to the projects of AC Milan Foundation.

During the year several activities are carried out to concretely support many initiatives that reflect the values and messages promoted by the Group. These include:

- **“AC Milan and Parish Centres”**: with this project AC Milan fully embraces the world of parish centres. The kids from parish centres are invited to the stadium, and an official membership plaque is personally delivered by an AC Milan player to selected Parish Centres in recognition of their special commitment to the education of the youth. In Italy the project involves one million and 500 thousand young people.
- **“Io tifo positivo”**, (Positive Support), a campaign in which AC Milan has been participating for 3 years. After attending a training course on the topic of positive support organized at schools by the operators of Comunità Nuova (including the participation of an AC Milan player), the young students personally experience positive support at the stadium, exhibiting their own banners. The project focuses on important themes, such as racism (addressed also by UEFA) and bullying.
- **“Africa Calling Association”**: promotion of the national campaign “Fight against Famine” supported by the 2012/2013 AC Milan captain, Massimo Ambrosini, with the objective of reaching and saving over 80,000 children in Kenya, Tanzania and Zambia. There 30% of the population is starving and 80% of children are undernourished.



# 6

# INFRASTRUCTURES

- 
- 6.1 San Siro Stadium
  - 6.2 Milanello Sports Centre
  - 6.3 Vismara Sports Centre
  - 6.4 New Headquarters



## 6.1 San Siro Stadium

Since 2000 the San Siro stadium has been exclusively used by the two football clubs of the city of Milan, AC Milan and F.C. Internazionale, on the basis of a thirty-year license granted by the Municipality of Milan.

### STADIUM CAPACITY

SECTOR	No. OF SEATS ACCORDING TO STANDARD REQUIREMENTS
SKY LOUNGE WEST STAND/RED	209
FIRST TIER WEST STAND/RED AND WEST SIDE STANDS RED	7,362
SKY BOX WEST STAND/ RED	150
SKY BOX EAST STAND/ORANGE	150
FIRST TIER NORTH STAND/GREEN	4,338
FIRST TIER EAST STAND/ORANGE I	8,938
FIRST TIER EAST STAND/ORANGE II	2,017
FIRST TIER SOUTH STAND/BLUE	4,393
SECOND TIER WEST STAND/RED	7,703
SECOND TIER NORTH STAND/GREEN	7,468
SECOND TIER EAST STAND/ORANGE	8,467
SECOND TIER SOUTH STAND/BLUE	8,731
THIRD TIER WEST STAND/RED	8,473
THIRD TIER NORTH STAND/GREEN (VISITING SUPPORTERS SECTOR)	5,535
THIRD TIER SOUTH STAND/BLUE	5,537
<b>TOTAL</b>	<b>79,471</b>

The two clubs established the M-I Stadio company that organizes on behalf of the shareholders of AC Milan and FC Inter all the operations related to the stadium life, and in particular all the ordinary and extraordinary maintenance and facility management activities to ensure the efficient and secure functioning of the stadium throughout the year. Major facility renovation and refurbishment works are presently being carried out to make the San Siro stadium capable of hosting the UEFA Champions League Final in 2016.

151,873

Methane (m<sup>3</sup>)

4,376,443

Electricity (Kwh)

2,203

Co2 equivalent (t)

## EVENTS

- in 2012 the stadium hosted a rugby match between the well-known All Blacks and the Italian national team: the match played in the charming arena of San Siro etched in the fans' memories and contributed to boosting the popularity of this sport in Italy;
- corporate events in hospitality lounges;
- favourite arena for the most important concerts of famous international performers organized in Milan;
- institutional events in collaboration with the Church of Milan: June 2, the day of conferral of the confirmation sacrament, has been for years a very special date.

## ENERGY

During 2013 the stadium will be equipped with a methane-fuelled cogeneration system that will make it fully autonomous with respect to energy supply requirements, with overall power consumption savings equal to over 5 m Kw/h per year. Furthermore, it will be possible to use the generated hot water flow both for the stadium heating system and for heating the turf that will be installed in 2014. This will avoid the use of conventional water heating systems.

Advanced technological research studies have contributed to the development of an integrated lighting system named "Albatro" that promotes the turf growth.

SAN SIRO STADIUM ENERGY CONSUMPTION	2012	2011
Methane (m <sup>3</sup> )	151,873	357,357
Electricity (Kwh)	4,376,443	3,532,128

CO2 EQUIVALENT (T)	2,203	2,255
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## WATER

The project for the new water system of the stadium develops through three major areas of innovation and improvement that will include the San Siro stadium in the ranking of the most modern sports arenas.

Significant advantages in terms of water consumption savings will be obtained.

The three main drivers are:

- Integrated management of the water supply system;
- Renovation of the engineering and distribution components of the water system;
- Rainwater harvesting system.

## WASTE MANAGEMENT

The current waste management system has had a favourable impact on environmental sustainability thanks to the reduced quantity of produced wastes.

The turf of the San Siro playing field is a mixture of natural materials, such as sands and grass, and of plastic materials that are disposed of to landfill.

Before 2012, sods had to be completely replaced and re-laid from 6 to 7 times a year, each time covering 9,000 square metres.

## NOISE POLLUTION

In order to reduce noise pollution during music performances, special sound absorbing acoustic panels were installed on the top of the third tier.

## 6.2 Milanello Sports Centre

Completely refurbished and renovated thanks to the backing of Silvio Berlusconi, Milanello is today one of the most important and state-of-the art sporting centre in Europe.

Originally opened in 1963, the centre is surrounded by a **160,000 m<sup>2</sup>** green oasis.

Milanello represents today an important asset both for the Club, and for the entire Italian football world. This was the objective pursued by Andrea Rizzoli, who decided to build the facility. The continuity was thereafter ensured by Silvio Berlusconi, who had always wanted to provide coaches and players with a training centre tailored to meet their needs.

# 18,223

Methane (m<sup>3</sup>)

# 1,782,760

Electricity (Kwh)

# 81,000

Diesel fuel (l)

# 6,502

GPL (l)

# 1,031

Co2 equivalent (t)

MILANELLO SPORTS CENTRE ENERGY CONSUMPTION	2012	2011
Methane (m <sup>3</sup> )	18,223	-
Electricity (Kwh)	1,782,760	1,728,060
Diesel fuel (l)	81,000	143,000
GPL (l)	6,502	10,300

CO2 EQUIVALENT (T)	1,031	1,138
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As regards water consumption, in 2012 10,625 m<sup>3</sup> were used.

### FACILITIES

Milanello training facilities have always been at the forefront and are thus often used also by the Italian Football Association (FIGC) for the national team preparation to some important competitions, such as the European Championships in 1988, 1996 and 2000. The Milanello training facilities include:

- **six full-size playing fields**, including one in synthetic turf (35 m x 30);
- an indoor synthetic field (42 m x 24);
- an outdoor grass pitch known as **“the cage”** because the playing field is surrounded by a 2.30 m high wall topped by 2.50 m high netting.

A 1,200 m long path that runs at various gradients through the wood is used by players during the season for physical fitness training (jogging and cycling) and also for post-injury rehabilitation.

The main building of the centre, made up of two floors (plus the basement), hosts offices, the players' rooms, a main hall with a nice chimney, a TV room, a billiard room, a bar, a kitchen, two dining rooms, a press room, a meeting room, a laundry room and a medical centre. Next to the main building there is a "guests house", where some players from the Youth Team live. These young players coming from different regions of Italy and from abroad attend the school in the morning and train in the afternoon.

#### THE DRESSING ROOMS

A separate building houses two dressing rooms, one for the First Team and the other for the Youth Team.

#### THE GYM

The completely renovated gym offers the players very innovative, high-tech Tecnogym branded equipment.

The latest cardiovascular machines are equipped with the new VISIOweb interactive display for connection to the internet, TV and iPod during training, and the Purestrength line of equipment has been specially designed for the needs of athletes in muscle strengthening exercises.

#### MEDIA FACILITIES

The latest renovation works at the Centre have involved the communication area: 3,000 m cables have recently been installed to place in the strategic points of the centre the cameras of Milan Channel - the Club's thematic channel that broadcasts what happens at Milanello for all the AC Milan fans.

The Sports Centre also includes two press rooms equipped to host conferences and meetings with the journalists.

## 6.3 Vismara Sports Centre

The sports activity of AC Milan Youth Sector takes place at the Vismara Sports Centre, where all the young athletes, from the Under 9 to Under 17 teams, train and play their home matches in their respective championships. This guarantees a constant communication and relationship among the various persons involved: young players, coaching and medical staff. Also the Youth Team plays their championship matches at Vismara, but they train at Milanello in order to receive a more comprehensive preparation to become professional players. Both centres are indeed state-of-the-art sporting facilities capable of offering athletes the best conditions for optimal performance and maximum development of their capacities.

The Sports Centre represents one of the most important sports facilities dedicated to football in the city of Milan. Situated in a huge green area of about 230,000 m<sup>2</sup>. it was built in memory of Giuseppe Vismara, founder of the Credito Artigiano, to continue his work and thus create the conditions to promote sports and entertainment activities as moments of youth aggregation and education to the Christian values of solidarity, human respect and loyalty.

Available facilities consist of:

- **seven soccer fields:** four full-size fields in synthetic turf (built by AC Milan with the latest materials); a central full-size playing field in natural grass with an annexed running track; a 7-a-side soccer field in synthetic turf of previous generation; a 7-a-side soccer field in natural grass;
- **Covered grandstand:** built in 1982, it can host 1200 persons. It includes a dressing room area (both at ground level and first level), warehouses, two rooms for physiotherapy and a medical room;
- **A grandstand close to the D field** for 99 persons;
- **Main building:** houses the management offices, a conference hall for 300 persons, a meeting room for 50 persons, a bar, a canteen and a chapel.

2,377

Methane (m<sup>3</sup>)

24,520

Electricity (Kwh)

15.4

Co2 equivalent (t)

VISMARA SPORTS CENTRE ENERGY CONSUMPTION	2012	2011
Methane (m <sup>3</sup> )	2,377	1,727
Electricity (Kwh)	24,520	24,577

CO2 EQUIVALENT (T)	15.4	14.1
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## 6.4 New Headquarters

The decision to find the location of new headquarters representing the main activities of the AC Milan Group was the response and tangible valuable element of the strategy adopted by the Club - a new model of sustainable business that endeavours the maximisation of revenues through brand extension (in products, services and markets) to support sporting excellence.

The new headquarters will be opened in 2014 and will allow for:

- new commercial strategies with sponsors and partners;
- developing the retail concept (AC Milan Cafè, experiential museum and store, MilanLab);
- enhancing the image through institutional operations and events;
- thinking of a new way of working with increased functional and technological possibilities.

The choice of a different location for the Group's offices has also originated from the need to support environmental sustainability. The technical, architectural and engineering characteristics of the new headquarters make them a building-plant system with class A energy efficiency classification.

### HEATING VENTILATION AND AIR CONDITIONING SYSTEMS

The building will be equipped with an air conditioning system (fan coil units and primary air systems), controlled and monitored by a central operating system, where environmental temperature setpoints and operating time schedule can be set. The system will automatically control the heating and cooling circuits according to changes and needs of individual environments. Operating costs will therefore be optimized and at the same time a good environmental comfort will be provided.

### ELECTRICAL SYSTEMS

All electrical installations, in particular lighting systems, will be equipped with a centralised control and operation system. From the power control room it will be possible to control the different areas and all the light fittings within the entire building. This will allow for an efficient management of the lighting system according to individual scenarios and needs.

# APPENDIX

## STANDARD DISCLOSURES

**1. STRATEGY AND ANALYSIS**

Profile Disclosure	Description	Cross-reference/Direct answer
G4.1	Statement from the most senior decision-maker of the organization about the relevance of sustainability to the organization and the organization's strategy to address sustainability	Letter to the Stakeholders

**2. ORGANIZATIONAL PROFILE**

Profile Disclosure	Description	Cross-reference/Direct answer
G4.3	Name of the Organization	Associazione Calcio Milan SpA
G4.4	Primary brands, products and/or services	"History of the Club" The organization's purpose is exclusively the practice of sports activities, in particular the training, preparation and management of football teams as well as the promotion and organization of matches, tournaments and any other football activity in general, with the purposes and in accordance with the rules and regulations of Federazione Italiana Giuoco Calcio (Italian Football Association) and its Organs.
G4.5	Location of the organization's headquarters	Via Filippo Turati 3, 20121 Milan, Italy
G4.6	Number of countries where the organization operates, and names of countries where either the organization has significant operations or that are specifically relevant to the sustainability topics covered in the report	The Youth - Soccer Schools
G4.7	Nature of ownership and legal form	The AC Milan Group
G4.8	The markets served (including geographic breakdown, sectors served, and types of customers and beneficiaries)	The Youth - Soccer School
G4.9	The scale of the organization	Our People Economic Performance The First Team The Youth
G4.10	<p><b>a.</b> Total number of employees by employment contract and gender</p> <p><b>b.</b> Total number of permanent employees by employment contract and gender</p> <p><b>c.</b> Total workforce by employees and supervised workers and by gender</p> <p><b>d.</b> Total workforce by region and gender</p> <p><b>e.</b> Report whether a substantial portion of the organization's work is performed by workers who are legally recognized as self-employed, or by individuals other than employees or supervised workers, including employees and supervised employees of contractors</p> <p><b>f.</b> Any significant variations in employment numbers (such as seasonal variations in employment in the tourism or agricultural industries)</p>	Our People
G4.11	Percentage of total employees covered by collective bargaining agreements	Our People
G4.12	Description of the organization's supply chain	Development - Companies
G4.13	Any significant changes during the reporting period regarding the organization's size, structure, ownership, or its supply chain	Methodological Note
G4.14	Report whether and how the precautionary approach or principle is addressed by the organization	Governance - Code of Ethics

G4.15	Externally developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes or which it endorses	Development - Subjects AC Milan Foundation Partnerships with Nonprofit Organizations and Civil Society
G4.16	Membership of associations (such as industry associations) and national or international advocacy organizations in which the organization: - holds a position on the governance body; - participates in projects or committees; - provides substantive funding beyond routine membership dues; - views membership as strategic	Contribution to the development of the football system
G4.17	<b>a.</b> List all entities included in the organization's consolidated financial statements or equivalent documents <b>b.</b> Report whether any entity included in the organization's consolidated financial statements or equivalent document is not covered by the report	The AC Milan Group
G4.18	<b>a.</b> Explain the process for defining the report content and the Aspect Boundaries <b>b.</b> Explain how the organization has implemented the Reporting Principles for Defining Report Content	Methodological Note

### 3. MATERIAL ASPECTS AND ASPECT BOUNDARY

Profile Disclosure	Description	Cross-reference/Direct answer
G4.19	List all the materials Aspects identified in the process for defining report content	Corporate Social Responsibility Policy
G4.20	For each material Aspect, report the Aspect Boundary within the organization, as follows: <b>a.</b> Report whether the Aspect is material within the organization <b>b.</b> If the Aspect is not material for all entities within the organization (as described in G4-17), select one of the following two approaches and report either: - The list of entities or groups of entities included in G4-17 for which the Aspect is not material or - The list of entities or groups of entities included in G4-17 for which the Aspect is material <b>c.</b> Report any specific limitation regarding the Aspect Boundary within the organization	Corporate Social Responsibility Policy
G4.21	For each material Aspect, report the Aspect Boundary outside the organization, as follows: <b>a.</b> Report whether the Aspect is material outside of the organization <b>b.</b> If the Aspect is material outside the organization, identify the entities, groups of entities or elements for which the Aspect is material. In addition, describe the geographical location where the Aspect is material for the entities identified <b>c.</b> Report any specific limitation regarding the Aspect Boundary outside the organization	NA
G4.22	Report the effect of any restatements of information provided in previous reports, and the reasons for such restatements	There are no restatements of information, because there is no previous Sustainability Report
G4.23	Significant changes from previous reporting periods in the Scope and Aspect Boundaries	There are no changes in the Scope and Aspect Boundaries, because there is no previous Sustainability Report



**4. STAKEHOLDER ENGAGEMENT**

<b>Profile Disclosure</b>	<b>Description</b>	<b>Cross-reference/Direct answer</b>
G4.24	List of stakeholder groups engaged by the organization	Map of Stakeholders
G4.25	Basis for identification and selection of stakeholders with whom to engage	Corporate Social Responsibility Policy
G4.26	The organization's approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group, and an indication of whether any of the engagement was undertaken specifically as part of the report preparation process	The Organization is defining and developing a system of stakeholder engagement
G4.27	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting. Report the stakeholder groups that raised each of the key topics and concerns	The Organization is defining and developing a system of stakeholder engagement

**5. REPORT PROFILE**

<b>Profile Disclosure</b>	<b>Description</b>	<b>Cross-reference/Direct answer</b>
G4.28	Reporting period for information provided	Methodological Note
G4.29	Date of the most recent previous report	Methodological Note
G4.30	Reporting cycle (such as annual, biennial)	Methodological Note
G4.31	Contact point for questions regarding the report or its contents	Methodological Note
G4.32	<p><b>a.</b> Report "in accordance" option the organization has chosen</p> <p><b>b.</b> Report the GRI Content Index for the chosen option</p> <p><b>c.</b> Report the reference to the External Assurance Report, if the report has been externally assured</p>	Methodological Note
G4.33	<p><b>a.</b> Report the organization's policy and current practice with regard to seeking external assurance for the report</p> <p><b>b.</b> If not included in the assurance report accompanying the sustainability report, report the scope and basis of any external assurance provided</p> <p><b>c.</b> Report the relationship between the organization and the assurance providers</p> <p><b>d.</b> Report whether the highest governance body or senior executives are involved in seeking assurance for the organization's sustainability report</p>	NA

**6. GOVERNANCE**

<b>Profile Disclosure</b>	<b>Description</b>	<b>Cross-reference/Direct answer</b>
G4.34	Governance structure of the organization, including committees of the highest governance body. Identify any committees responsible for decision-making on economic, environmental and social impacts	Governance

**7. ETHICS AND INTEGRITY**

<b>Profile Disclosure</b>	<b>Description</b>	<b>Cross-reference/Direct answer</b>
G4.56	The organization's values, principles, standards and norms of behaviour, such as codes of conduct and codes of ethics	Values and Mission of the AC Milan Group

# Improvement Objectives

## ORGANIZATION MODEL OF SUSTAINABILITY

Primary importance is attributed to the governance system and monitoring of programs and activities developed within the CSR area. The governance of CSR issues makes it possible to identify the gaps and fields in which there is a misalignment between the corporate policy and the ongoing activities and reinforces the reputation towards stakeholders.

Organizational roles will thus be introduced to coordinate with the corporate functions concerned for reporting purposes, for preparing the sustainability report to be approved by the Board of Directors, for setting up the CSR communication plan and for the definition of improvement areas, and roadmap updating.

## SUSTAINABILITY OPERATING PLAN

The Club's aim is to define an operating plan with a breakdown of objectives in terms of actions, resources and expected results in accordance with the strategic lines drawn in the Corporate Social Responsibility Roadmap 2013-2015.

Consistently with the principles indicated in the Roadmap, special initiatives will be promoted within the various thematic areas: sport, organization, development and infrastructures.

## STAKEHOLDER ENGAGEMENT

Within the strategy followed by the Club, the inclusion of the stakeholders' expectations into the decision-making process is essential for the sustainable long-term development of the organization. For such reason, the first step will be listening to stakeholders through a host of activities aimed at identifying their needs and expectations, by exploiting actions and tools already in place. Then, the findings will be systematically analyzed in order to revise the CSR guidelines accordingly.

## REFINEMENT OF CORPORATE REPORTING SYSTEM

In the next few years we will endeavour to establish a more structured and complete representation of attained results with the definition of some more complex indicators and a more accurate measurement system. The tools (data collection sheets) will be further improved and the process will be more structured through a formal definition of roles, activities and time schedules.

**SUSTAINABILITY  
REPORT  
2012**

AC MILAN GROUP  
Via Turati 3, 20121 Milan, Italy

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Art direction and design  
INAREA

This first Sustainability Report has been  
prepared with the technical-methodological  
support of

