



DEAR STOCK HOLDERS

Again in 2016, the Marchesini Group continued to focus on topics of social and environmental sustainability. It consolidated the goals reached in previous years and even raised the target to pursue others. The company shared its distinguishing values of over forty years through the Code of Ethics, which was implemented in 2015<sup>1</sup>, and which indeed speaks quite clear:

*Our mission is the expression of our business soul and has established an endless growth worldwide thanks above all to our ongoing commitments toward running a responsible business. We have indeed always been aware that our reputation, which is our biggest asset, also depends on doing business ethically. Every day and everywhere it is an asset that we must preserve and strengthen, striving to guarantee high standards of integrity, legality, transparency and respect.<sup>2</sup>*

The Group has continued to invest in researching increasingly sustainable products, boosted the human resources development process and promoted and actively participated in projects and initiatives of public interest. The Group's efforts have also been rewarded from a point of view of reducing the environmental impact of its products and its production cycle, as far as possible.

In 2016 furthermore, the corporate welfare project was launched, granting each employee<sup>3</sup> a net sum of € 200 to support their income.

The sustainability strategy of the Marchesini Group continues to target the sustainable technological innovation of the solutions offered to customers, the environmental responsibility of the production processes, the health and safety of the workplaces and personal growth.

The same attentive approach is also dedicated to environmental safeguard and relations with local communities where the company works. In fact, the dedicated resources grew in 2016.

This year, our Sustainability Report boasts the preface of Ivano Dionigi. In view of the Group's role and how it interacts with its land, his contribution represents another tribute to our work, making us even prouder and increasingly grateful.

  
Maurizio Marchesini  
PRESIDENT

<sup>1</sup> The Code of Ethics of the Marchesini Group was formally enforced on January 1<sup>st</sup> 2016 even if it was actually implemented in 2015

<sup>2</sup> Code of Ethics of the Marchesini Group, page 9

<sup>3</sup> The project initially involved the employees of the Marchesini Group S.p.a., Neri S.p.a. and C0.RI.M.A. S.r.l.



Dear Stakeholders,

My experience as the CEO of the Marchesini Group began in 2017.

I am proud to have been called to lead a Group that is not only one of the top businesses in the field of automatic packaging machinery, but that has always focused strongly on sustainability topics.

A responsible business, as the economist Stefano Zamagni says, means implementing models based on the rationality of the laws of the market and on balanced productive efficiency, always striving toward "brotherly solidarity" to achieve the integrated development of people by satisfying their material, social-relational and existential needs and thinking of "work" as the goal and not the way to achieve the goal<sup>4</sup>.

The Marchesini Group is this too, as well as being a worldwide leader of its sector, because it knows that true leadership also requires great responsibility.

Similar to last year's report, the Sustainability Report of 2016 exhaustively describes the Group's efforts toward these topics, backing them with the core parameters foreseen by the GRI/G4 guidelines and by a proactive analysis of the company's carbon footprint.

The edition referred to the financial year of 2016 also presents the methodically structured approach of the solid materiality matrix and the section dedicated to process and product innovation. Another novelty is the Group's Corporate Welfare System for which the main details on how it is distributed and used are given.

The business therefore continues to grow and boasts a competitive advantage for its sustainable management with regard to the international strategic scenario. The Group's managerial organisation goes hand in hand with the values of a Family, which even if it aims worldwide, still remains loyal to its Italian roots.

Pietro Cassani  
CHIEF EXECUTIVE  
OFFICER

<sup>4</sup> Stefano Zamagni, author of "L'economia del bene comune", Città Nuova, January 2008

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## PREFACE

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by IVANO DIONIGI<sup>5</sup>

The use of the Code of Ethics prepared with firm belief and scrupulousness; respect for the rights of employees and talent enhancement; customised machines and lines and getting customers involved in designing them; safeguard of health and the environment; strong bonds with local social contexts; major investments in research and an international pursuit; commitments toward needy individuals and groups; the constant use of the word “we” in in-house and out-of-house relations: these are just some of the remarkable features that shine out in the report and that make the Marchesini Group a key player and perfect testimonial of the industrious class and reality of the Emilia Romagna region. A region that knows exactly how to accord profit and solidarity, economic development and safeguard of the world, manual skills and mental skills. A reality and entrepreneurial class that, in the aristocratic and old-fashioned image of the pyramid, has replaced the community-oriented and noble class of the circle: a geometric shape that has always been the symbol of perfection ever since ancient times. I would call it “a new class of social government” which - it has to be said - is often ahead of the same administrative and political class, by receivers and dynamism.

Drawing on my professional information, I would like to focus on three items that qualify the report to fully illustrate its original meaning: competition, innovation and communication.

**Competition.** This word comes from cum (“together”) and petere (“heading somewhere”), and therefore it means “going together in the same direction”, “running together toward the same destination”. Hence, there is nothing beastly, infringing or Darwinian about the word; it does not refer to triumphing over or taking advantage of others to assert ourselves, as most people think. A true economically competitive country is one where all the businesses - small, medium and large - are not at war against each other, but work together to reach the same goal, toward a mutual cause.

**Innovation.** This is maybe the most popular and abused word nowadays. Its linguistic origin refers to “something revolutionary, never seen or heard of before” (this is what novum and novitas mean), something that changes the individual fate of a person and of a community. Just ask yourselves: are we really aware that there are two revolutionary novelties - the technological revolution of the digital phenomenon and the social revolution of the immigration phenomenon - that are making us change our codes and lifestyles?

**Communication.** Language tells us that communicating is not merely telling others what we are doing or what we want, persuading others, “selling” information or a product and possibly adjusting, censoring or falsifying the details: communicating (from cum, “together”, and munus, “gift”) means sharing a gift or a privilege with others. If we realise the real meaning of these words, we will become more responsible and maybe even more fair; they target and dignify the so-called human capital, an expression that recalls two of the most beautiful words, caput, “head”, and homo, “man”. The human capital: it is what makes our businesses that little different and that - let’s say so firmly and proudly - qualifies our workers and our youngsters compared with other European countries. The human capital: it is more decisive and more important than the financial asset.

<sup>5</sup> Ivano Dionigi President of AlmaLaurea and former Dean of the Alma Mater Studiorum - University of Bologna

## 1. METHODOLOGICAL NOTE

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The Marchesini Group<sup>6</sup> has published its second Sustainability Report, referred to 2016, with the aim to consolidate communications with its stakeholders and so that it can be better exploited with particular focus on its social and environmental performances.

The document has been written according to the “Sustainability Reporting Guidelines G4” defined in 2013 by GRI - Global Reporting Initiative so that the quality-quantitative information can be compared with that of the previous financial year.

This year again, the various corporate functions working at Marchesini have contributed in preparing the contents of this document. The reporting process is based on the company’s IT systems (control systems of the management, accounting, quality, environment, internal audits, safety, personnel etc.), which have been integrated with specific data collection and analysis tools. The documented information respects the principles of materiality, importance, accuracy, comparability, punctuality and reliability.

The reporting perimeter comprises the Italian branches of the Group and refers to 31<sup>st</sup> December 2016, unless other indications are written in the relevant chapters.

The 2016 Sustainability Report of the Marchesini Group, in compliance with the GRI principles, focuses in particular on the analysis of materiality, which is the threshold beyond which a topic or an indicator becomes important enough to be reported. The topics and the indicators are those which can be considered important in reflecting the organisation’s economic, environmental and social impacts or which affect the stakeholders’ decisions. The Group has prepared its Materiality Analysis and has reported the processes, the management methods and the results obtained coherently with the material aspects. The previous financial year’s data are sometimes indicated simply for comparative purposes and to get a rough idea of the trend of the Group’s activities over time.

The information written refers to measurable parameters and estimations; reference to the latter is appropriately indicated in the document.

<sup>6</sup> By the “Marchesini Group” (hereafter called Group or Company) we mean the organisational setup represented in the diagram on page 19

## 2. SUSTAINABILITY APPROACH

The Marchesini Group pursues its business model focused on sustainability and social and economic responsibility. It is indeed aware that the sustainability of its business, broadly speaking, is fundamental to create value for all of its stakeholders, ensuring the development not only of the Group but of the areas where it works too.

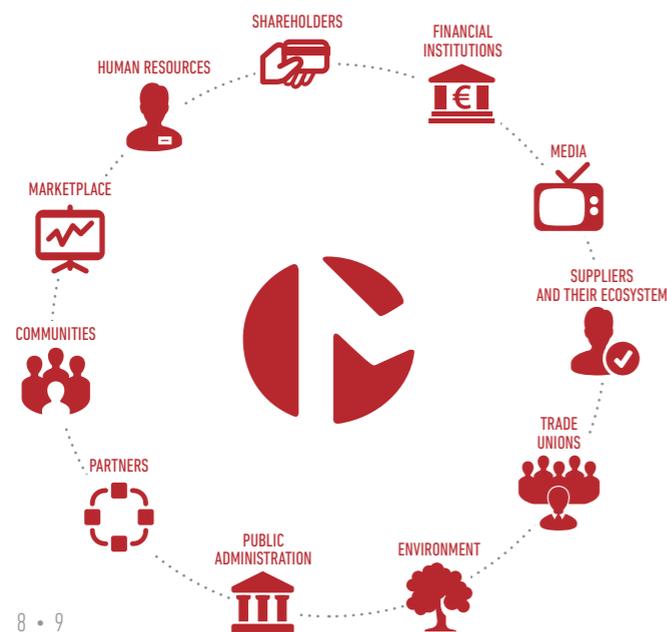
The contents herein are presented with the modular approach used in the 2015 edition, based on the three qualifying value cornerstones stated in the Group's Code of Ethics:

1. Creating value through behavioural integrity, innovation expertise and promoting excellence at all levels.
2. Enhancing people, safeguarding their wellbeing and encouraging sharing and collaboration.
3. Transparency and completeness of the information flows, bonds with the land and development sustainability.

The strategy's founding principles over the long-medium term are always found in the Mission ("Because you are our mission"<sup>7,8</sup>) and in the Vision ("on-going achievement of excellence and innovation in full compliance with legal provisions and standards and according to the Code of Ethics"<sup>9</sup>).

With increasing focus on customer centricity<sup>10</sup>, the Group constantly commits to developing and applying leading-edge technological solutions in order to offer its customers the best machines available on the market and to satisfy their needs with effective, efficient and sustainable solutions. In the field of automatic machinery for packaging pharmaceuticals and cosmetics, the Group is among the four leaders worldwide<sup>11</sup>; this is why its approach in challenging sustainability topics also aims at matching the importance that multinational enterprises working in the reference markets give to the topics dealt with when they write the ratings of the partner companies.

Stakeholders and Other parties to whom the Code of Ethics is addressed.



<sup>7</sup> Reference to 2015 Sustainability Report, pages 18 and 19, Code of Ethics, pages 16, 26 and 30

<sup>8</sup> "Because you (customers, n. d. r.) are our mission", as Maurizio Marchesini, President of the Marchesini Group S.p.a. says in the *Company Profile* on the corporate website [www.marchesini.com](http://www.marchesini.com)

<sup>9</sup> Code of Ethics of the Marchesini Group, page 16

<sup>10</sup> As defined by Peter Fader in *Customer Centricity: Focus on the Right Customers for Strategic Advantage*, Wharton Executive Essentials, May 15, 2012

<sup>11</sup> Transparency Market Research, *Pharmaceutical Packaging Equipment Market By Product Type (Solids Packaging Equipment, Semi-solids Packaging Equipment and Liquids Packaging Equipment) and By Package Type (Primary Packaging Equipment and Secondary Packaging Equipment, - Global Industry Analysis, Size, Share, Growth, Trends and Forecast 2015 - 2021*, Albany (NY), 2015

## 2.1 OUR STAKEHOLDERS

The Marchesini Group strives to satisfy the requests and the interests of its stakeholders; in other words, everyone (people, groups and organisations) connected to the company by economic relationships, interests of various kinds or because they are significantly affected by it<sup>12</sup>.

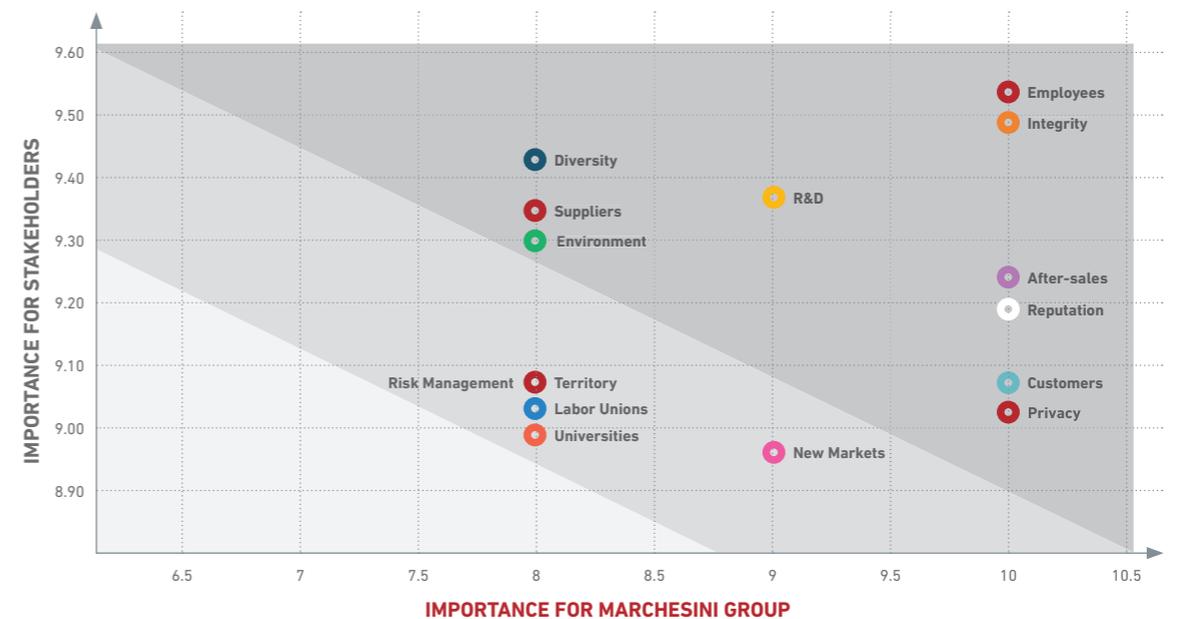
This report provides the stakeholders with an overall view of the Group's performance in terms of sustainability, continuing the social interactive communication process commenced last year. In this way, the stakeholders can assess the Group's activity more completely.

The stakeholder engagement activity also entails periodic audits concerning interests and economic, human, professional and social expectations, in order to better assess their coherence with the set targets.

This process has led to pinpointing and mapping (composition, method of involvement, reference topics and targets to be reached) all the stakeholders of the Marchesini Group.

In 2016, the Materiality Matrix was setup, namely the evaluation of the trade-off between the level of meaningfulness of the economic, environmental and social impacts for the Company and the importance they have for the stakeholders.

### MATERIALITY MATRIX 2016



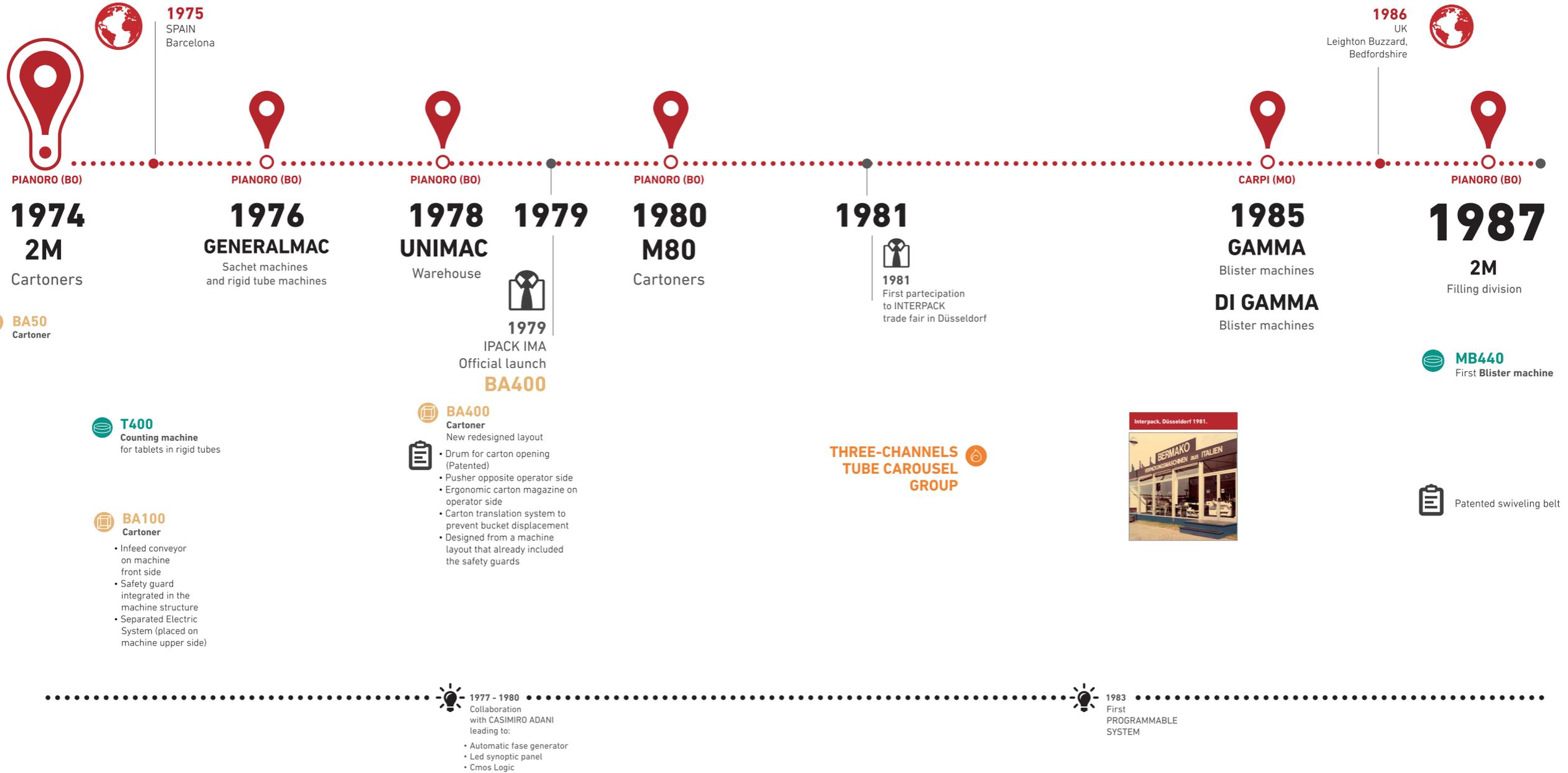
KEY

○ LOW PRIORITY    ● MEDIUM PRIORITY    ● HIGH PRIORITY

<sup>12</sup> Code of Ethics for the Marchesini Group, page 10

# 3. OUR HISTORY

PRODUCT LINES



# 3. OUR HISTORY

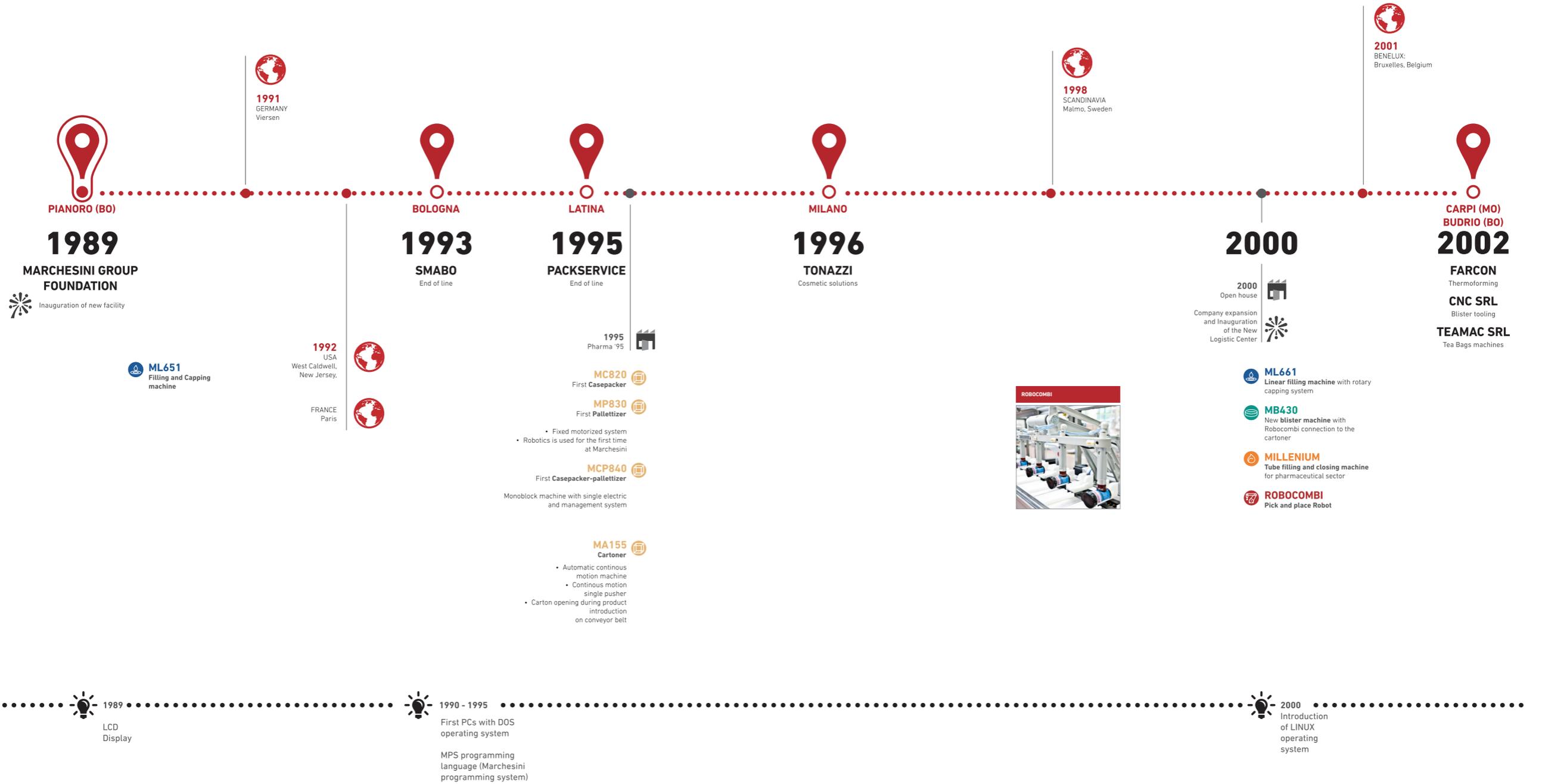
SPECIAL EVENTS

Open house

Inauguration

Trade Fair

Patent



# 3. OUR HISTORY

**2003** SIENA  
**CORIMA**  
Sterile liquid filling

**2004** MILANO BOLOGNA  
**VASQUALI**  
Counting machines  
**CBS S.R.L.**  
Engineering

**2005** MIDDLE EAST & CENTRAL ASIA  
Dubai, UAE

**2006** CASABLANCA, MOROCCO  
**SERVITEM SARL**

**2007** INDIA  
Mumbai  
GERMANY  
New office

**2008** BARBERINO (FI)  
**NERI**  
Labelling machines

**2009** CARIBE  
Caracas, Venezuela  
Inauguration of new Marchesini premises in FRANCE

**2010** CHINA  
Shanghai  
ANDINA  
Cali, Colombia

**2012** PIANORO (BO)  
Pharmaceutical and cosmetic division of  
**PRB**  
End-of-line packaging system

**2013** BRASIL  
São Paulo

**2014** PIANORO (BO)  
Rearrangement of Headquarter internal areas

**2015** CASALECCHIO DI RENO (BO)  
Pharmaceutical and cosmetic division of  
**MULTIPACK**  
End-of-line packaging system

**2016** CARPI (MO)  
Inauguration of the new thermoforming hub

**2015** ACHEMA  
Official launch  
**INTEGRA 520V**

**2003** **MAC2000**  
new system for axes control  
Beginning of the advanced ROBOTIC era

**2010** **ROME0**  
Wireless tool to control system operational status and size changeover

**2014** **NEW ROME0**  
Wireless tool to control system operational status and size changeover

**2003** **MAGHREB**  
Algeria - Tunisia

**2004** **MB460**  
New high speed blister machine with Robocombi connection to the cartoner

**2004** **FIRST COMPLETE SYRINGE LINE**

**2004** **FIRST COMPLETE LINE FOR STERIL VIALS**

**2004** **ROBOVISION**  
Pick and place robot

**2004** **BA400 ARGENTO**  
Review (25th anniversary)

**2008** **RSF24**  
First High Speed ampoule filling machine

**2008** **ROBOMASTER**  
Pick and place robot

**2010** **FIRST SYRINGE LINE WITH NO CONTACT SOLUTION**

**2010** **FIRST BLISTER LINE "FAST"**

**2010** **INTEGRA**  
First Compact blister line

**2010** **UNICA**  
Compact line for syringe packaging

**2010** **OPTO**  
Filling and capping machine

**2010** **RE**  
Rotary labelling machine

**2010** **DEPYR**  
Sterilization tunnel

**2012** **COMPACT 24 SYNCHRO**  
Monoblock machine for solid product counting and vial capping

New **INTEGRA** range

New **UNICA** range

New **MA50**

**MA80** range with new patents

New **FB220** range

New **FB420** range

**2013** Inauguration of the new manufacturing facility

**INTEGRA 520V**  
New compact blister line

- Production rate of up to 520 blisters and 500 cartons a minute
- Compact, 10 metres long design
- Rapid size changes (only 40 minutes)
- Feed change versatility
- Digitally controlled automation

**BLISTEREVOLUTION**

## 4. HIGHLIGHTS 2016

### MARCHESINI

ITALY  
PIANORO  
589 TOTAL EMPLOYEES  
M<sup>2</sup> 48600

TOTAL MANUFACTURING AREA

LIQUID FILLERS  
SACHET FILLERS  
CARTONERS  
OVERWRAPPING MACHINES  
CASE PACKERS  
PALLETIZERS  
COMPLETE LINES

### NERI DIVISION

ITALY  
BARBERINO DEL MUGELLO  
157 TOTAL EMPLOYEES  
M<sup>2</sup> 12932

TOTAL MANUFACTURING AREA

LABELLERS  
DEPYROGENATION TUNNELS  
WASHERS

### BLISTER & FARCON DIVISION

ITALY  
CARPI  
117 TOTAL EMPLOYEES  
M<sup>2</sup> 14000

TOTAL MANUFACTURING AREA

DEEP DRAW THERMOFORMERS  
BLISTER

### CORIMA

ITALY  
SIENA  
86 TOTAL EMPLOYEES  
M<sup>2</sup> 5935

TOTAL MANUFACTURING AREA

WASHERS  
DEPYROGENATION TUNNELS  
SYRINGE FILLERS  
VIAL FILLERS  
STERILE VIAL FILLERS

### PACKSERVICE DIVISION

ITALY  
LATINA  
31 TOTAL EMPLOYEES  
M<sup>2</sup> 4400

TOTAL MANUFACTURING AREA

STRIP FILLERS  
RIGID TUBE FILLERS  
CASE PACKERS  
FEEDERS

### TONAZZI VASQUALI DIVISION

ITALY  
MILANO  
50 TOTAL EMPLOYEES  
M<sup>2</sup> 5832

TOTAL MANUFACTURING AREA

TUBE FILLERS  
JAR FILLERS  
MASCARA FILLERS  
COUNTING MACHINES  
ELEVATORS  
FEEDERS

### MARCHESINI DIV. TOOLING

ITALY  
CALDERINO  
26 TOTAL EMPLOYEES  
M<sup>2</sup> 4700

TOTAL MANUFACTURING AREA

TOOLING BLISTER  
MACHINES

### DUMEK

ITALY  
BOLOGNA  
12 TOTAL EMPLOYEES  
M<sup>2</sup> 1250

TOTAL MANUFACTURING AREA

TURBOEMULSIFIERS  
MELTERS  
FILLING & CLOSING MACHINES

### MAIN FACT&FIGURES

24 NEW MACHINES  
IN THE LAST 3 YEARS

95,000 SQUARE METRES  
OF FACILITIES

28 AUTOMATIC WAREHOUSES

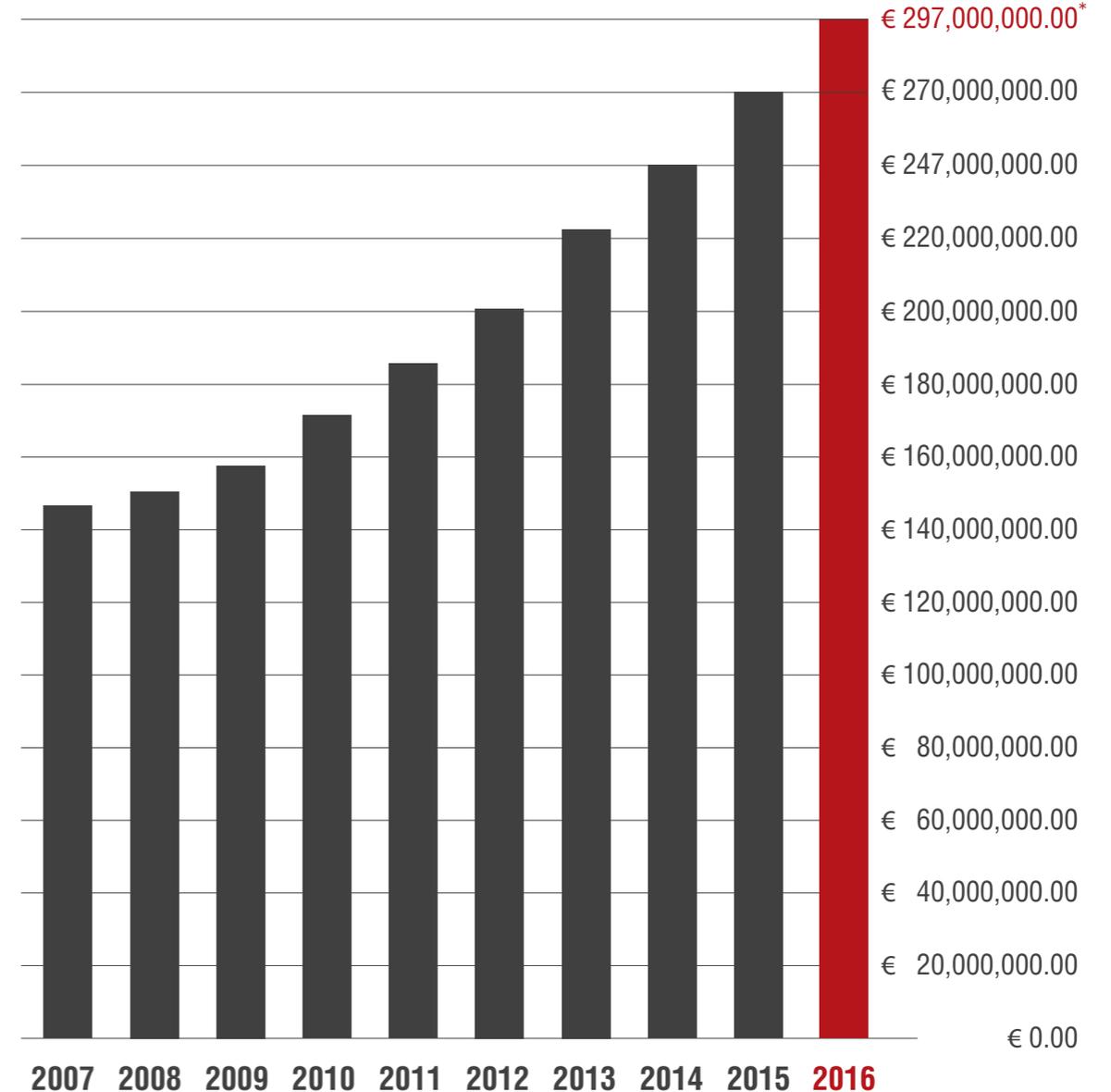
380 NEW FEEDING GROUPS/YEAR

1 AUTOMATED STORAGE  
AND RETRIEVAL SYSTEM

125,000 NEW  
DRAWINGS/YEAR

### ABOUT US

\* Consolidated turnover



## 5. ECONOMIC AND FINANCIAL RESPONSIBILITY

### 5.1 CORPORATE GOVERNANCE

The group's system of Corporate Governance is centred on the objective of creating long-term sustainable value for its stakeholders, which can be reached through corporate effectiveness, efficiency and integrity.

The Governance system complies with the standards currently enforced in all the countries in which the group works. It complies with the national and international principles, regulations and procedures that regulate the activities carried out as well as guaranteeing transparency and effectiveness.

The structure implemented derives from current Italian standards in terms of general corporate laws and of limited companies in particular.

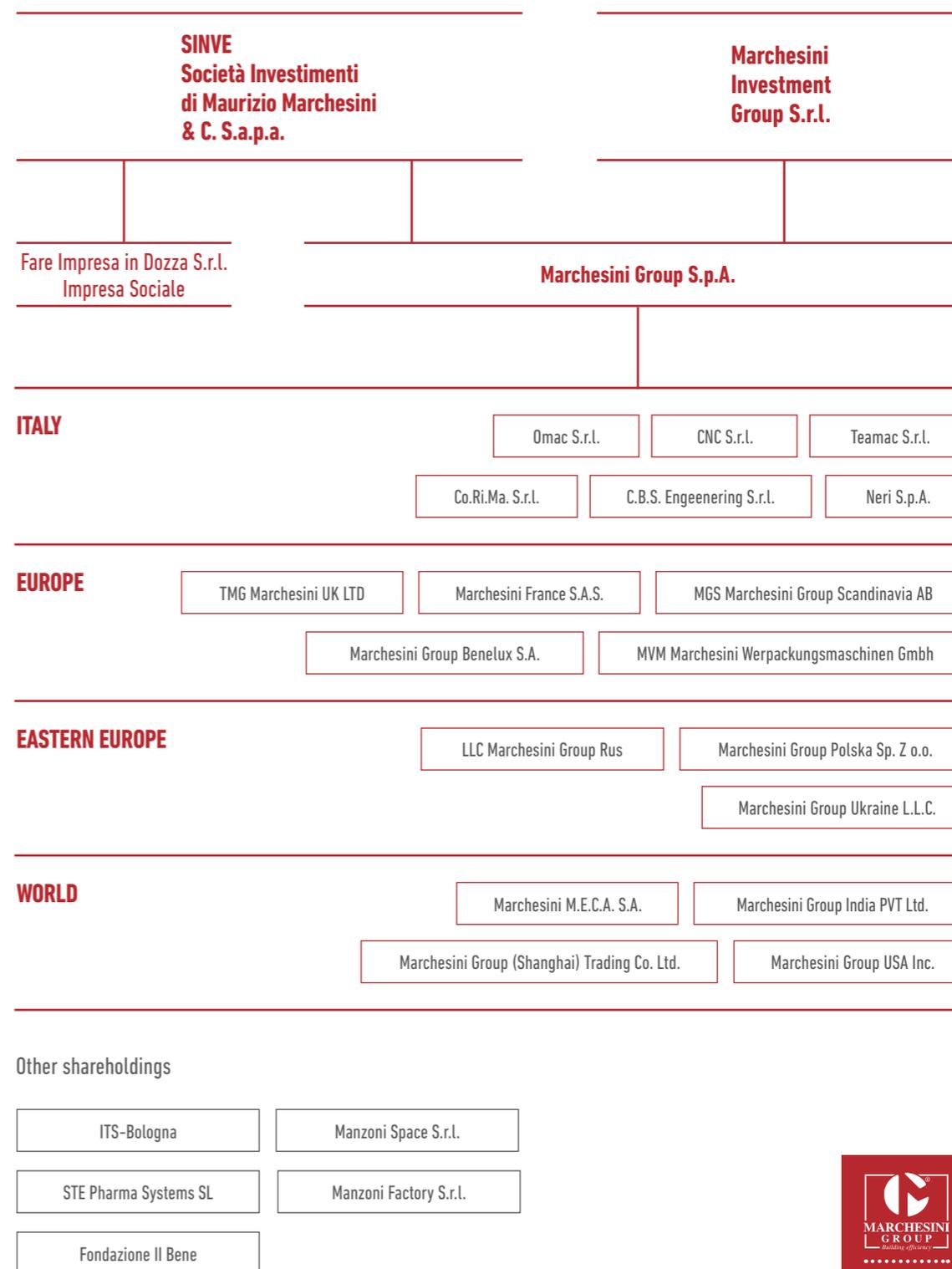
The system of Corporate Governance is based on the central role of the Board of Administrators (as the main body in charge of controlling the company on behalf of the shareholders), transparency in operational decisions, effectiveness of in-house audits, strict control and prevention rules concerning conflicts of interest and solid behavioural and governance principles of interaction with the subjects involved.

The future challenges of such a rapidly changing world and the desire to continue to grow so that the company can become more and more organised, a role-leader on the marketplaces and efficient in terms of customer care, have convinced the corporate directors to extend the current group of managers to boost its competitiveness on an increasingly challenging worldwide marketplace.

The perfect person to cover the role of CEO<sup>13</sup> has been found in Mr. Pietro Cassani, Engineer and former General Manager of Sacmi Imola S.C., who is a manager of renowned technical and organisational expertise.

<sup>13</sup> Mr. Pietro Cassani was appointed as CEO with written deed dated January 9<sup>th</sup>, 2017 and registered on January 20<sup>th</sup>, 2017, valid as of January 9<sup>th</sup>, 2017

### 5.2 ORGANISATIONAL CHART (AT 31/12/2016)



## 5.3 THE MARCHESINI GROUP IN THE WORLD

With exports worth over 85% of its turnover, the Marchesini Group is an enterprise with a very high international vocation. To maintain this role and to consolidate its presence across the continuously changing world scenario, the group has always focused on creating a widespread commercial network abroad ever since it started up. In 2016, thanks to a team of **125 people**, the Group has facilities in over **68 countries worldwide** with **13 foreign divisions** and a network of **35 agencies**, which have grown alongside the company to prove its will to assist customers locally every day.

-  Foreign Companies
-  Representative Offices

### MARCHESINI GROUP UK

-  UK - IRELAND

### MARCHESINI GROUP USA

-  USA - CANADA & PUERTO RICO

### MARCHESINI GROUP FRANCE

-  FRANCE

### MARCHESINI GROUP BENELUX

-  BELGIUM - LUXEMBOURG

### MARCHESINI GROUP ESPAÑA (STE PHARMA SYSTEMS)

-  SPAIN

### MARCHESINI GROUP MAGHREB (STE MAGHREB)

-  ALGERIA - TUNISIA - MOROCCO

### MARCHESINI GROUP SCANDINAVIA

-  SCANDINAVIA

### MARCHESINI GROUP GERMANY

-  GERMANY - SWITZERLAND - NETHERLANDS

### MARCHESINI GROUP SWITZERLAND

-  SWITZERLAND

### MARCHESINI GROUP RUS

-  RUSSIA - ARMENIA - AZERBAIJAN - BELARUS  
GEORGIA - KAZAKHSTAN - UZBEKISTAN

### MARCHESINI GROUP POLSKA

-  POLAND - ESTONIA - LATVIA - LITHUANIA



### MARCHESINI GROUP UKRAINE

-  MOLDOVA - UKRAINE

### MARCHESINI GROUP INDIA

-  INDIA

### MARCHESINI GROUP SHANGHAI

-  CHINA

### MARCHESINI GROUP MECA

-  MIDDLE EAST & CENTRAL ASIA:  
HEADQUARTERS IN GENEVA SWITZERLAND  
DUBAI - AFGHANISTAN - SAUDI ARABIA  
BANGLADESH - CYPRUS - EGYPT - UNITED ARAB EMIRATES  
JORDAN - GREECE - IRAN - IRAQ - ISRAEL  
KUWAIT - LEBANON - OMAN - PAKISTAN - QATAR  
SYRIA - TURKEY - YEMEN

### MARCHESINI GROUP BRASIL

-  BRAZIL - ARGENTINA - BELIZE - BOLIVIA - CHILE - COLOMBIA  
COSTA RICA - CUBA - DOMINICAN REPUBLIC - ECUADOR  
EL SALVADOR - GUATEMALA - HONDURAS - MEXICO - NICARAGUA  
PANAMÀ - PARAGUAY - PERÙ - URUGUAY - VENEZUELA

## 5.4 ECONOMIC VALUE DISTRIBUTED OVER THE STAKEHOLDERS

The Marchesini Group has always been aware that, in creating value, a company cannot simply maximise its profits for the shareholders, but has to act in a more ample perspective of satisfying the interests of many stakeholders, which today is based more and more so on the concepts of corporate social responsibility (CSR) and corporate sustainability (CS) of the production processes.<sup>14,15</sup>

Even if until some time ago, all that was needed to satisfy everyone was a widespread agreement in thinking that the creation of value for the shareholders was the most rational goal for the company, today, such a concept is well outdated. It is indeed true that, over the long term, the interests of the shareholders and those of other subjects directly or indirectly affected by the business activities (stakeholders), tend to be similar, but proof shows how such similarities are almost never automatic, but require constant attention and an awareful and responsible effort on behalf of the management.

This is even more important when there are external pressures on the business that tend to multiply to the advantage of the interests of all the social members linked to the business: the workers, the environment, the local community, the customers, the suppliers and so on (the various categories of stakeholders).

The mere entity of the value for the shareholder is no longer suffice to provide a real and correct view of the business management quality, capable of satisfying the cognitive needs of the various stakeholders, as many examples have by now confirmed.

This section illustrates how the company produces wealth and how it distributes it among the various stakeholders.

The economic value is thus distributed:

- Remuneration of the human resources: salaries, wages, deferred wage fund and social expenses.
- Remuneration of the financiers: payable and third party interest.
- Remuneration of the public administration: tax paid.
- External donations.
- Donations to the community.

What remains, namely the value detained, are the retained earnings, amortisation, devaluations and adjustments.

The prospectus of establishing the economic value generated by the Marchesini Group has been prepared based on the items of the diagram of the profit and loss account used in the consolidated balance sheet at 31<sup>st</sup> December 2016.

<sup>14</sup> Corporate social responsibility. A new strategic approach to managing the business. Francesco Perrini, Antonio Tencati - Egea, 2008

<sup>15</sup> Stakeholder Orientation and Corporate Reputation: A Quantitative Study on US Companies. Francesco Perrini, Clodia Vurro, Symphonia Emerging Issues in Management, n. 1, 2013

GENERATED ECONOMIC VALUE	2015	2016
REVENUE	283,055,236	279,704,350
OTHER EARNINGS	5,171,136	8,248,013
FINANCIAL RETURNS	385,479	390,250
<b>TOTAL</b>	<b>288,611,851</b>	<b>288,342,613</b>
ECONOMIC VALUE DISTRIBUTED	2015	2016
OPERATING COSTS (PURCHASE OF INVESTMENT SERVICES)	148,941,167	138,352,594
EMPLOYEE REMUNERATION	78,759,567	83,096,826
FINANCERS' REMUNERATION	691,404	603,769
PUBLIC ADMINISTRATION REMUNERATION	14,891,714	15,412,066
EXTERNAL DONATIONS AND SPONSORSHIPS	221,489	279,493
<b>TOTAL</b>	<b>243,505,341</b>	<b>237,744,748</b>
RETAINED ECONOMIC VALUE	2015	2016
AMORTISATION, DEPRECIATION AND ADJUSTMENTS	15,495,782	15,265,371
SELF-FINANCING *	29,610,728	35,332,494
<b>TOTAL</b>	<b>45,106,510</b>	<b>50,597,865</b>

\* For the financial years 2015-2017, the Company did not distribute any dividend

## 6. PRODUCT RESPONSIBILITY, RESEARCH AND DEVELOPMENT AND INNOVATION

The Marchesini Group interprets product stewardship<sup>16</sup> in a wider context, basically translating it into the ability to assist the customer close-by throughout the product's entire lifespan, which is typically rather long. Right from the design phase through to after-sales assistance, the aim is to keep the highest possible performance over the years, thus continuing to transfer value to the customer.

*Think as a Customer*, is what the corporate mission is about. It is the approach that the Marchesini Group has developed and promoted to create the best possible value for those who buy its products and services. This approach is based on models of product Life Cycle Management that have been developed by the various operating units, backed by the innovation of what is offered to the market.

This aspect is fundamental to be able to efficiently meet what the actual customers, the Certification institutes and international standards request. It also aids the sharing of information, data and documents within the company, thus reducing costs and improving sustainability.

Innovating what is offered, on the other hand, aims at developing integrated combinations of products and back-up services to keep the customers' business, boosting their satisfaction and the value they receive from working with the Marchesini Group. The latter indeed owes most of its success to innovation and always guarantees its customers products that fit their expectations and needs perfectly.

The innovation activities are managed by an "in-house federation"<sup>17</sup> of functions, laboratories and competences among the Group's various production sites and an "external network" involving some of the main universities of the area where it works.<sup>18</sup>

This open yet linked structure aims at promptly recognising the needs of the market through close contact with the marketing and commercial functions and at rapidly implementing the innovation to the products, thanks to being directly linked with the operating structures of the engineers. In this way, the Marchesini Group has, on one hand, the possibility to minimise the distance between who makes innovation and who makes the products and, on the other hand, to effectively and quickly intercept the technological opportunities available outside the company that are in line with the Group's strategy.

This technological, consolidated and well-tested form of governance goes well beyond simply monitoring the activities; instead, it aims to improve the efficiency of the process, optimise investments and encourage in-house synergistic resources. The approach features greater attention toward developing the product portfolio and pinpointing the best correlations between product portfolio and technologies.

In 2016 again, the Group continued its commitments in research and development by investing approximately 5.3 million euro, that's 2% of the generated economic value.<sup>19</sup>

<sup>16</sup> Verdantix, *Smart Innovators: Product Stewardship Solutions*. London, UK, Dicembre 2015

<sup>17</sup> It literally means the entity established by associating several units to pursue mutual goals

<sup>18</sup> **University of Modena and Reggio Emilia:** department of computer engineering, course of Artificial Intelligence  
**University of Siena:** Pharmaceutical, Chemistry and Technology department - **Alma Mater Studiorum** -  
**University of Bologna:** Faculty of engineering aided by the University Start Up of the sensors laboratory called Sortron

<sup>19</sup> According to Invitalia, the National Agency for Investment Promotion and Enterprise Development S.p.a. owned by the Ministry of the Economy, the average value of R&D spending in Italy is currently 0.3% of turnover and 1.5% of value added



## COMPLETE LINES

### INTEGRATED LINES

AMPOULE LINES  
BLISTER LINES  
COSMETIC LIQUID LINES  
COUNTING LINES  
JAR LINES  
MASCARA LINES  
PHARMA LIQUID LINES  
POWDER LINES  
STRIP LINES  
STERILE LINES  
SYRINGE LINES  
TUBE LINES



**ROBOMASTER**  
FOR POSITIVE  
PRODUCT TRANSFER



**SUPERIOR SPACE  
OPTIMIZATION**



**HIGH PRECISION  
CUSTOMISATION**

**UNIFORM QUALITY STANDARDS**  
FOR ALL THE COMPANIES  
IN THE GROUP

**MAXIMUM  
ADAPTABILITY**

**LINES EQUIPPED  
WITH CUTTING EDGE ROBOTICS**

## PRIMARY PACKAGING: LIQUIDS

### LIQUIDS ASEPTIC - LIQUIDS

BLOWER  
WASHER  
STERILIZATION TUNNEL  
VIAL FILLING  
VIAL FILLING AND CAPPING  
VIAL CAPPING  
VIAL ASEPTIC LIQUID FILLING  
AND STOPPERING  
AMPOULE FILLING AND SEALING  
SYRINGE FILLING AND CLOSING  
SYRINGE SECONDARY HANDLING  
SYRINGE ASSEMBLING



**FILLING SYSTEMS FOR  
ALL TYPES  
OF LIQUID MEDICINES**



**PRODUCTION  
PROCESS  
EFFICIENCY**



**METICULOUS  
DOSING  
PRECISION**



**HIGH SPEED  
LIQUID FILLER  
ML661**

### TYPES OF PACKAGING



**BOTTLES VIALS AMPOULE DISPOSABLE SYRINGES**

## PRIMARY PACKAGING: SOLIDS AND CREAMS

### SOLIDS

BLISTER THERMOFORMING MACHINES  
BLISTER PACK MACHINES  
RIGID TUBE FILLING/CAPPING MACHINES  
STRIP FILLING MACHINE

### POWDERS

STICKPACK FILLING/SEALING MACHINES  
SACHET FILLING/SEALING MACHINES

### CREAMS & COSMETICS

SQUEEZABLE TUBE FILLING/CLOSING MACHINES  
JAR FILLING/CLOSING MACHINES  
MASCARA FILLING/CLOSING MACHINES



**MACHINES DESIGNED AND CONSTRUCTED TO SATISFY  
INDIVIDUAL PRODUCT SPECIFICATIONS**

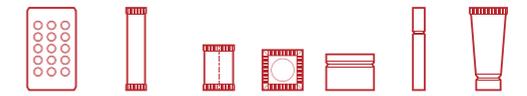


**3 LINES ROBOCOMBI  
FOR BLISTERS**



**HIGH PRECISION  
PACKAGING**

### TYPES OF PACKAGING



**BLISTER STICKPACK SACHET STRIP JAR MASCARA TUBE**

## SECONDARY PACKAGING AND END-OF-LINE



### COMPLETE LINES

THERMOFORMERS  
HORIZONTAL CARTONERS  
TOP LOAD CARTONERS  
WRAPPERS & OVERWRAPPERS  
TOP LOAD CASE PACKERS  
HORIZONTAL CASE PACKERS  
PALLETIZERS  
TOP LOAD CARTOPALLET  
HORIZONTAL CARTOPALLET



**LABELLERS**  
LABELLERS FOR CARTONS  
LABELLERS FOR COSMETICS  
LABELLERS FOR ROUND  
CONTAINERS  
TRACK & TRACE MACHINES



**MAXIMUM PRODUCT PROTECTION  
RIGHT UP UNTIL FINAL USE**



**A PACKAGING LEADER  
FOR ALL TYPES  
OF PHARMACEUTICALS**



**HORIZONTAL CASE  
PACKER MC820**

## 6.1 CUSTOMER SATISFACTION

The main goal, in managing its relations with customers, innovating what is offered and the integrated combinations of products and services, is keeping the customers' business and becoming their preferred partner rather than just a mere supplier.

This means that to be able to increase the satisfaction of customers and their perception of the value received from the Marchesini Group, not only must the main service indicators be monitored, such as efficiency, reliability and punctuality, but other Key Performance Indicators (KPI) have to be monitored too because, following experience, they are more meaningful in assessing customer satisfaction.

These are:

- Stand-alone machines and lines Delay Index.
- Non-quality costs index of stand-alone machines and lines.
- After-sales global consignment delays index.
- Response time to customers for after-sales enquiries index.
- Results of the Management processes of Customer audits, Complaints and Customer claims.
- After-sales non-quality costs index.

This activity has been proven to be fundamental; focus on the general performance improvement is highlighted by the KPI "after-sales non-quality costs"<sup>20</sup> which, in 2016 settled satisfactorily at 0.74% of the cost of the shipped product.

	2012	2013	2014	2015	2016
<b>COST</b>	73,614,051	79,719,772	82,290,787	89,590,085	99,285,000
<b>NON-QUALITY COST</b>	1,675,647	1,389,060	1,361,004	855,005	731,000
<b>NON-QUALITY %</b>	2.28%	1.74%	1.65%	0.95%	0.74%



<sup>20</sup> By "non quality" costs we mean all the costs borne to resolve what happens after sales and that reduces the efficiency or the operation of the machinery guaranteed to the customers. The yearly amount of these costs is compared with the total sum of the production costs.

## 7. OPERATIONS

Another MUST to ensure the group's success and to allow it to keep its leadership in the field of automatic machinery is the ability to promptly answer market demands.

In 2016, the industrial strategy based on keeping a widespread presence across the world and concentrating production in factories in Italy was maintained. This enabled the Group to pursue the growth of its business, in terms of organisation, through attentively selected investments and synergistic commercial and productive collaborations.

### 7.1 PROVISIONING AND LOGISTICS

The logistic function manages the short-term and medium-term productive allocations and plans the allocation and distribution of the required materials and services by means of a Sales & Operation Planning process that provides a link between the active cycle and the passive cycle.

In terms of provisioning, the group works with many material suppliers. The main raw materials used by the group in the production processes are ferrous materials, non-ferrous materials (aluminium) and by-products of petroleum, such as PVC, PET and other polymers.

In 2016, the group used about 420 thousand tons of the main type of raw materials, which is 17% less than the previous year despite the fact that the turnover was higher. The Group continued to promote the shared principles of the Code of Ethics in selecting its suppliers, doing everything possible to monitor the origin of the materials and how they are processed: once a supplier starts doing business with the Group it has to share these values.

As for packaging materials, in 2016, around 713 thousand tons were used, which is 14% higher than the previous year.<sup>21</sup>

	CONSUMPTIONS 2016 (KG)	CONSUMPTIONS 2015 (KG)	Δ%
<b>FERROUS MATERIAL</b>	214,897	244,523	-12%
<b>NON-FERROUS MATERIAL</b>	176,308	236,088	-25%
<b>MISCELLANEOUS PLASTIC MATERIAL</b>	28,656	23,389	23%
<b>TOTAL</b>	<b>419,861</b>	<b>504,000</b>	<b>-17%</b>
<b>WOODEN</b>	672,664	578,655	14%
<b>PAPER AND CARDBOARD</b>	18,454	16,974	8%
<b>PET FILM</b>	22,005	20,820	5%
<b>TOTAL</b>	<b>713,123</b>	<b>616,449</b>	<b>14%</b>

<sup>21</sup> Despite corporate actions aimed at cutting down on packaging materials, this rise is correlated with the rise in turnover

## 8. ENVIRONMENTAL RESPONSIBILITY<sup>22</sup>

Environmental responsibility is one of the areas where the Marchesini Group focuses on continually improving by involving and informing the whole management structure and all the employees. It fosters a culture of responsibility and participation, providing the resources and the training necessary to reach the set environmental safeguard targets.

According to the principles of the Code of Ethics<sup>23</sup>, the Group first and foremost guarantees compliance of its in-house activities with current environmental laws. It also collaborates with Public Authorities and holds relations of reciprocal trust with Employees, Customers and Suppliers. It monitors the environmental parameters so that the organisation can reduce all forms of pollution and environmental impact.

It guarantees the following in particular:

- implementation of a preventive approach with the aim to reduce pollution;
- optimisation of Energy consumptions<sup>24</sup>;
- compliance with current standards by the whole organisation;
- it privileges waste management companies that reuse/recycle waste;
- where possible, implementation of corrective/preventive actions if necessary;
- promotion of a culture of sustainability and environmental respect within its corporate network.

### 8.1 ENERGY

The group continues to make the workplace as comfortable as possible. Microclimatic comfort is guaranteed in all the factories and in all the offices of the Group, absorbing about 50% of the total Energy consumptions.

	CONSUMPTIONS 2016 (KG)	T CO <sub>2</sub> EQ.	CONSUMPTIONS 2015 (KG)	T CO <sub>2</sub> EQ.	Δ 2016/2015 TEP	Δ 2016/2015 T CO <sub>2</sub> EQ.
<b>DIRECT ENERGY (TOE)</b>	418.10	1,324.89	493.06	1,254.87	-15.2%	5.6%
GAS FOR HEATING	260.90	657.07	282.30	710.82	-7.6%	-7.6%
OTHER HEATING FUELS	1.50	0.81	2.36	1.29	-36.4%	-37.2%
AUTOMOTIVE FUELS	155.70	667.01	208.40	542.76	-25.3%	22.9%
<b>INDIRECT ENERGY (TOE)</b>	1,208.10	2,257.59	1,205.80	2,276.00	-0.2%	-0.8%
ELECTRICITY	1,208.10	2,257.59	1,205.80	2,276.00	-0.2%	-0.8%
<b>TOTAL (TOE)</b>	<b>1,626.20</b>	<b>3,582.48</b>	<b>1,698.86</b>	<b>3,530.87</b>	<b>-4.3%</b>	<b>1.5%</b>

<sup>22</sup> The data of this section refer to the Marchesini Group S.p.a., Neri S.p.a. and CO.RI.M.A. S.r.l.

<sup>23</sup> Code of Ethics of the Marchesini Group, page 31

<sup>24</sup> In this field, special attention is also paid to designing and building the new factories, such as the one in Carpi inaugurated in October 2016, which has innovative technological solutions aimed at eliminating the consumption of fossil fuels for heating

### 8.2 WASTE

The Marchesini Group's attention to waste management topics is confirmed again by the activities carried out in 2016: the company dedicates areas and resources to reduce, recover and recycle industrial waste before disposing of unrecoverable waste.

Most of the Group's waste consists of the material used for production tests on the automatic machines and is mainly mixed packaging, paper packaging and pharmaceuticals (mostly placebo products).

Liquid waste comes from washing the parts or cold mechanical processes. It is stored and subsequently disposed of according to current standards without discharging anything into the sewers.

DETAILS:

	2016 (KG)	%	2015 (KG)	%	Δ% '16/'15
NON-HAZARDOUS WASTE	744,493	75%	701,174	76%	6%
HAZARDOUS WASTE	252,258	25%	219,077	24%	15%
<b>TOTAL</b>	<b>996,751</b>		<b>920,251</b>		<b>8%</b>

IN PARTICULAR:

	2016 (KG)	%	2015 (KG)	%	Δ% '16/'15
PACKAGING	368,450	37.0%	352,224	38.3%	5%
PHARMACEUTICALS	197,738	19.8%	169,081	18.4%	17%
METAL	158,594	15.9%	165,260	18.0%	-4%
RAW MATERIAL PROCESSING WASTE	162,862	16.3%	143,507	15.6%	13%
EMULSIONS	51,400	5.2%	44,625	4.8%	15%
AQUEOUS SOLUTIONS	21,330	2.1%	24,275	2.6%	-12%
ELECTRIC AND ELECTRONIC WASTE	28,160	2.8%	19,283	2.1%	46%
OTHER WASTE	1,917	0.2%	1,996	0.2%	-4%
WASTE FROM DEMOLITIONS	6,300	0.6%			
<b>TOTAL</b>	<b>996,751</b>		<b>920,251</b>		<b>8%</b>
<b>OF WHICH:</b>					
WASTE SENT FOR RECYCLING	721,230	72%	678,884	74%	6%
WASTE SENT FOR INCINERATION	194,966	20%	167,605	18%	16%
WASTE SENT FOR DISPOSAL	80,555	8%	73,762	8%	9%

### 8.3 WATER

The Marchesini Group takes all the water it needs for its factories from the public water mains. In 2016, it took 18,204 cubic meters, which was 7% less than 2015.

It is worth remembering that in 2015, the water consumption rose by 4.3% compared with 2014 due to a leak at the premises of Pianoro and due to the very hot and dry summer.

In 2016, thanks also to reduced garden area irrigation, the water consumption was even 3% less than 2014.

The water drains of the group's factories consist exclusively of domestic type drains from the bathrooms, canteen and uncovered yards of the production factories. These drains run into the public sewers, in compliance with current standards. Any liquid backflow originated from the business production activities is collected and stored as waste and then disposed of according to law by plants that implement purification processes.

	2016 (MC)	2015 (MC)	Δ% '16/'15
WATER WITHDRAWAL FROM PUBLIC WATERWORK	18,204	19,577	-7.0%

### 8.4 CARBON FOOTPRINT

The Carbon Footprint is the quantity of green house gas emissions generated throughout the life cycle of a product or service. From a methodological and operational point of view, you can calculate the Carbon Footprint of a company by preparing an "inventory of the green house gas emissions" referred to the yearly corporate business to understand where and how much an organisation creates its carbon footprint and to be able to subsequently manage it.

The Product Carbon Footprint (PCF), is expressed in tCO<sub>2</sub>eq<sup>25</sup> and considers the overall emissions of all the phases of the life cycle of the product/service from end-to-end seen in the light of the Global Warming Potential<sup>26</sup> of CO<sub>2</sub>. Its calculation starts right from the provisioning phase and treatment of the raw materials, subsequently considering the processing and production phases of the product, through to transport to the customer and also the operational and disposal activities, where necessary.

The reasons that convince an industrial enterprise to calculate its carbon footprint are the following:

- to reduce the organisation's management costs (and thus optimise resources);
- to innovate and improve its management system thanks to the opportunity to monitor the actions undertaken and the results achieved year in year out;
- to enhance the initiatives undertaken to promote communications with its stakeholders;
- to meet the increasing needs of internationalisation, offering added value to its customers;
- to establish stronger relations within its supply chain, reducing provisioning.

To better meet the need to establish its Carbon Footprint, the Marchesini Group took on the ENEA project "Life CLIM'FOOT" in 2016 with the aim to foster policies to calculate and reduce the carbon footprint of organisations. The project is coordinated by the French environment Agency (Agence de l'Environnement et de la Maîtrise de l'Energie - ADEME) and the Italian partners involved are ENEA (National Agency for New Technologies, Energy and Sustainable Economic Development) and its spin-off Ecoinnovazione S.r.l.

The Group's commitment toward the project is the following:

- it provides all the data required to establish the organisation's carbon footprint and the information on its activities, processes and emissions;
- it actively participates in training sessions on measuring the carbon footprint;
- it completes - assisted by the Italian ENEA and Ecoinnovation partners - the calculation of the Group's carbon footprint, exploiting the database of the emission factors developed in the Clim'foot project and the BilanCarbon computing tool;
- it employs the personnel required to implement the voluntary program.

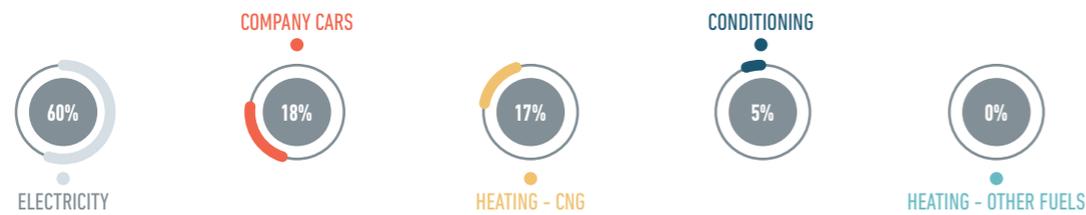
<sup>25</sup> tCO<sub>2</sub>eq is a unit of measurement used to assess the combination of different greenhouse gas emissions with different climate-changing effects. For example, one ton of natural gas with a climate-changing potential (see note 26) of 21 times CO<sub>2</sub>, is calculated as 21 tons of equivalent CO<sub>2</sub>. In this way, it is possible to compare different gases when considering their contribution in the greenhouse effect.

<sup>26</sup> The Global Warming Potential (GWP) expresses the contribution to the greenhouse effect of a greenhouse gas in relation to the effect of CO<sub>2</sub>, whose reference potential is equal to 1. Each GWP value is calculated for a specific time interval (generally 20, 100 or 500 years).

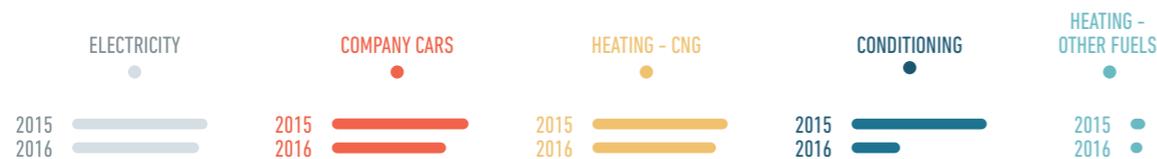
By implementing the BilanCarbon computing tool and classifying the emissions according to the scopes stated in the *Greenhouse Gas Protocol*<sup>27</sup>, we have calculated the following emissions of the group for 2016:

		EMISSION FACTORS	2015	2016
<b>SCOPE 1</b>	DIRECT EMISSIONS FOR PLANT AND MACHINERY OPERATION (tCO <sub>2</sub> eq)	HEATING - OTHER FUELS	1.29	0.81
		COMPANY CARS	542.76	667.01
		CONDITIONING	579.39	196.36
		HEATING - CNG	710.83	657.07
<b>TOTAL-SCOPE 1</b>			<b>1,834.27</b>	<b>1,521.52</b>
<b>SCOPE 2</b>	INDIRECT EMISSIONS FROM ENERGY CONSUMPTIONS (tCO <sub>2</sub> eq)	ELECTRICITY	2,276.03	2,257.59
<b>TOTAL-SCOPE 2</b>			<b>2,276.03</b>	<b>2,257.59</b>
<b>TOTAL EMISSIONS</b>			<b>4,110.3</b>	<b>3,779.11</b>

## EMISSIONS 2016



## 2015-2016 EMISSIONS COMPARISON



## 9. SOCIAL RESPONSIBILITY

In view of the social importance of its business, the Marchesini Group continues its commitment and responsibility toward the local communities in the various areas where it works and the people who work within the Group.

In the area of Bologna, where the Group's headquarters is situated, it maintains privileged relations with the main technical and scientific high schools, with Alma Mater Studiorum - University of Bologna and with the Universities of Modena and Reggio Emilia.

In Bologna, furthermore, it has longstanding and solid relations with the "Salesiano B.V. in San Luca" Institute. Some of the Group's highly specialised personnel hold technical and mechanical courses, also exploiting unused mechanical parts to carry out "on the part" experiments.

Another initiative in which the Group is actively involved is the Technical High School Foundation<sup>28</sup> for Mechanics and Mechatronics, and ITS Maker Foundation in Bologna. The ITS MAKER foundation follows the program of the regional technical colleges and is a post high school educational institute that prepares national students coming from mechanical, motoring mechatronics and packaging education.

It also sustains integration between the educational chain (education and professional technical training) and the economic and productive chain with special reference to technical/professional high schools and the measures to innovate and transfer technology to small and medium businesses. It fosters technical, technological and scientific culture aiming to strengthen and innovate technical-professional competences, driving youngsters and their families towards technical employment.

Another very important social commitment, both in terms of its value and its results, is the "Fare Impresa in Dozza S.r.L."<sup>29</sup>, established thanks to some of the main industrial enterprises of Bologna.

Alongside the Aldini Valeriani Foundation, the project aims at providing the inmates of the Prison of Bologna (Dozza prison) with an opportunity of stable and long-term employment after they leave prison to help them settle back into society.

The core business of the company deals with carpentry, assembly and installation of mechanical components within the prison for members and companies belonging to their industrial groups.

<sup>28</sup> The Technical High Schools, added to the national order by the Decree of the President of the Committee of Ministers dated 25<sup>th</sup> January 2008, stating the *Guide lines for the reorganisation of the Technical Educational and Formation System and the constitution of the Technical High Schools*, published in the Official Journal General Series no. 86 on 11-04-2008, represent the keys to reorganising the overall technical educational and formation system founded on the formation offer of the Regional departments, linking public institutes to private individuals interested in view of a goal of shared results, according to real social-economic needs of the local area and the country

<sup>29</sup> The subject of the activity, having a goal of social utility, is within the disciplines of the Legislative Decree no. 155 dated 24<sup>th</sup> March 2006, stating *Discipline of the social enterprise, according to law no. 118 dated 13th June 2005*, published in the official Journal General series no.97 on 27-04-2006

The selection and training activity of personnel is carried out continuously as each individual is released consequently interrupting the work relationship.

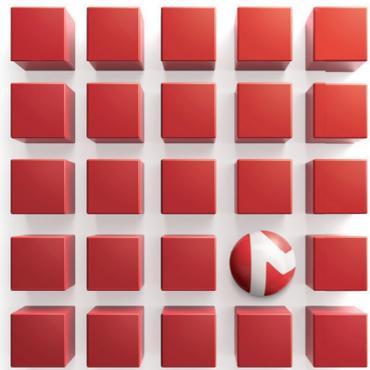
At 31/12/2016 the Marchesini Group participated by 30% in the Social Enterprise "Fare Impresa in Dozza" (FID) S.r.L.

The people who work for the Group's companies are the founding assets of the human resources policies, aware that they are the main resource and that to compete with multinational enterprises and generate sustainable value, it is necessary to create bonds and a sense of belonging.

The "Growing Younger" project, launched in 2014, continues to integrate the various situations of the Group with a corporate strategy based on:

- Developing and encouraging a mutual and shared identity.
- A model of inspirational managerial leadership.
- The ability to attract valuable people from the marketplace, offering a professional and intellectual alternative and a more than challenging and dynamic career, but also capable of providing a long-term prospective.
- Developing and managing talent.
- Creating an international and multicultural work environment to suit the commercial presence of the group in the world.

**EFFICIENCY  
MAKES THE DIFFERENCE**



Efficiency is the distinctive factor that marks our approach to the packaging industry, from studying customers' specific needs to providing competitive solutions and personal after sales services.



**MARCHESINI GROUP. WE MAKE THE DIFFERENCE.**

**TO MAXIMISE PRODUCTIVITY  
EFFICIENCY MAKES THE DIFFERENCE**

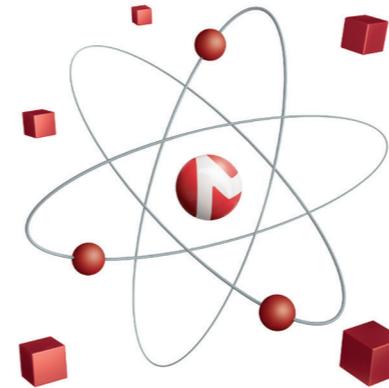


- OPTIMAL PRODUCTION PROCESS
- ADVANCED CUSTOMISED SOLUTIONS
- HIGH VERSATILITY



**MARCHESINI GROUP. WE MAKE THE DIFFERENCE.**

**TO STRENGTHEN RELATIONSHIPS  
EFFICIENCY MAKES THE DIFFERENCE**

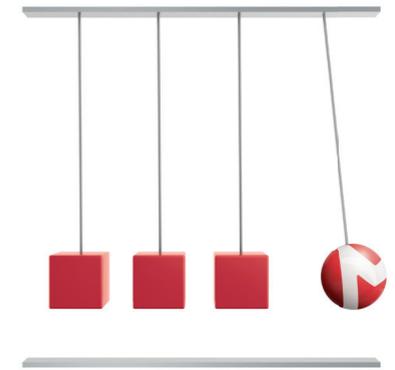


- LIFETIME ASSISTANCE
- EXTENSIVE SALES NETWORK
- RAPID SUPPLY OF SPARE PARTS



**MARCHESINI GROUP. WE MAKE THE DIFFERENCE.**

**TO BE CONSTANTLY  
AT THE FOREFRONT OF TECHNOLOGY  
EFFICIENCY MAKES THE DIFFERENCE**



- CONTINUOUS INVESTMENT IN R&D
- 477 PATENTS GRANTED
- FAST FORMAT PRODUCTION COMPLEX



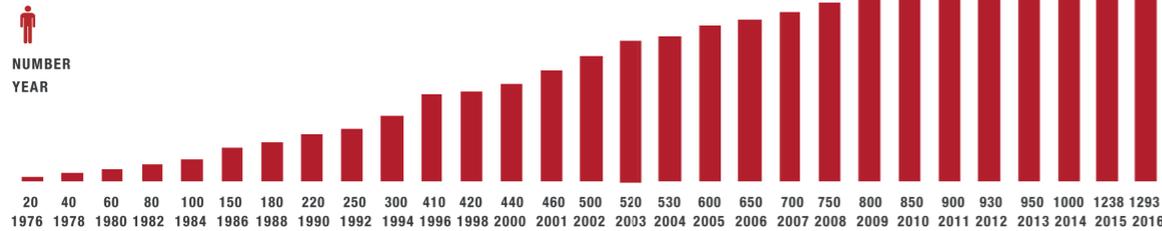
**MARCHESINI GROUP. WE MAKE THE DIFFERENCE.**

## 9.1 WORK FORCE AND ORGANISATIONAL STRUCTURE

The human capital is a fundamental factor for the Group, which is called upon to compete at top levels in such a challenging global context and to pursue the goal of maintaining a leading position in the market and creating sustainable and long-term value.

*Thanks to their passion and enthusiasm, the people are the stronghold of Marchesini Group. Therefore, respect toward them, attention to their well-being and safeguard of their diversities, are a constant commitment for the group. An engaging and motivating work environment characterised by teamwork and cooperation improves the performance of each work team and of the Marchesini Group as a whole<sup>30</sup>.*

### EMPLOYEES INCREASE OVER THE YEARS (MARCHESINI GROUP S.P.A., NERI AND CORIMA)



### TOTAL STAFF AT 31<sup>ST</sup> DECEMBER 2016\* (MARCHESINI GROUP S.P.A., NERI AND CORIMA)

At 31<sup>st</sup> December 2016, Marchesini Group employed **1,293 people**, of which **830 directors and clerks** and **463 factory workers**.

The final balance of 2016 shows **a clear rise of 55 members** (44 directors and clerks, 11 factory workers).

#### KEY

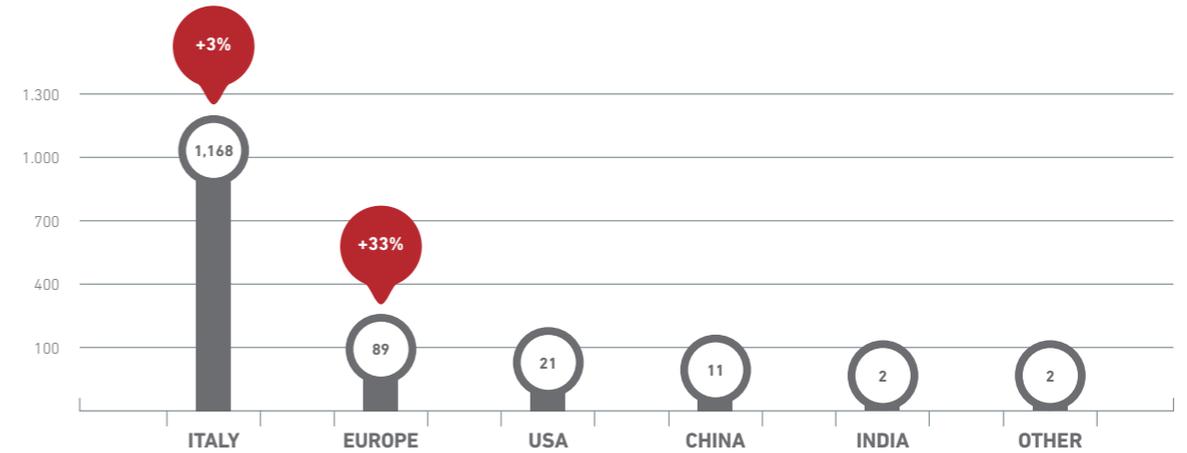
- WHITE COLLAR WORKERS
- BLUE COLLAR WORKERS



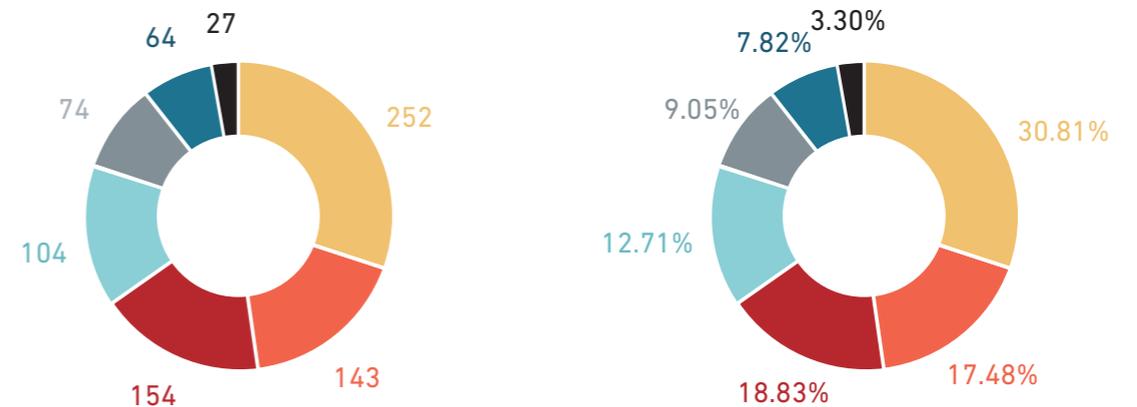
<sup>30</sup> Code of Ethics of Marchesini Group, page 24

\* For contractual reasons, Technical Office (UTM) and Electronic Office (UTE) technicians are included in the managers & clerks category

### 2015-2016 GEOGRAPHIC DISTRIBUTION OF PERSONNEL COMPARISON AT 31<sup>ST</sup> DECEMBER 2016



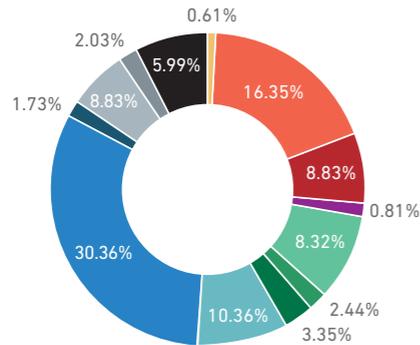
### AVERAGE AGE OF PERSONNEL (MARCHESINI GROUP S.P.A., NERI, CORIMA)



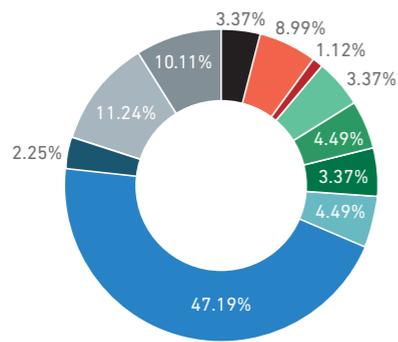
#### KEY

- 0-5 YEAR OLD
- 6-10 YEAR OLD
- 11-15 YEAR OLD
- 16-20 YEAR OLD
- 21-25 YEAR OLD
- 26-30 YEAR OLD
- >30 YEAR OLD

## WORK FORCE ARRANGED PER EDUCATIONAL QUALIFICATION



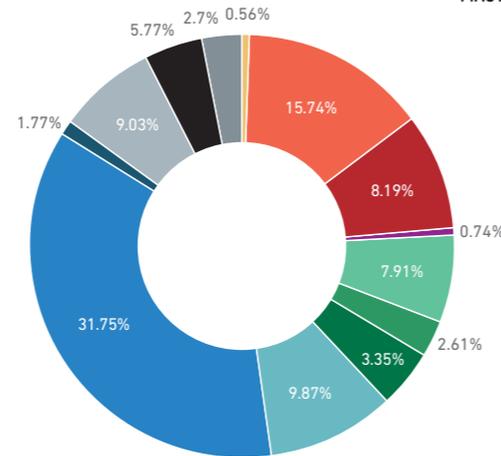
MARCHESINI GROUP S.p.A.



CORIMA S.r.l.

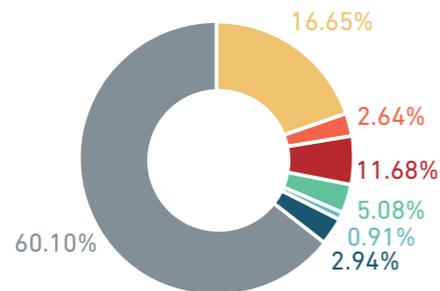
### KEY

- PRIMARY SCHOOL LEAVING CERTIFICATE
- MIDDLE SCHOOL LEAVING CERTIFICATE
- PROFESSIONAL QUALIFICATION
- ARTISTIC DIPLOMA
- TECHNICAL ACCOUNTING DIPLOMA
- HIGH SCHOOL DIPLOMA
- PROFESSIONAL DIPLOMA
- INDUSTRIAL TECHNICAL DIPLOMA
- TECHNICAL DIPLOMA
- SPECIALIST DIPLOMA
- BACHELOR'S DEGREE
- BACHELOR'S/ MASTER'S DEGREE



GROUP (MARCHESINI GROUP S.p.A., NERI, CORIMA)

## PERSONNEL OF MARCHESINI GROUP S.p.A. PER FACTORY



### KEY

- BARBERINO DEL MUGELLO
- CALDERINO
- CARPI BLISTER
- CERRO MAGGIORE-MI
- IMOLA
- LATINA
- PIANORO

## 9.2 INVESTING IN PEOPLE

The Marchesini Group considers its human resources an extremely strategic asset, as written also in its Code of Ethics; for this reason, it continues to invest in selecting, training, developing and enhancing its personnel.

*Marchesini Group strives to look after its people. It promotes their personal and professional development and creates initiatives to improve their abilities, knowledge and skills. Every single person is guaranteed equal opportunities of professional formation and growth according to criteria of merit and results achieved.*

*We believe in the strength of teamwork; we want our people to cooperate effectively with shared values, objectives and methods, sustained by the passion for their work. Interpersonal relations should be distinguished by constant and on-going exchanging of reciprocal ideas concerning the activity carried out and how people behave in order to consolidate a feedback culture.*

*The assessment of individual performance must bear in mind not only the results achieved but also how they are achieved, awarding integrity, honesty, enthusiasm, positive thinking, hard work and innovative ideas.<sup>31</sup>*

The management processes of the resources, of individual encouragement and motivation implemented offer Marchesini's people great opportunities of professional growth. In fact, the following activities continue:

- Talent acquisition: Process of recruitment and employment of talented high school leavers and university graduates.
- Training and development. Managerial and professional training activities.
- Performance management: the assessment program of the performance of the employees based on responsible communication and on contextualising the results achieved.

There are also various benefits, such as:

- integrative pension plans;
- medical and health insurance;
- agreements with independent partners for discounted products and services for employees (discounted products and admission fees to theatres, gyms, editorial groups and shops);
- corporate welfare plan.

### 9.3 TALENT ACQUISITION

2016 was once again another year of strong focus on the core business, on the industrial and productive processes, on rationalising costs and international competitiveness.

In compliance with the values stated in the Code of Ethics<sup>32</sup> and principles of effectiveness, efficiency and dynamism in responding to the national and international market, the critical objective was that of guaranteeing balanced processes of management and opportunities of development for all the employees, through clear founding rules of the Group's strategy aimed at enhancing individual skills, supporting the organisation in reaching the business results, attracting and promoting talent and ethical behaviour.

The most important topics from a management-organisational point of view for the processes and the enhancement policies of the resources are:

- research and selection processes: they meet the professional needs of the company by pinpointing the most suitable candidates in terms of the requested professional profile (also through spontaneous applications through job posting), based on the yearly plan of the activities and budget of the Group;
- salary review policies: they ensure balanced salaries according to the values, governance principles and corporate remuneration policy;
- internal mobility processes: they help the companies of the Group to find suitable candidates with the requested profile in terms of skills, experience and personal motivation, promoting the culture of job rotation and supporting professional growth through diversified experience in terms of business, products and organisation culture.

### 9.4 TRAINING AND DEVELOPMENT

In promoting the personal and professional development of the People who pursue the Group's goals, the training activity is an important investment aiming at building, strengthening and developing the Business.

Formation is strictly technical, having to keep all the staff members constantly up-to-date on the implementation of the new technologies developed by the design team. Great attention is also paid to transversal skills and to Health & Safety training.

One of the most important courses is that for school and university leavers in the technical mechanical office: it involves two separate modules; one of four weeks in which newcomers are trained to use the parametric CAD system and corporate management programs as well as some rules related to in-house technical standards. The other part lasts about eight weeks during which new employees are assisted by a person in charge of the mechanical functions. In this second part, the youngsters work in facilitated educational conditions to speed up and improve their introduction to the production department. The whole procedure is subjected to periodical audits to monitor the participants' progress.

Other technical courses involve the updating of software and procedures of the technical/electronic department. These are normally held by the research and development team and involve all the personnel, not just of the related area, but also all the mechanical and electrical testing personnel too.

The world of standards, patents and tool management has to be constantly updated by highly qualified personnel and this is why the courses are carried out in collaboration with the Union of Automatic Packaging Machinery Manufacturers (UCIMA).

All the staff is then trained on the Quality System; updates concern the adaptation of procedures, guidelines and in-house documents through to updates of the ISO 9001 standard itself.

Worth a separate mention is Environmental and Safety training, which involves all the personnel each year, both newly employed staff and those who need to be updated according to the Regional State Agreement<sup>33</sup>. In addition to mandatory training, other courses are also carried out, such as first-aid, fire-fighting, the use of forklifts, elevating lift platforms, working with electricity, electrical work, defibrillator, the safe use of machinery etc.

Apprentices are also managed and trained specifically according to their new position. Their course finishes by working "on the job" next to an expert for about twelve months until they reach a good level of operational self-sufficiency.

Transversal formation is also an increasingly important part of yearly training: there are courses such as foreign languages, IT, team building, assessment methods, and leadership management for all those in charge.

<sup>32</sup> Code of Ethics, page 24 and following

<sup>33</sup> Agreement dated 21<sup>st</sup> December 2011 between the Ministry of Employment and Social Policies, the Ministry of Health, the Regional departments and the Independent Provincial departments of Trento and Bolzano for employee training according to article 39, sub-section 2, of the legislative decree no. 81 dated 9<sup>th</sup> April 2008

In 2016, 16,700 hours of training were given to personnel. That is 55% more than 2015.

In 2016, the group also promoted 86 training projects for 24 university graduates and 62 high school leavers. At the end of the project, 21 of these were taken on (13%), of which 16 from the university and 7 from high schools.

Managerial training too covered a large part of the investment in financial and organisational resources in terms of the people involved. In particular, in 2016, about 304 hours of managerial training were issued (a rise of 103% compared with 2015), involving about 160 managers and middle *managers* of all the Italian facilities.

A particularly important training activity was organised and offered in September 2016. It consisted in the so-called "Welcome Day" for newly employed people.

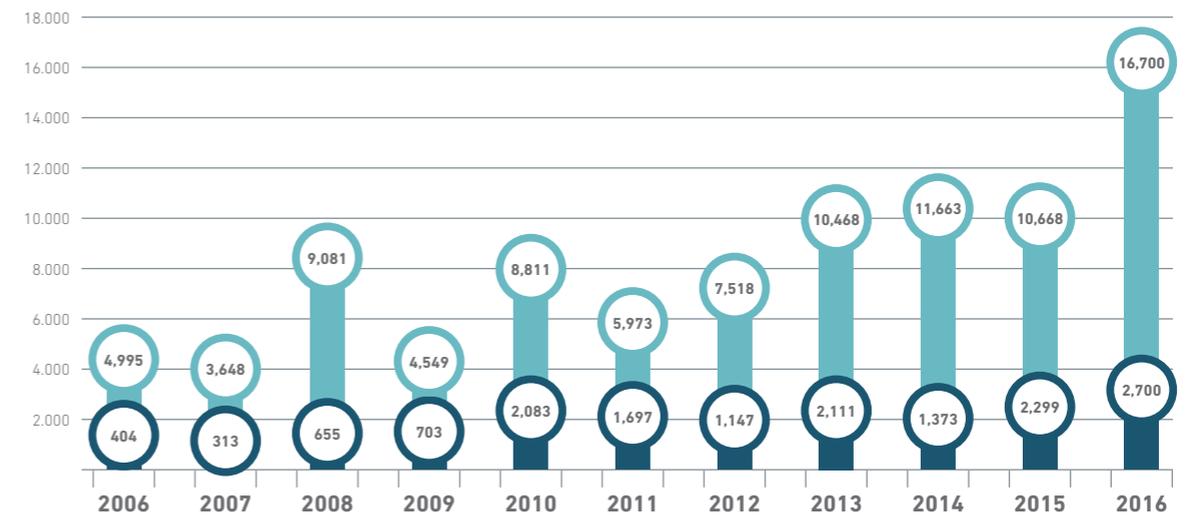
On these days, the main topics concerning the life of the business are discussed to help newcomers to the Group in fulfilling their daily tasks and in exploiting all the services they are offered by the Group.

Newcomers are illustrated the Code of Ethics, the Behavioural Code, How the Corporate Intranet works (with special attention to the dedicated HR portal), Privacy rules, corporate welfare activities (from the canteen to the Easywelfare platform<sup>34</sup>) and the Quality System.

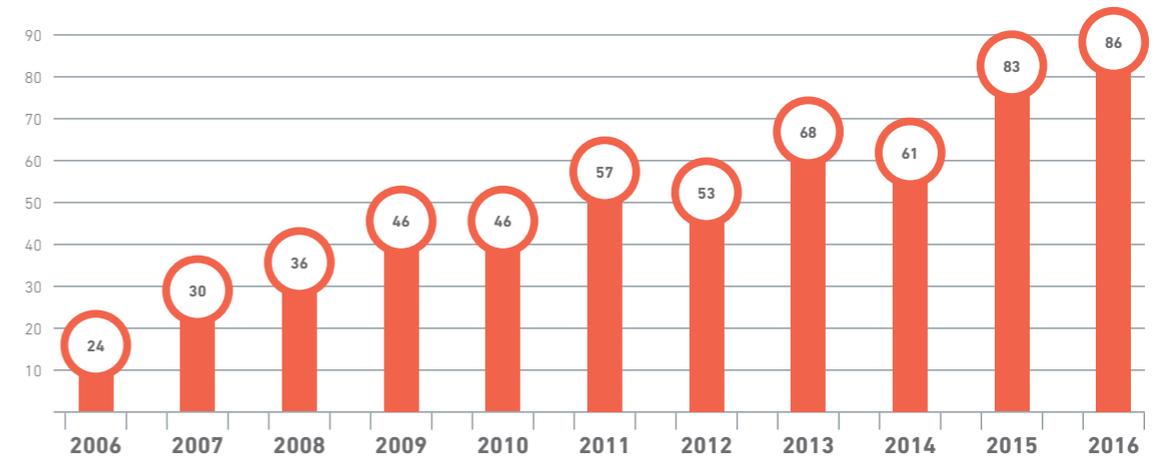
The training activity is coordinated by the Human Resources function and fulfilled by those in charge of the individual sectors involved. Two Welcome days were held in 2016 for 31 participants.

## TRAINING ACTIVITY (HOURS - PERSONS INVOLVED)

KEY | ● HOURS ● PERSONS INVOLVED



## INTERNSHIPS PER YEAR



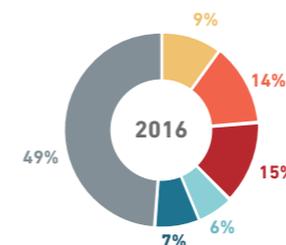
## LOOKING TO THE FUTURE

<b>INTERNALLY DEVELOPED FOR THE PHARMACEUTICAL INDUSTRY</b>	<b>AUTOMATIC PRODUCT ORIENTATION AND FEEDING SYSTEMS</b>	<b>INTERNAL TRAINING*</b> 16700 AVERAGE ANNUAL HOURS COUNT 2700 TOTAL NO. OF PEOPLE INVOLVED PER YEAR	<b>LANGUAGES SPOKEN</b> ENGLISH FRENCH ITALIAN SPANISH GERMAN CHINESE PORTUGUESE 1200 HOURS OF LANGUAGES UPDATE COURSES
<b>ROBOTICS SOLUTIONS COMPLETELY DEVELOPED BY MARCHESINI GROUP R&amp;D TEAM</b>	<b>QUALITY PERFORMANCE MONITORING ISO 9001 - UNI EN ISO 9001-2008 CERTIFICATION</b>	<b>2500 HOURS OF HUMAN RESOURCES DEVELOPMENT</b>	<b>7900 HOURS OF TECHNICAL AND MECHANICAL TRAINING (UTM)</b> 1000 HOURS OF QUALITY TRAINING
		<b>2300 HOURS OF HEALTH &amp; SAFETY COURSES</b>	<small>* AVERAGE HOURS COUNT 2016 GROUP DATA</small>

	2016	2015	Δ% 2016/2015
MANAGERIAL TRAINING	304	150	103%
PERSONS INVOLVED	160	150	7%

INVESTMENTS IN TRAINING	2016	2015	Δ% 2016/2015
TRAINING COST (€)	113,600	73,055	+ 55%

Distribution of training hours per topic



## KEY

- APPRENTICESHIPS
- SAFETY AREA
- HUMAN RESOURCES
- QUALITY
- FOREIGN LANGUAGES
- TECHNICAL AREA

## 9.5 PERFORMANCE MANAGEMENT

*The assessment of individual performance must bear in mind not only the results achieved, but also how they are achieved, awarding integrity, honesty, enthusiasm, positive thinking, hard work and innovative ideas.*<sup>35</sup>

To reach the corporate goals and to continue increasing the results acquired also in 2016, the Marchesini Group boosted its performance management.

The model implemented, according to the values of the Code of Ethics, is that of the "3P's"<sup>36</sup>.

The **Position** establishes the "organisational context" in which a resource works. The position **profile** describes the "characteristics" requested by the organisation. The third "P" of the model is the **performance**; namely a "result" of the first two Ps and it represents the contribution that a resource, with a certain profile of competence and working in a certain position, provides to the organisation in which he/she works.

This model has been implemented knowing that, to be effective, the performance assessment system must not only assess the level of the assigned goals that are reached, but how they are reached, in order to provide the management with additional and useful information to guide and develop the capacities and competences to enhance the human capital within the business.

Performance assessment at the Marchesini Group is not just a "tool" used to align the management with the corporate goals, but above all it is a process that has enabled the management and development of the human capital in terms of:

- assigned goals (and therefore expected results), compared with results reached (or activities fulfilled);
- requested organisational behaviour (from the profile) compared with organisational behaviour through skills;
- requested technical-professional skills (these too from the profile) compared with skills developed or expressed.

The model implemented for this corporate process has the following objectives:

- to integrate the human capital in the organisational system and exploit it for the goals and factors of corporate success;
- to improve vertical communication (leader-worker relationship);
- to enhance the organisational development needs (modifying roles, career plans, training, formation etc.);
- to award the best resources (according to the corporate remuneration policies).

This process is backed by an online platform and has 5 main steps:

- performance definition: to establish targets and expected behaviour;
- constant feedback: consolidated and lasting relations between leader and worker;
- overall assessment: assessment process of the quantitative and qualitative results reached;
- control: sharing and comparing activities of the assessments of the management;
- feedback: feedback to the worker.

<sup>35</sup> Code of Ethics, page 25

<sup>36</sup> Nicola Longo, *Performance Management - Assessing results and highlighting competences*, Director, no. 10/2007, Manager Italy, Milan 2007

## 9.6 WELFARE IN MARCHESINI GROUP

Corporate welfare is a combination of benefits and services aimed at offering more than just money to sustain the income of employees and improve their private and working life. The company took some measures some time ago with regard to corporate catering<sup>37</sup>, nursery school supplements for employees living outside the headquarters' municipality<sup>38</sup>, discounts for yoga, postural gymnastics and Pilates courses and the initiative entitled "Ci pensa la mensa"<sup>39</sup>, namely the possibility to book takeaway meals from the company canteen at a very low cost, which can be picked up at the end of the work day.

In addition to these services, in June 2016 a corporate welfare program was setup to offer employees an even more complete multiservice platform. This new remuneration system<sup>40</sup> is becoming more and more popular despite the reference sector and has allowed the Group to introduce a system of services to help its workers, with tax benefits for the company and the employee (the so-called "tax relief introduced by the mentioned stability law for 2016), such as:

- Increase in buying power:
  - corporate contributions;
  - discounts;
  - promotions;
  - agreements to access goods and services at exclusive conditions;
- Increase in corporate production.
- Improvement of the working atmosphere.
- Savings in personnel costs.
- Optimisation of tax benefits, services according to the current standard of the TUIR<sup>41</sup> art.51 - art.100;
- Increase in worker wellbeing.
- Improved conciliation between private life and professional life.
- Services to improve the life of all the employees and their families.

In 2016, the Marchesini offered each employee a welfare budget of 200 euro and implemented its own online platform, via Easywelfare, "marchesinigroupwelfare" to manage the dispatch of several services, via a dedicated portal, split up per area of action: education, loans, health, pension, family, sport, shopping, discounts and much more.

Employees have exploited 70% of this fully outsourced user-friendly service with dedicated assistance. From just one platform, it is the users who chose how to spend their welfare budget.

<sup>37</sup> The company catering service is to the charge of the Group for all the companies, except for Co.Ri.M.A. S.r.l., where personnel contribute with € 2.45 per meal

<sup>38</sup> Initiative activated just in Pianoro (BO), Headquarters

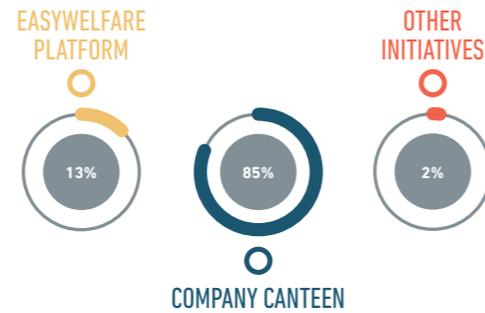
<sup>39</sup> Initiative activated just in Pianoro (BO), Headquarters

<sup>40</sup> Actually introduced with Law no. 208 dated 2015 stating the *Provisions for forming the yearly and multi-year balance of the State (Stability law 2016)*, published in the Official Journal of the Italian Republic, General series no. 302 dated 30-12-2015 - Ordinary Supplement no.70

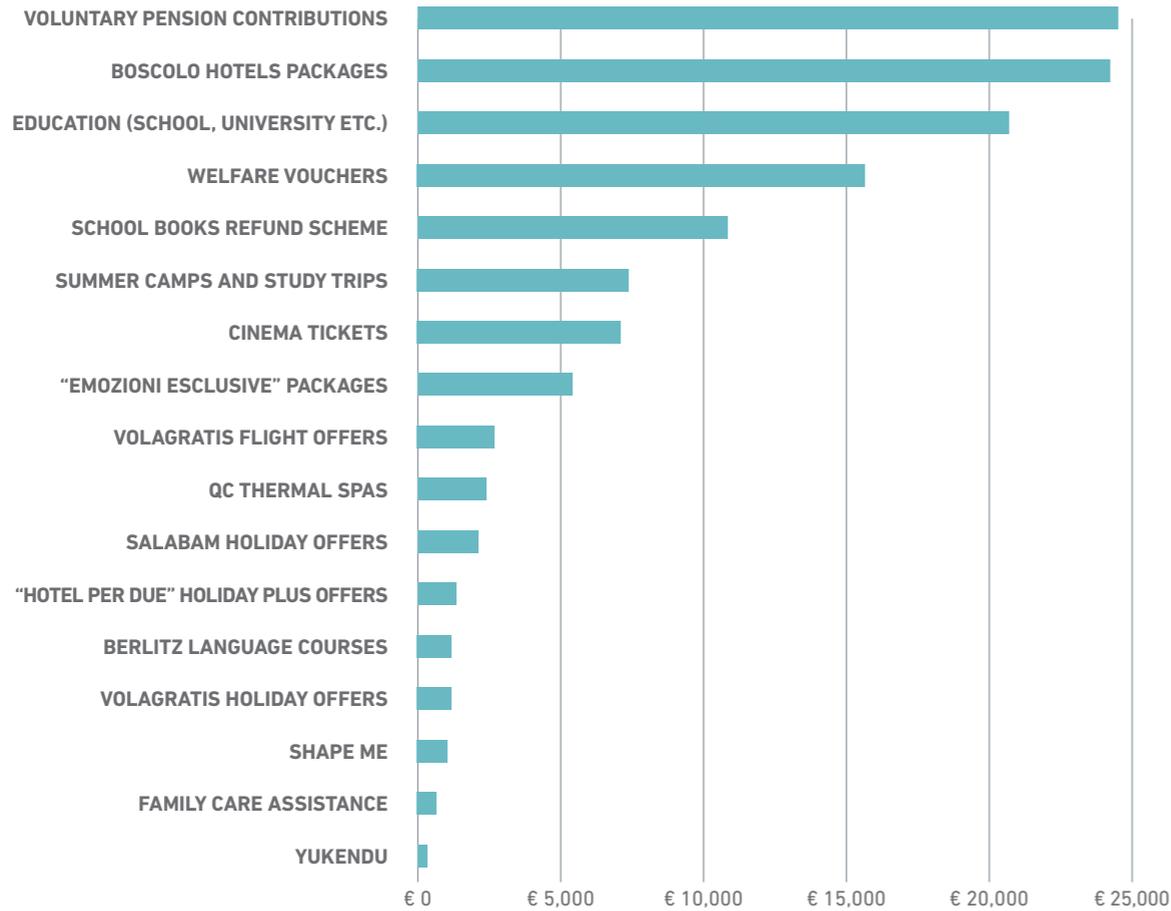
<sup>41</sup> The acronym "TUIR" is commonly used to indicate the Decree of the President of the Republic no. 917 dated 22<sup>nd</sup> December 1986, stating the *Approval of the Consolidated Law on income tax*, published in the Official Journal no. 302 dated 31<sup>st</sup> December 1986, Ord.Suppl.and subsequent amendments and integrations

In 2016, the Group<sup>42</sup> funded 1,142,753 euro for the corporate welfare, thus distributed:

WELFARE PLATFORM SPENT BUDGET	120,580.00
PLATFORM SERVICE COST	20,173.00
COMPANY CANTEEN	974,000.00
OTHER INITIATIVES (CI PENSA LA MENSA)	28,000.00
<b>TOTAL CORPORATE WELFARE</b>	<b>1,142,753.00</b>



With reference to the services dispatched through the Marchesini Group Welfare platform, the money was spent as illustrated in the graph below.



## 9.7 IN-HOUSE COMMUNICATIONS AND INVOLVEMENT ACTIVITIES

In 2016 again, in-house communication revealed to be an important tool, not just to promote the staff's sense of belonging to a team, but also to highlight and share the activities, projects and goals reached with the staff members themselves. Communication is fundamental to create a positive-thinking work environment so that personnel feel motivated in achieving mutual targets; it is a tool that informs all the employees on the strategic business lines and what happens throughout the rest of the group. Suitable communication systems are the way to create transparent and reciprocally trustworthy relations.

Involvement is promoted by the Marketing and communications managers. On May 14<sup>th</sup> 2016, the Summer Party took place in Barberino di Mugello (Florence). 400 people from all the Italian facilities took part in strolls around the woods, beach volley and football tournaments.



<sup>42</sup> Just the Marchesini Group S.p.a., Neri S.p.a. and CO.RI.M.A. S.r.l.

## 9.8 HEALTH AND SAFETY

According to the values stated in its Code of Ethics<sup>43</sup>, the Group always strives to safeguard the integrity, health and wellbeing of its workers at the workplace.

According to current standards on this subject<sup>44</sup>, educational and formation programs are held on safety at the workplace, on first-aid, on fire-fighting standards, on the consequences of consuming alcohol and drugs, on the specific risks of the various tasks and on the environment, even if these are not actually mandatory by local law.

For each operating unit the group provides its personnel with training courses on the environment and safety, which are programmed according to the activity carried out by each employee. The courses may concern the correct management of mechanical and electrical risks or those deriving from handling chemical substances or the instructions to follow to reduce impact on the environment (for example, waste management).

Each year, meetings are held on safety for the Italian branches of the group, which deal with the following topics:

- Accident statistics of the previous year.
- Training and informative activities concerning safety.
- Trend of the use of personal protection equipment.
- Actions carried out following the meeting of the previous year.
- Measures and improvements for the current year.
- Risk assessment.
- Health monitoring activities.

With reference to accident statistics in particular<sup>45</sup>, the table that follows provides data for 2005-2016, indicating the frequency<sup>46</sup> and seriousness<sup>47</sup>.

This indicator is of general validity and being standardised in relation to a period, sector and territory, it is used to compare through these three separate dimensions. In calculating the frequency of accidents, reference is made to three different categories instead of the overall total entity:

- Accidents that caused temporary disability
- Accidents that caused permanent disability
- Fatal accidents

This indicator is of general validity and being standardised in relation to the seriousness category, it is used to make comparisons of all types.

<sup>43</sup> Code of Ethics, page 27

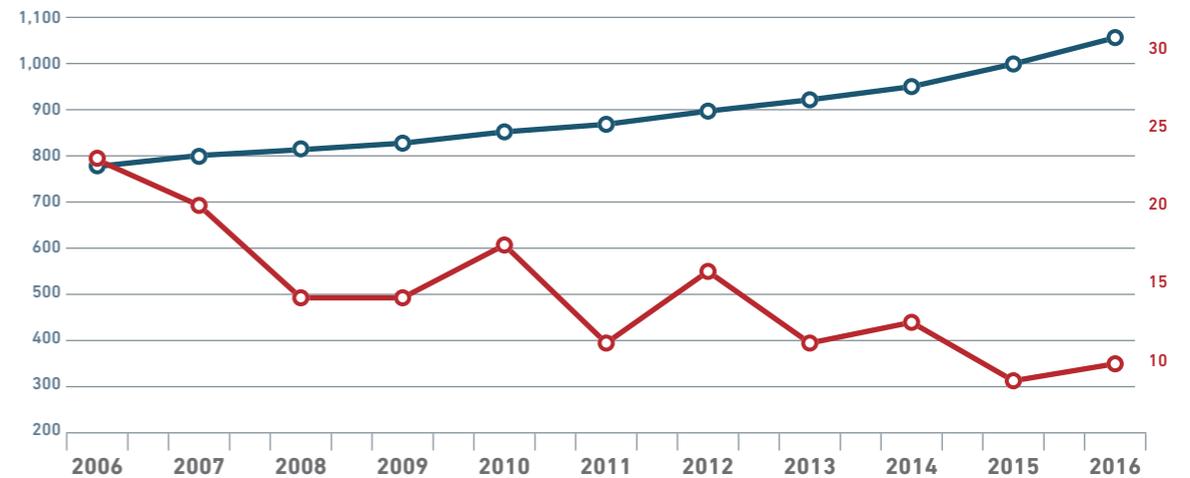
<sup>44</sup> Law 81 dated 9<sup>th</sup> April 2008 - Text coordinated with Law 106 dated 3<sup>rd</sup> August 2009, Implementation of article 1 of Law 123 dated 3<sup>rd</sup> August 2007, concerning safeguard of health and safety at workplaces. Official Journal no. 101 dated 30<sup>th</sup> April 2008 - Ordinary Supplement no. 108 Integrative and corrective decree: Official Journal no. 180 dated 05<sup>th</sup> August 2009 - Ordinary Supplement no. 142/L

<sup>45</sup> Limited to Italian Facilities

## 2006-2016 ACCIDENT TREND ACCORDING TO LEGISLATIVE DECREES 81/108 AND 106/09

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
NUMBER OF ACCIDENTS (1)	23	20	14	14	18	11	16	11	13	9	10
ABSENCE FOR ACCIDENTS - DAY(2)	418	197	207	273	280	299	404	144	175	204	166
HOURS WORKED (3)	1,355,199	1,387,640	1,443,037	1,429,996	1,476,247	1,478,463	1,532,390	1,598,829	1,665,696	1,761,484	2,074,150
AVERAGE N. OF EMPLOYEES (4)	776	800	820	826	849	861	897	923	952	996	1,054
INCIDENCE INDICATOR (5)	3.0	2.5	1.7	1.7	2.1	1.28	1.78	1.19	1.37	0.90	0.95
FREQUENCY INDICATOR (6)	17.0	14.4	9.7	9.8	12.2	7.4	10.4	6.9	7.8	5.1	4.8
SERIOUSNESS INDICATOR (7)	0.31	0.14	0.14	0.19	0.19	0.20	0.26	0.09	0.11	0.12	0.08

- (1) Only those which have caused an absence from work for 1 day or more (including the day of the accident), and that, according to art. 4, paragraph 5, letter o) of the Legislative Decree 626 should be noted on the appropriate register.  
 (2) Total days of absence from work due to accidents reported in point (1).  
 (3) Total number of hours worked during the year.  
 (4) Average number of employees from January to December of each year.  
 (5) Calculated according to the formula: N. of accidents/N. of employees x 100.  
 (6) Calculated according to the formula: N. of accidents/N. of hours worked x 1,000,000.  
 (7) Calculated according to the formula: ABSENCE FOR ACCIDENTS/N. of hours worked x 1,000.



KEY | ● EMPLOYEES N. ○ ACCIDENTS N.

<sup>46</sup> The accident frequency measures the incidence of accidents per thousand hours in a given period, sector and territory, related to the number of hours worked in the same period, sector and territory. The indicator is multiplied by one thousand (10<sup>^3</sup>) to avoid figures that are numerically too small

<sup>47</sup> It measures the seriousness of the accidents, indicated in conventional days lost per thousand hours worked. The indicator is multiplied by one thousand (10<sup>^3</sup>) to avoid figures that are numerically too small

In calculating the seriousness of the accidents, instead of the overall total, you can refer to three different categories whose seriousness is expressed in conventional days lost:

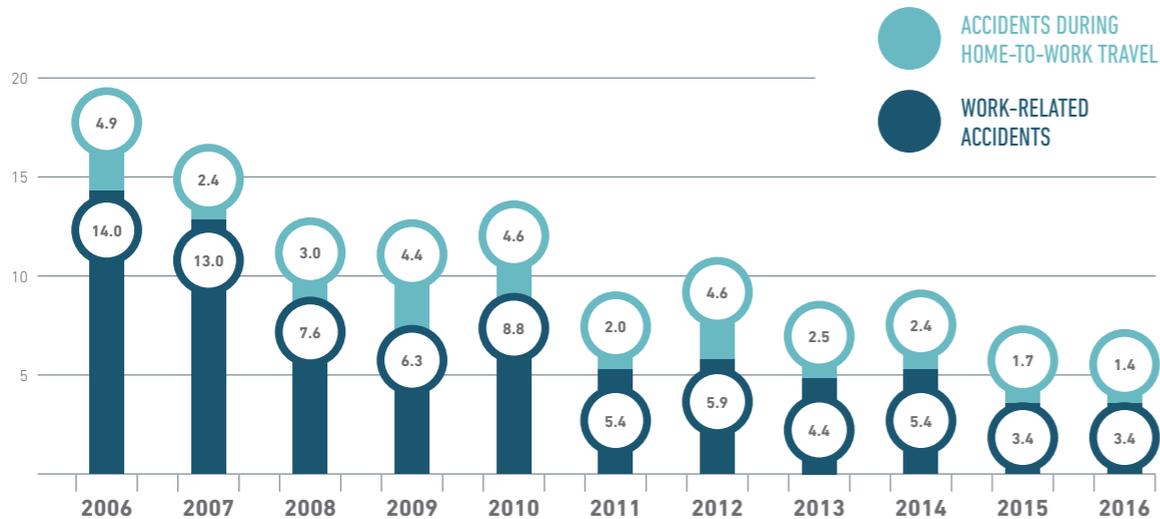
- Accidents that caused temporary disability, where the seriousness coincides with the number of days lost.
- Accidents that caused permanent disability, where the seriousness is calculated by multiplying the disability score of each case by 75, and is expressed in number of conventional days lost.
- Fatal accidents, where the seriousness is calculated by multiplying each death by 7.500 (corresponding to the number of average work days throughout the whole life of a worker), and it is expressed in conventional number of days lost.

The overall total is calculated as the sum of the conventional days lost for each of three categories.

As regards safety training, in 2016, 2,294 hours for 261 employees<sup>48</sup> were fulfilled. About 70% of the training hours were fulfilled for new employees.

The main projects on health and safety fulfilled in 2016 concerned infrastructure improvements at the factories of the various branches, installation of more efficient machinery and optimisation of processes. Voluntary courses to give up smoking and to eat healthily were fulfilled and, at the headquarters in Pianoro, a new and very comfortable room has been setup for postural gymnastics, yoga and Pilates courses.

## FREQUENCY RATE



### KEY

- ACCIDENTS DURING HOME-TO-WORK TRAVEL
- WORK-RELATED ACCIDENTS

## SERIOUSNESS INDICATOR



### KEY

- ACCIDENTS DURING HOME-TO-WORK TRAVEL
- WORK-RELATED ACCIDENTS

	HOURS 2016	HOURS 2015	Δ% 2016/2015
FIRST-AID	42	92	-54%
FIRE-FIGHTING	0	40	-100%
HEALTH AND SAFETY MANAGER	184	64	188%
DIRECTORS & COMPANY'S REPRESENT.	288	276	4%
NEW EMPLOYEES/UPDATING	1,599	1,815	-12%
MACHINERY	181	176	3%
<b>TOTAL</b>	<b>2,294</b>	<b>2,463</b>	<b>-7%</b>

	PERSON. TRAINED 2016	PERSON. TRAINED 2015	Δ% 2016/2015
FIRST-AID	13	22	-41%
FIRE-FIGHTING	0	8	-100%
HEALTH AND SAFETY MANAGER	11	8	38%
DIRECTORS & COMPANY'S REPRESENT.	33	39	-15%
NEW EMPLOYEES/UPDATING	153	168	-9%
MACHINERY	51	16	219%
<b>TOTAL</b>	<b>261</b>	<b>261</b>	<b>0%</b>

<sup>48</sup> Safety training represents about 14% of all the training fulfilled. However, the number of people for whom these training projects were fulfilled is only available to the Marchesini Group S.p.A.

## 9.9 RELATIONS WITH INSTITUTIONS

The Marchesini Group is actively involved in our country and is a member of several associations and institutes to promote not only industrial and cultural development, but also to spread sustainability and innovation.

The Group collaborates with several institutes and associations with "utmost transparency, clearness and correctness so as not to induce partial, falsified, mistakable or deviating interpretations"<sup>49</sup>, in full compliance with current standards and respecting the public nature of the function.

INSTITUTE	ROLE OF THE MARCHESINI GROUP OR ITS REPRESENTATIVES
ITALIAN INDUSTRIALISTS FEDERATION EMILIA ROMAGNA	MEMBER - THE PRESIDENT, MAURIZIO MARCHESINI IS ALSO PRESIDENT OF ITALIAN INDUSTRIALISTS FEDERATION OF EMILIA ROMAGNA
UCIMA	MEMBER - THE PRESIDENT, MAURIZIO MARCHESINI IS ALSO A MEMBER OF THE BOARD OF DIRECTORS
FRIENDS ASSOCIATION OF THE INDUSTRIAL HERITAGE MUSEUM	VALENTINA MARCHESINI IS THE PRESIDENT
AIDAF	MEMBER

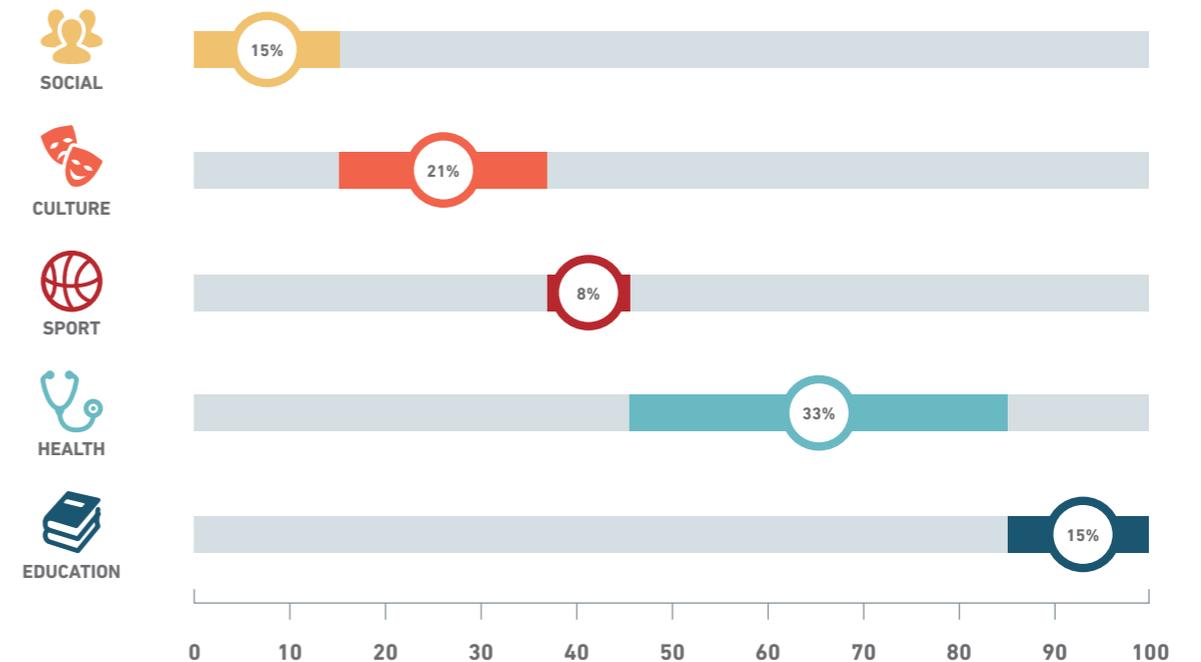
## 10. CHARITY COMMITMENTS - A YEAR OF SUSTAINABILITY

*The Group establishes a special bond with the land where it works, safeguarding the natural environment and the social context of local communities.<sup>50</sup>*

The company has always been aware that relations with local communities are the starting point to create value around the business. It is a virtuous circle that, by adding numerous competitive advantages, further encourages the Group to cultivate involvement and personal roles in such relations and to actively participate in projects and initiatives of public interest.

Doing business in a way that is "deeply bound to promoting a sustainable development, with special reference to safeguarding the environment and bonding with the social contexts in which the group operates"<sup>51</sup>, is a fundamental aspect of Marchesini's sustainability approach, which is consolidated with the direct or indirect economic support of social, cultural, artistic and scientific research projects and activities.

Throughout 2016, Marchesini Group continued its commitment as a socially responsible business in supporting the economic, social and cultural development of the areas in which it works: It contributed with about 278,500 euro, 22% more than in 2015, thus distributed:



<sup>49</sup> Code of Ethics, page 32

<sup>50</sup> Code of Ethics, page 30

<sup>51</sup> Code of Ethics, page 30 and subs

## CASE HISTORY

Here are the details of the most important direct initiatives<sup>52</sup> of 2016.



## ANTONIANO ONLUS

CONTRIBUTION 2016 **5,000 EURO**

ECONOMIC SUPPORT  
IN PROJECTS COMMENCED IN 2016:  
CANTEEN DINNER  
AND SOCIAL RE-INTEGRATION.



SOCIAL



### PROJECT DESCRIPTION

In 2016, we contributed in supporting families in need who came to the canteen and helped them become self-sufficient. They are poor people who have been reported by the social services or who are running from war zones and are asylum seekers in Italy. The Antoniano association has been opening its canteen for 60 years every day for lunch for 130 people who go there daily.

In May 2016, the service was extended and the Antoniano canteen also opened to offer dinner to families in need. Every Monday, the tables were laid for 60 people, among whom were also children.

The ingredients come from wholesale overflows and are donated by partner companies. The objective is to create a new type of canteen and then extend this good practice also to lunch to make the canteen a more welcoming place and to serve qualitatively better meals 365 days a year.

The canteen was able to open also for dinner thanks to the Chef association and to the Food for Soul project by Massimo Bottura. Over 40 Chefs brought their skills and creativity, cooking what the canteen had to offer. They took turns over the year and guaranteed the evening opening for dinner, completely free of charge.

The canteen opened for dinner every Monday from 7 pm to 8.30 pm. The volunteers assisted the chefs in serving the food and working in the dining room. Groups of 3/4 "Marchesini people" helped out in this initiative every Monday for 12 months.

<sup>52</sup> Or rather contributions of more than 1000 euro

## NOVA ASSOCIATION

CONTRIBUTION 2016 **5,000 EURO**

MEDICAL BUILDING  
NEAR KINSHASA  
(DEMOCRATIC REPUBLIC OF CONGO).



SOCIAL



### PROJECT DESCRIPTION

One of the institutes that Nova helps in the Democratic Republic of Congo is the Aurora di Kinshasa orphanage. The rural community where the Aurora orphanage is located is very large and one of the many lackings is its health service. Aurora is situated in the middle of a breathtaking plateau although it is rather isolated (you have to walk 30 minutes along a rough path to get there).

There are no health services nearby and the nearest ones are all private clinics that most of the population cannot afford. The surgery - in addition to taking care of the orphans - will serve the whole rural community at a modest cost for the patients. It has been estimated that it should become self-sufficient after one year from start up and also gain a small profit to be used to keep the orphanage up and running.

The project started at the beginning of 2016 thanks to funds of the Valdese church (thanks to income from 0.8% tax payments), to major funds from companies in Bologna, among which also the Marchesini Group and to individual donations. The overall cost was 35,000 euro for the building work, the basic equipment and the photovoltaic installation. Added to this, will be the personnel expenses (one doctor twice a week and a nurse-secretary every day), which for the first six months of the activity, will be to the charge of the association until the surgery is completely self-sufficient. The surgery was inaugurated on February 7<sup>th</sup> 2016.

## ARCHDIOCESE OF BOLOGNA (NETTUNO TV)

CONTRIBUTION 2016 **25,000 EURO**

SUPPORT GIVEN TO PRODUCE  
AND BROADCAST  
DIGITAL TELEVISION  
AND RADIO PROGRAMS.



SOCIAL



### PROJECT DESCRIPTION

Nettuno TV is a digital network channel that broadcasts news about Bologna and all the regions of Emilia-Romagna in particular; it also has exclusive sports agreements with the Bologna Football Club 1909 and the two Basketball teams of Bologna, Fortitudo and Virtus. Since it is managed by the Archdiocese of Bologna, it pays particular attention to news and events concerning the main church of Bologna and local social problems.

## DIOCESE OF CARPI

CONTRIBUTION 2016 **3,000 EURO**

CONTRIBUTION TOWARD RENOVATION  
WORK ON THE CATHEDRAL  
TO REPAIR DAMAGES CAUSED  
BY THE EARTHQUAKE OF 2012.



SOCIAL



### PROJECT DESCRIPTION

Raising funds quickly to complete the institutional funds for the renovation work on the church. It is the most important of the churches and is the Episcopal seat. It was seriously damaged by the earthquake of 2012. It should open again to the public by 25<sup>th</sup> March 2017 and will welcome the Pope Francis during his pastoral visit on April 2<sup>nd</sup> 2017.

## ITACA FOUNDATION

CONTRIBUTION 2016 **1,000 EURO**

ECONOMIC SUPPORT  
TO THE ASSOCIATION  
TO FULFIL VARIOUS PROJECTS.



SOCIAL



### PROJECT DESCRIPTION

The Itaca Foundation was thought up by a group of friends who had been volunteering individually and separately with the elderly and the disabled. The name "Itaca" stands for the island of Ulysses, which represents the safe place of dreams and wishes; for the lonely, it is a place where they can find true and sincere affection and trust. The Itaca non-profit organisation has always worked mainly in Bologna, but has also extended its actions to Rimini, Ravenna, Pesaro and Ancona. It helps those in need despite their pathology or disability and covers various activities: constant and long-term recovery; work placement; entertainment and assistance; specific recovery programs; Pranotherapy and recreational activities. Throughout the year, about 400 people are helped directly at home. The members of the foundation are well over 5,000.

## HAPPY HAND

CONTRIBUTION 2016 **3,000 EURO**

ECONOMIC SUPPORT  
TOWARD THE ANNUAL  
"HAPPY HAND" EVENT.



SOCIAL



### PROJECT DESCRIPTION

The WTKG "Willy the King Group" is an association named after Willy Boselli who has been promoting amazing initiatives for years to help people with special needs. Each year, through the event entitled "Happy Hand - Games without barriers", the association aims to knock down the barriers separating the Olympics from the Paralympics. The intention is to focus on the people and not on their ability or disability. It is a sports and social integration festival focusing on abilities and disabilities. Olympic sports are played with Paralympics sports to sustain that this is the way to a new culture on disability. According to the WTKG association and its volunteers, sport is synonymous with coming together and sharing; these are important levers that can change our world, awareness on the topic of disability and can encourage those who start physically disadvantaged.

## FRANCISCAN FESTIVAL

CONTRIBUTION 2016 **2,000 EURO**

ECONOMIC SUPPORT  
TOWARD THE EIGHTH EDITION  
OF THE FESTIVAL



SOCIAL



### DESCRIZIONE DEL PROGETTO

The 2016 edition of the Franciscan Festival entitled "by force or by donation", took place from 23<sup>rd</sup> to 25<sup>th</sup> September 2016 in the main square of Bologna (Piazza Maggiore) and other places around the city. The Franciscan Festival chose the theme of "forgiveness". Not a very trendy word, but one that is coming back into fashion thanks to the choice of Pope Francis to call the extraordinary jubilee of mercy. Taking place in 2016, it was even more extraordinary for the Franciscans because it was the eighth centenary of the "Perdono di Assisi" and the thirtieth anniversary of the "Spirito di Assisi". Thus the festival organised by the Franciscan Movement of the Emilia-Romagna region, entitled "by force or by donation" was filled with great significance to focus attention on the message of the Patron Saint of Italy and to decline it thanks to the Contribution of about fifty speakers and around a hundred events such as shows, workshops and activities for children.

## MANZONI AUDITORIUM THEATRE

CONTRIBUTION 2016 **85,000 EURO**

SPONSORSHIP  
OF THE THEATRICAL SEASON  
2016-2017.



CULTURE



### PROJECT DESCRIPTION

Manzoni Space s.r.l., a company of which Marchesini Group S.p.a. detains 20% of the corporate shares, manages the Manzoni Auditorium Theatre in view of a lease contract of a branch of the company stipulated with the Municipal Theatre Foundation of Bologna. The artistic management is entrusted to the famous Director and Flautist Giorgio Zagnoni, who guarantees the highest possible quality standards of the offer.

The aim of the economic support is to promote musical culture, especially symphonic and chamber music, in the area. In view of the corporate shareholding and sponsorship, Marchesini Group is also able to offer its employees special discounts and promotes the musical culture also within the company.

## RADIO IMMAGINARIA

CONTRIBUTION 2016 **15,000 EURO**

SUPPORTING THE STANDARD ACTIVITY  
AND INTERNATIONALISATION  
PROCESS.



CULTURE



### PROJECT DESCRIPTION

Radioimmaginaria is the first and only radio channel in Europe managed and run by youngsters aged between 11 and 17. It began in 2010 in Castel Guelfo, near Bologna and broadcasts via web on the "Spreaker" platform. It is a weekly program and registered about 250,000 listeners at the end of 2016. The social presence of Radioimmaginaria boasts a global reach on Face book of up to 10,500,000 weekly contacts, over 27,000 page fans, over 7,000 Spreaker fans, over 1,000 followers on Twitter and other social networks. About 200 youngsters are involved in Italy and abroad, of which 100 are regulars. It has Antennae in Turin, Sanremo, Varese, Cremona, Bergamo, Verona, Padua, Bologna (and province), Riccione, Florence, Terni, Rome, Naples, Brussels, London and Montreal. It broadcasts in Italian, French and English, with about 1,500 single episodes, an audience share of 77% younger than 24 and is listened to in over 30 countries, mainly in Italy, the UK, USA, Canada and Germany.

## SPOSTA-MENTI FESTIVAL

CONTRIBUTION 2016 **2,000 EURO**

ECONOMIC SUPPORT TOWARD  
THE FESTIVAL ENTITLED "SPOSTAMENTI"  
HELD IN 2016 ON 20<sup>TH</sup> - 22<sup>ND</sup> MAY  
IN PIANORO (BO).



CULTURE



### PROJECT DESCRIPTION

SpostaMenti is an initiative all about boundaries, plots and opportunities of our times in the attempt to give a different view on currently popular topics, such as the environment, migration, work, mental health and diversity through the tool of narration. In fact, people listened to stories through documentaries, the theatre, music and art. The headquarters in Pianoro was chosen to encourage people to move out of the city centre to the outskirts. The festival's challenge was indeed that of drawing attention to boundary lands and to the relations that can be developed there.

The title "SpostaMenti" is meaningful because the festival talks about moving nowadays: moving the way we live, the way we relate with others, the way we make choices and all the relevant processes. It was a 2-day event of documentaries, art, theatre and music in 2 locations, Arcipelago and Museum of Art and Craft.

## MODERNISSIMO CINEMA

CONTRIBUTION 2016 **20,000 EURO**

SPONSORSHIP OF THE RECOVERY  
AND RENOVATION ACTIVITIES  
OF THE MODERNISSIMO CINEMA  
IN BOLOGNA.



CULTURE



### PROJECT DESCRIPTION

On the contrary to the multiplex idea, the Film Library of Bologna complies with the new international awareness for the recovery of early 20<sup>th</sup> century film libraries and is ready to face a very important cultural and entrepreneurial challenge to bring the old Modernissimo Cinema back to life: the interiors have been renovated in their original and splendid Liberty style, creating the conditions for an amazing viewing experience thanks to the current technological standards, both in terms of image screening (the projection room will have projectors for both film and digital formats up to 4K, the highest resolution possible today) and in terms of sound quality.

The recovery of the underground theatre is a unique opportunity for the city of Bologna. In the heart of the old city centre, within the 'quadrilateral zone', the 'new' Modernissimo Cinema will be the perfect place to promote the cinematography culture in a wonderful historical context alongside the Festival entitled "Il Cinema Ritrovato" (New found cinema) which brings Piazza Maggiore alive every summer.

The project to bring the historical cinema back to life in Piazza Maggiore entails an agreement protocol between the municipal department of Bologna, the Cineteca foundation of Bologna and owner of the Emmergi Cinema, with the collaboration of Unindustria Bologna. The work started in the first quarter of 2016 and should be completed by the beginning of 2018.

Thanks to the contribution of the Marchesini group and other important industrial businesses in Bologna, the 2,5 million Euro needed to start the work (which will come to a total of 3,5 million Euro) were raised.

## A.I.L.

CONTRIBUTION 2016 **50,000 EURO**

A THREE-YEAR AGREEMENT (2014/2015/2016)  
WITH THE S. ORSOLA-MALPIGHI TEACHING HOSPITAL - DEPARTMENT  
OF ONCOLOGY AND HAEMATOLOGY TO ECONOMICALLY SPONSOR "LYMPHOMA  
RESEARCH PROJECTS RUN BY THE TEAM OF PROF. PIER LUIGI ZINZANI".



HEALTH



### PROJECT DESCRIPTION

The funds donated were used to sponsor the following activities carried out by the doctors and the data managers working at the Haematology Institute "L. e A. Seràgnoli", in the research group on lymphomas coordinated by Prof. Pier Luigi Zinzani.

Base activity

1. Tailored patient medical examinations
2. Data entry and management
3. Support in assessing the eligibility of patients and in the programming of appointments/examinations foreseen by the clinical protocol
4. Management of authorisation procedures of the Ethics Committee
5. Preparation of informed consents, informative letters for the patients, informative letters for the doctors
6. Management of the Investigator's Folder and TrialMasterFile

Advanced activities

1. Planning and fulfilment of clinical studies (observational and interventionist)
  2. Drawing up, writing and critical reviewing of the study protocol
  3. Statistic Analysis Plan
  4. Selection of experiment centres
  5. Management of authorisation procedures
  6. Set-up of the Investigator's Folder and TrialMasterFile
  7. Drawing up, writing and reviewing of the data collection register
  8. Statistic Analysis
- And others activities.

## AIUTO BAMBINI BETLEMME

CONTRIBUTION 2016 **1,000 EURO**

ECONOMIC AID  
FOR CHARITABLE ACTIVITIES.



HEALTH



### DESCRIZIONE DEL PROGETTO

"Aiuto Bambini Betlemme" is a part of the "KinderhilfeBethlehem" association, set up in 1952 in Switzerland and has been acting in Italy for Palestinian children since 2005. The headquarters are in Verona, but there are sponsors and activists all around Italy. It was set up to support and promote the work of the "Caritas Baby Hospital" of Bethlehem, the only specialised paediatric hospital in Palestine that gets the mothers involved and teaches them how to look after their children. The association also takes part in projects for sick and underprivileged children, their mothers and their families in the Holy Land. The aim is to build bonds of solidarity and reciprocal comprehension between the Palestinians and the Jewish.

Our economic aid contributed in fulfilling charitable activities that the association promotes to raise funds.

## TELETHON FOUNDATION

CONTRIBUTION 2016 **5,000 EURO**

SUPPORT  
FOR THE FOUNDATION'S  
RESEARCH ACTIVITY.



HEALTH



### PROJECT DESCRIPTION

In 1966 in the United States, Jerry Lewis invented a non-stop television event to raise funds in aid of muscular dystrophy. It was a success and was used from 1987, also in Europe by the French Association in aid of myopathy (Afm). In 1990, Susanna Agnelli met with the Italian Union for the fight against muscular myopathy (Uildm) and Telethon was launched in Italy with its first television marathon. Since then, it works daily to provide substantial answers to all those who fight against genetic diseases that are so rare that they are often forgotten by major public or private investments in research. Telethon sponsors the best researchers and research institutes because it believes in merit and excellence: only in this way have they been able to achieve some initial important results for treating genetic diseases.

## IL BENE NON-PROFIT FOUNDATION

CONTRIBUTION 2016 **15,000 EURO**

SUPPORT FOR THE FOUNDATION  
ACTIVITIES OF DIAGNOSIS  
AND TREATMENT.



HEALTH



### PROJECT DESCRIPTION

The "Il Bene" non-profit foundation supports the activity of the "Il BeNe" Centre (an acronym of the Bellaria Neuroscience hospital), which is authorised to diagnose and treat syndromes recognised as rare and neuroimmune neurological diseases. The Centre is directed by Dr. Fabrizio Salvi and is a part of the Neurosciences department of the National Health Service of Bologna at the "Unità Operativa Complessa" (U.O.C.) of Neurology of the Bellaria hospital in Bologna.

The BeNe Centre of the IRCCS Bellaria in Bologna currently treats about 2,000 patients, of which 1,300 suffering from multiple sclerosis, 300 from myasthenia and over 300 from other rare diseases.

The main goal of the "Il BeNe" centre is to provide complete answers to patients suffering from rare and neuroimmune neurological diseases such as Amyloidosis, Ataxia, Behcet disease, Charcot Marie Tooth disease, spastic Paraparesis, Amyotrophic lateral sclerosis, Syndrome of Von Hippel-Lindau, Myasthenia gravis, Multiple Sclerosis.

## RACE FOR THE CURE

CONTRIBUTION 2016 **1,500 EURO**

TO PROMOTE ENTRY  
TO THE RUNNING RACE  
OF THE ASSOCIATION.



HEALTH



### PROJECT DESCRIPTION

The Race for the Cure is the symbolic event of the Susan G. Komen organisation in Italy. This non-profit organisation of volunteers has been working since 2000 in the battle against breast cancer in Italy. It is a 3-day event full of activities related to health, sport, wellbeing and solidarity and ends on Sunday with the traditional 5km running race and 2km walk.

The main feature of the event is "Women dressed in pink". These women have personally been affected by breast cancer and, to demonstrate their positive attitude to battle the disease, they choose to intentionally stand out by wearing a pink t-shirt and cap.

The Race for the Cure reached Italy in 2000, in Rome, in the wonderful settings of Circo Massimo and later moved to Terme di Caracalla from 2001 to 2012, returning to Circo Massimo as of the 2013 edition.

Considering the growing success over past years, since 2007, the Race has been extended also to Bari, Bologna, Naples (for three editions from 2010 to 2012) and Brescia since 2015.

In 2016, the Race for the Cure celebrated its seventeenth edition in Rome with almost 63,000 registered runners, making it the edition with the highest number of participants in the world among the 150 and more races organised by Susan Komen in America, Europe, Asia and Africa. Nationally speaking, thanks to the events in Rome, Bari, Bologna and Brescia, 100,000 runners took part.

From 2000 to today, thanks to the money raised by the race entrance fees, Komen Italia has collected and already distributed over 3,000,000 € to fulfil more than 400 of its own projects and those of other breast cancer associations. Some of these projects are: training courses for health workers; prevention programs to educate healthy women and students; clinical services to regain the physico-physical wellbeing of women who have undergone operations and to buy diagnostic and treatment equipment for breast neoplasms.

## MEDICI SENZA FRONTIERE - DOCTORS WITHOUT BORDERS

CONTRIBUTION 2016 **5,000 EURO**

PROJECT TO HELP MOTHERS  
AND CHILDREN IN BANGUI,  
THE CAPITAL OF THE CENTRAL  
AFRICAN REPUBLIC.



HEALTH



### PROJECT DESCRIPTION

When the war broke out in Bangui, in December 2013, about half a million people fled from their homes. 100,000 gathered in the Mpoko camp at the airport relying totally on humanitarian aid for their needs and healthcare.

Today, about 30,000 live at the refugee camp in terrible hygienic and health conditions, or some have found shelter in churches and schools, following the new waves of violence over recent months and weeks.

To provide access to medical care to this vulnerable population, the MSF give free quality care through mobile hospitals in the five refugee camps around Bangui.

The team work at the General Hospital of Bangui to provide specialistic trauma care and at the Castors hospital, focusing on maternity. The MSF also runs a hospital and helps mothers give birth safely in Mpoko and provides medical assistance once a week in the central mosque in the Muslim enclave of the PK5 quarter.

The Castors maternity hospital is the only facility in Bangui capable of providing free obstetrical care 24/7.

The mother and child care project at the Castors hospital was inaugurated in June 2014. Since then, the team of doctors without borders have given free medical care for births and obstetrical and neonatal complications. Furthermore, a team of doctors and psycho-social assistants helps rape victims. Since January 2015, the activities carried out at the centre have grown considerably. In the first semester of 2015, 4 thousand women have been helped to give birth with 11% of C-section births. 142 rape victims have also been assisted. In March, a prevention activity was set up to reduce the risk of mothers passing HIV on to their children. In view of the growing number of entries, the MSF have recently setup the postpartum unit.

## BOLOGNA BUSINESS SCHOOL

CONTRIBUTION 2016 **30,000 EURO**

3-YEAR AGREEMENT  
TO SUPPORT POST-UNIVERSITY  
EDUCATIONAL ACTIVITIES.



EDUCATION



### PROJECT DESCRIPTION

Bologna Business School is an international community of ideas, people networks and projects. It is the Business School of the Bologna University, which is the oldest of the Western world. In Bologna Bologna Business School believes in the strength of transforming skills, passion and courage and in the possibility to make things happen. It draws inspiration from top international examples to offer rigorous and innovative training experiences in constant communication with businesses.

One of the features that distinguishes the BBS is its deep roots in the local land. This provides the life-blood and energy that make it unique and allow it to collaborate with scholars of thought, techniques and business.

BBS sustains and promotes self-sufficient, responsible and flexible personal and professional development. It stimulates inquisitiveness and the ability to adapt, promoting open and effective interpersonal communication networks and valued and inspirational leaderships.

## ALIAV

CONTRIBUTION 2016 **2,000 EURO**

TO SUPPORT THE EVENT  
OF THE ONE HUNDREDTH  
GENERAL SHAREHOLDER ASSEMBLY.



EDUCATION



### PROJECT DESCRIPTION

During the 100<sup>th</sup> General Shareholder Assembly on 16<sup>th</sup> April 2016, a memorial plaque was unveiled to celebrate the centuries-old presence of the Technical-Industrial Institute Aldini-Valeriani in via Castiglione 40 and in the adjacent former church of S.Lucia, which is today the Aula Magna of Alma Mater Studiorum.

It is a symbol that the people from Bologna will remember and acknowledge, for all those students who spent 5 years of their educational life in these historical halls.

The ceremony was followed by a convention on the future of the Technical Culture starting from Aldini Valeriani. Some speakers were Prof. Romano Prodi and the President of the Marchesini Group, who also spoke as the President of the Italian Industrialists Federation of Emilia Romagna.

## IL MOLINO DEL PERO GOLF CLUB

CONTRIBUTION 2016 **3,000 EURO**

PROMOTING THE GAME OF GOLF  
IN PIANORO AND IN THE HILLS  
OF BOLOGNA.



SPORT



### PROJECT DESCRIPTION

Golf is suitable for all ages and provides excellent exercise for body and mind. It offers socialising and fun. More and more people of all ages practice this sport at golf clubs such as "Molino del Pero" at sustainable prices. For the over 40's, but also others, golf is a great way to do physical and mental exercise, to meet people and to have fun. It is also great for those who are not-so-active and don't want to commit daily to going to the gym or to go swimming or exercising in other ways. To obtain great results, all you need to do is get the ball into 18 holes once a week. It is well-known and backed by clinical studies that the game of Golf:

- Contributes in preventing forms of disability (many golf associations are being set up for people with special needs);
- Helps prevent depression;
- Prevents reduced mental faculties (attention, concentration, game tactics and strategies to use to reach goals are functions used every time you hit the ball);
- Improves balance and therefore prevents risks of accidental falling (thanks to the swing movement);
- Improves resistance (you walk a lot);
- Increases flexibility of the joints and muscular strength (a lot of muscles are used - buttocks, thighs, arms);
- Improves the respiratory system and heart (thanks to long walks);
- Improves the cardiovascular system (reducing cholesterol levels);
- Improves the mood (you play in the open air, in the middle of the countryside and amidst the nature).

## 10.1 EMPLOYEES OF THE MARCHESINI GROUP AND THEIR VOLUNTEERING ACTIVITIES

The Marchesini Group has always encouraged its employees to do volunteering work, convinced that it is an enriching and personally gratifying experience from various points of view<sup>53</sup>.

In fact, this has led to consolidating a procedure in which the company doubles the funds raised through the activities promoted by its personnel.

In 2016, Marchesini's people, throughout the Italian facilities, raised the following overall funds worth **€ 57,294.36**:

- **For the earthquake solidarity fund of central Italy in 2016: € 38,854.36** of which € 19,427.18 donated by the employees and € 19,427.18 doubled by the group;
- **Summer Party 2016: € 4,280** of which € 2,140 raised by the employees and € 2,140 doubled by the group and donated to Dinamo Camp towards an infirmary;
- **Christmas lottery: € 9,000** of which € 4,500 raised by the employees and donated to the Maria Bouturlin Ved. Dini non-profit association - Cardiology and sports medicine department in Barberino di Mugello as a contribution to buying echocardiogram machines; € 4,500 was doubled by the group and donated to ANFFAS Alta Valdelsa non-profit association to support the project entitled "work ...at the centre" for young disabled adults who find it hard to get a job.
- **Expo ticket sale (amount dispatched and accounted for after 31/12/2015): € 5,160** of which € 2,580 raised by the employees and € 2,580 doubled by the company and donated to the non-profit community entitled: "Papa Giovanni XXIII Condivisione Fra i Popoli" to support the "Colomba" project for the People involved in the fights in the former Yugoslavia.

<sup>53</sup> Psychological research on the topic states that the most well known model that identifies classes of motivation to do volunteering work is the "functionalist" one of Snyder and collaborators (Omoto, Snyder, 1995; Clary et al., 1998; Snyder, Omoto, Crain, 1999; Stukas, Snyder, Clary, 1999; Snyder, Clary, Stukas, 2000; Snyder, Omoto, 2001):

- **Personal values:** it indicates the level of altruism.
- **Understanding:** it enables the use of abilities, capabilities and knowledge that would otherwise remain unexpressed.
- **Social values:** it enables important relations with others
- **Career:** it enables advantages for one's own career.
- **Protection:** it protects one against the feel of guilt for being luckier than others and to stop thinking of one's own personal problems.
- **Enhancement:** one's own positive resources are used to rise self-confidence and self-esteem.

