

Empowering people and communities



2020
REPORT

ABF
ANDREA BOCELLI FOUNDATION

FINAL BALANCE SHEET

Approved by the Board of Directors in the meeting of 29/04/2021

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1. STATUTORY BODIES

at 30/04/2021



BOARD OF DIRECTORS

Chairperson: Stefano Aversa
General Manager: Laura Biancalani
Vice Chairperson: Veronica Berti
Director: Alberto Bocelli
Director: Amos Bocelli
Director: Maurizia Leto di Priolo
Director: Giovanni Lega

BOARD OF AUDITORS

Chairperson: Deborah Sassorossi
Member of the Board: Franco Martinelli
Member of the Board: Stefano Monti



ADVISORY BOARD

Mohammed Abdul Latif Jameel

Antonio Danieli

Laura Giarrè

Eliana La Ferrara

Muhammad Yunus

Elena Pirondini

STRUCTURE OF THE FINANCIAL STATEMENTS FOR 2020

The Financial Statements consist of the Balance Sheet, Income Statement and Notes to the Financial Statements. They also include the directors' report which is divided into two sections:

- a) Mission report
- b) Economic and Financial Report

2.

REPORT OF THE BOARD OF DIRECTORS

Prepared by the Board of Directors on 29/04/2021





The Board of Directors of the Andrea Bocelli Foundation is pleased to present the report of its activities and the financial statements for the year 2020.

The financial statements were prepared in accordance with the recommendations of the Commission for Non Profit Organisations of the National Council of Certified Chartered Accountants.

The financial statements were drawn up in accordance with the provisions of the Italian Civil Code for companies taking into account the Foundation's special features as well as the principle of transparency, which requires the Foundation to provide information on the procedures by which resources were acquired and used in the individual areas of activity in the year in question.

In relation to the accounting standards applied, please refer to the Notes section of the Financial Statements.

LETTER FROM THE FOUNDER

Dear friends,

The world has been disconcerted by the events in the past year. What happened has dealt a deep wound (in social and health terms) and its scars will show us consequences for a long time. Through the pandemic we have been painfully reminded that mankind, indeed the whole of creation, is one big family and everything is interconnected inside of it. As further proof that any good we do is always coming back, somehow, multiplied, as well as any evil we do.

By introducing the financial statements of such a dramatically unbalanced year, we recall troubled and impoverished scenarios and a broken humanity (today painfully recovering) due to a global storm that disrupted customs and projects, limited freedoms, distanced and weakened any production systems and instilled fear.

But I believe that the striking results, covered by detailed description in the following pages, and the goals gained by ABF and, therefore, by each of you, express a counter-trend motif of great hope, a multiplier of optimism based on the concreteness of what was achieved and, therefore, on generosity, on sensitivity, on the hearts of many people whose conscience was not intimidated by the massive and unexpected obstacles caused by the pandemic.

The year 2020 demanded, more than ever, steadfast nerves and led us to live the emergency with our feet on the ground, by cultivating positivity as an act of responsibility... Many risked getting lost, losing their health or their job (together with the dignity of getting a living), and the comfort of their social relations. As Aristotle recalled in the fourth century BC, social relations are part of human beings' natural and essential predisposition: we can define our identity thanks to the people we have around us.

The foundation that bears my name, strengthened by the support of many wonderful supporters and thanks to its innate organisational and operational effectiveness, was able to immediately bring itself to the forefront, starting from the very initial weeks of the emergency, and to make every force in its possession available to respond to any needs, by easily adapting to the frequent changes imposed by the quick and uncertain evolution of the events. With the same promptness and dynamism, ABF adapted to the new situation by creating innovative tools aimed at supporting any emergencies and the ongoing projects. Thanks to what we collected, we were able to offer a substantial contribution to the situation, in terms

of creation of a specialised department at a hospital, medical instruments and equipment and personal protection. As far as this is concerned, I would like to strongly emphasise my wholehearted gratitude to those women and men who, in a moment of such a great uncertainty, even in economic terms, still decided to trust us and contributed with anything they could give. Even a little money have had immeasurable value and ethical weight for our foundation.

By being always "present" for any requests for help coming from institutions, ABF has never neglected the institutional and vocational line of intervention, the heart of its mission, which focuses on the educational area, thus implementing what envisaged by the programmatic document. In 2020 it launched "H-LABS - ABF for school in hospital", activated the Digital Lab and the delivery of the TeachBus (an actual digital library aimed at strengthening distance learning) at hospitals and educational facilities.

Then, the third major project carried out in the areas of the earthquake that hit the Marche region was implemented: the new Academy of Music, which we named after the unforgettable Maestro Franco Corelli, was inaugurated on 1 October in Camerino. With the academy, ABF returned to the community an appropriate Casa della Musica (House of music), an educational and artistic hotbed worthy of the noble tradition that has characterised cultural life in Camerino for centuries.

After so many months of difficulty and forced isolation, the inauguration was a moment of great emotion and satisfaction given that, as for the other schools set up by the foundation, this was completed in less than 150 days of construction as well... Another promise kept, despite all the problems, which were far more serious this time.

Dear friends, your closeness made possible what seemed to be impossible: ABF was aware of its privilege of being surrounded by so many friends but, after this year, it was even clearer that we are a family, that we have not only very close friends, but actual sisters and brothers, always ready to join forces to do good and make the world a better place.

To conclude, I want to thank you again, each one of you... The team, the volunteers, the professionals who put their know-how at the service of the donors. An extraordinary chain of good deeds that grew even more in the past year, becoming longer and stronger, able to reach out and offer support to the people around us who are closer and closer and increasingly need not to be left behind.

Andrea Bocelli



General Introduction

The spread of the Covid-19 virus (generally referred to as “Coronavirus”) - which was declared to be a pandemic by the World Health Organisation in March 2020 - profoundly changed the global macroeconomic dynamics recorded throughout 2020. In order to deal with the consequent health emergency, governments issued extraordinary measures aimed at preventing and/or limiting contagion, including, among other things, the temporary closure of industrial plants and construction sites (so-called lockdown) and several restrictions to the mobility of people and vehicles. Impacts on the world economy were and, in some cases, continue to be significant. Italy, where the Foundation is based and is particularly active, was severely affected by the pandemic, from both a health and economic standpoint. The entire Third Sector was severely put to test by the pandemic emergency.

In order to counteract the negative effects that the Covid-19 epidemiological emergency is having on the national socio- economic situation and in order to prevent the transitory crisis from producing permanent effects, the Italian government implemented a series of measures of extraordinary need and urgency.

The preparation of the financial statements requires estimates that have an effect on the values of assets and liabilities and on the related disclosure in the financial statements. The current pandemic, besides the devastating human, social and economic effects, is affecting the accounting processes, by introducing further elements of uncertainty, especially on the evaluation aspects and on the accompanying information.

It is not yet known when economic activities may be resumed, what are the future constraints on the production of shows and live activities, nor how long it may take to go back to normal operating conditions. Furthermore, the different scenarios that are emerging appear to be very different from sector to sector and, within each sector, affect individual companies or entities according to several elements, such as the reference market (internal or international), the supply chain (national or international), the level of

international competition (situation of competitors in foreign countries), pre-emergency financial conditions and others.

Within a context that is still so uncertain and changing, the Liquidity Decree issued by the Italian Government envisaged ad hoc rules, concerning the “suspension” of business continuity for the years 2019 and 2020, for those “healthy” companies or entities that, in the absence of Covid-19, would not have had any problems of going concern but which, at present, find themselves approving the financial statements without having a real and clear perception of the future, albeit the pandemic started more than a year ago.

Certainly the financial year 2020 was the year in which all the effects of the pandemic clearly manifested themselves.

Non-profit organisations, associations, cooperatives, foundations suffered a sharp contraction in activities and revenues, as well as the whole sector of for profit enterprises. However, although it is evident that the closure of many economic activities created losses in turnover for companies, the size of such losses and their consequences may not be easy to estimate for Third Sector entities.

Most of the third sector organisations implemented several strategies to deal with the crisis, both active (new investments, updating of fundraising methods, remodelling of services, acceleration of digital transformation) and passive (redundancy fund, request for support measures, etc.).

Furthermore, although it is true that during the first phase of full lockdown, many institutions had peaks in donations, these concentrated mainly in the field of health emergency or on public subjects, putting associations and foundations to severe test: such subjects, in fact, lacked both private and business funds since they do not usually work in emergencies nor have they reconverted their assets and instruments into time.

The reaction of ABF

In March 2020, the Andrea Bocelli Foundation (ABF) responded to the emergency in a proactive way, by promptly activating remote working measures for all the management and operational personnel, thus avoiding any interruption to the core activities and protecting the health of every employee.

On the one hand, ABF dedicated itself to the protection of its employees, volunteers and personnel in general and, on the other hand, it promptly activated a system of support for local communities and those closest to its projects in order to play an active role in the emergency.

Projects specifically dedicated to supporting the health emergency during lockdown at first (Phase 1) and then to restarting educational activities (Phase 2) were added to the normal projects already approved and in progress at the beginning of the pandemic in order to cover the widest range of needs, still within the limits set by the Foundation's Statute.

Simultaneously, the Foundation dealt with the problem of obtaining sufficient resources for the existing projects, by redefining all project interventions and, at the same time, by trying to guarantee coverage in terms of funds raised. Alternative scenarios for 2020 results were developed and a periodic internal control system was set up to identify and measure actual deviations from such scenarios.

According to the Annual Forecast Document 2020, more than 40% of ABF fundraising would derive from collection events organised mainly in the second half of the year. But, since it was no longer possible to count on the proceeds of collection deriving from events and being already aware of the serious crisis that hit the whole economy of the country, the Foundation decided to leverage to web and seek alternative solutions to meet donors, showcase projects and organise online large-scale events. 2020 therefore, turned into a year of opportunities for ABF, a year to develop new partnerships, launch new design dynamics and new collection channels while, at the same time, trying to respond to the pandemic emergency and to strengthen the foundation's mission in the field of support, empowering and education.

2.1. Mission report

A.

IDENTITY, VALUES AND MISSION

The Andrea Bocelli Foundation was established through a notarial deed by Notary Sergio Napolitano in Pontedera on 12/07/2011, by the will of its sole Founder Andrea Bocelli. In accordance with the Articles of Association, the Foundation may use the English name "Andrea Bocelli Foundation" (ABF).

The Foundation was granted legal status by the Prefecture of Pisa, Italy, on 12/10/2011. Since that date, it has been registered in the Book of Legal Persons, Volume VI, no. 46, at the aforementioned Prefecture of Pisa.



The Andrea Bocelli Foundation was established to leverage the wealth of relationships, that exchange of emotions and bond of trust that Andrea has created over time. It was born of the desire to create a strong relationship with all those people, a circle of individuals who may join forces and resources so that other people, who are experiencing difficulties, are able to find their place beyond all social, cultural or personal limitations.

Over the years and by coming in contact with many national and international situations, Andrea has become aware of the value that a committed, focused activity can have, that does not exhaust resources but targets them to obtain results which, albeit small, are innovative, effective and long lasting.

Identity

“It is by faith in love and justice that we are called upon to build a better world than we found, called upon to give back to the world the good that we received, so that even the less fortunate or weaker are given the opportunity of a life full of chances and beauty, and those who deserve it can find true energy and occasions to give the best of themselves”

Andrea Bocelli



This is the belief that led to the creation of the Foundation; achieving a living laboratory, a pillar of strength made up of many small players, all connected by passion for music who, from every part of the globe, join to fight extreme poverty in developing countries and accept major challenges in the social field and in scientific research.

This statement represents the Founder's vision, which underlies the development of its mission and is backed by some values identified as essential by the Founder himself and by the Board of Directors.

Values

The **Courage** to believe in small and large changes that we can make to initiate something true; the courage to have and give trust.

Care or taking care of the people who are around us, notice their discomfort or their unexpressed strengths.

Concreteness, working to provide real, tangible, measurable solutions to the problems we deal with.

Competence, a fundamental element so that actions are carried out with responsibility and professionalism hence be useful and effective.

Cooperation means establishing positive relationships between donors, the Foundation and the beneficiaries, bringing together will and needs through philanthropic intermediation activities so that anyone, however big or small, can participate and contribute with human, material and financial resources.

The key value that summarises our 5Cs is **Trust**: trust which we inspire, which we ask for, which we give and which we experience.



Mission

Empowering people and communities

The Andrea Bocelli Foundation's core mission is to help people in difficulty, as a result of illness, poverty or social exclusion, by promoting and supporting national and international projects that promote full self-expression and the breaking of barriers.

The Foundation is committed to ensuring every individual and community can express their full potential beyond their limits.

The Board of Directors has decided to carry out the mission through the creation of two Programmes:

The **Break the Barriers Programme** aims to support and promote projects that specifically assist the populations of developing countries, and in any case those situations of poverty, illness, and complex social issues that stunt or reduce the quality of life.

The **Challenges Programme** aims to bring together the best minds to find innovative solutions to help people cope with and overcome the limits imposed by their disability/discomfort. This programme will therefore support projects in the field of scientific/technological research and social innovation.



The Foundation – as a private legal person focusing on the pursuit of social utility purposes – plays a complex role, whose specific feature is to promote and implement the planning ability in collaboration or even in partnership with Private Bodies or national

and international Public Institutions, and to act as a catalyst of the existing players and resources through the trust accorded to the Founder by many individuals and institutions.

The Foundation's activities can be summarised as follows:



In addition to internal stakeholders (operational structure being established and statutory bodies), the Foundation identifies Third Sector organisations and national and international institutions as its preferential stakeholders, with whom it engages in constant exchange as to the implementation of the internal projects as well as monitoring and assessing initiatives. However, the importance of the network of partners with whom the Foundation is already establishing relations and initiatives should not be neglected, especially in the start-up stage.

MAP OF STAKEHOLDERS

Institutional Bodies

Andrea Bocelli Foundation

Operational structure

↓
Donors
(large or small,
institutional or not)

↓
Staff, suppliers
and volunteers

↓
Beneficiaries

↓
Partners

↓
Civil society

While setting up activities, we have prepared a comprehensive and complex map of stakeholders, consisting of crucial players for the achievement of the mission objectives.



B. INTERNAL ORGANIZATION

B1. Governance and activities of the Bodies

According to their respective functions as outlined in the Articles of Association, the Foundation's work is carried out by the following bodies: Board of Directors, Advisory Board and Board of Statutory Auditors.

The **Board of Directors** as at 31/12/2020 consists of 5 members, one of whom serves as Chairperson, and remains in office for three financial years. The first Board of Directors and its Chairperson were appointed at the time of incorporation directly by the Founder.

The Board of Directors, as well as the Board of Auditors, terminated their office with the approval of the financial statements for the year 2019. After a period of prorogatio, on 19/11/2020 the members of the new bodies were appointed (the board of directors in the same composition as the previous one).
The statutory changes that amended some aspects of the governance of the Foundation, including the increase in the number of members of the Board of Directors from five to seven, were approved and two new independent directors were appointed on 30/12/2020. To date, after the registration of all such changes sent to the Register of Legal Persons of the Prefecture of Pisa, the Board of Directors is composed of seven members.

Throughout the year 2020, the Board of Directors was in charge of analysing the statutory changes useful for becoming a Third Sector Entity in compliance with the (It.) Delegated Law 106/2016 for the Third Sector Reform.

Besides this, a reflection was started on the future of the Foundation and thus on governance.

As far as this is concerned, the most significant changes were introduced in relation to the Board of Directors and the Board of Auditors.

Specifically, as far as the Board of Directors is concerned, the number of directors was increased from 5 to 7.

After the regular communications in the Prefecture and the related registration of the statutory changes, this allowed to include two new independent directors in the Body of Directors.

The General Manager remains a steady element of the Board of Directors. The powers of the Board pursuant to article 10 of the Articles of Association are as follows:

The Board of Directors shall be responsible for:

- Defining the foundation's general guidelines, within the objectives of the activity referred to in Article 2 of these Articles, and approve the action programmes prepared annually with the favourable opinion of the founder;
- Approving the budget and final account;
- Approving, where appropriate, the Regulation on the organisation and functioning of the Foundation;
- Establishing and updating the Register of Benefactors of the Foundation and setting the minimum contribution to be part of it, if present;
- Establishing Advisory Committees on specific matters by means of specific Regulations,
- Appointing the members of such Committees pursuant to art. 20 of the Statute herein;
- Appoint the Vice Chairperson through internal selection;
- Appoint Advisory Board members;
- Appoint, as appropriate, the General Manager, from a selection of people with specific skills and expertise;
- Appointing the members of the Supervisory Body;
- Approving any statutory changes, subject to the founder's favourable opinion;
- Approve the sale and purchase of any real estate, the acceptance of donations, either charitable or related to inheritance;
- Voting on the proposal to the competent Authority for the dissolution of the Foundation and transfer of the assets, with the favourable opinion of the founder. In such case, the quorum for the resolution will be equal to a qualified majority voting of 2/3 (two thirds) of those entitled to vote with the favourable opinion of the founder;
- Delegate the executive functions of its decisions to

the Chairperson or its members, for the purpose of more effective management;

- Any other useful activity for the proper functioning and management of the Foundation.

The **Advisory Board** pursuant to art. 13 of the Articles of Association, is the Foundation's advisory and guarantee body and consists of 3 members chosen by the Board among experts in the fields of the Foundation's activities.

In particular, the Advisory Board has the task of:

- designing, developing and assisting the Foundation's strategies and programmes;
- cooperating in defining the Foundation's guidelines and possible areas of development;
- support, in an advisory capacity, the Board of Directors in the Foundation's ordinary and extraordinary operations;
- prepare a periodical report on the Foundation's activity, to be submitted to all the Foundation's stakeholders.

It currently consists of 6 members linked to the Foundation's two programmes.

Prof. Yunus, Jameel Latif and Prof. La Ferrara are involved in the programme dealing with the fight against poverty.

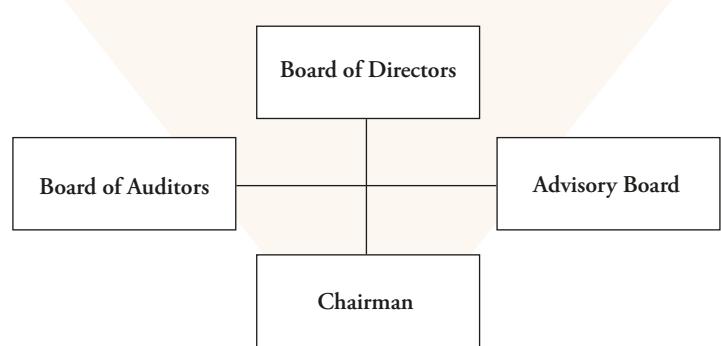
- Prof. Yunus was awarded the Nobel Peace Prize in 2006 for the development of micro-credit with his Grameen Bank; in addition to this, for some time now, he has been spreading his concept of social business as a business model to fight poverty;
- Mohammed Abdul Latif Jameel, besides being a successful entrepreneur, has set up many important philanthropic initiatives around the world. In particular, he is a member of the MIT (Massachusetts Technical Institute) Board of Directors and founder of JPAL (Jameel Poverty Action Lab), a world famous institution for the impact assessment of the social policies of governments and international cooperation projects and in cooperation with which we set up a workshop in Boston in 2013;
- Prof. Eliana La Ferrara is a Professor in Development

Economics at Bocconi University. Furthermore, she cooperates with other foreign universities such as MIT and with the World Bank;

The Challenges Programme, on the other hand, is covered by Prof. Laura Giarrè, who is an Electronic Engineering Professor at the University of Palermo. Prof. Giarrè is the scientific director of ABF's Fifth Sense Project;

- Antonio Danieli, an engineer, Director of the Marino Golinelli Foundation, and former director of the Nomisma Foundation is a member of the Advisory Board. A management engineer, he supports the development of the Foundation's organisation;
- Finally, the last member of the Advisory Board is Dr. Elena Pirondini, currently project coordinator at the United Nations population Fund (UNFPA), who is an expert in international development, partnerships and project management.

Pursuant to art. 14 of the Foundation's Statute, the Supervisory Body is the control body of the Foundation's management and organisation which monitors compliance with the law and the statute and compliance with the principles of correct administration and participates in all meetings of the bodies without the right to vote. It is chaired by the Chairman of the Board of Auditors. It consists of three members chosen from among chartered accountants registered in the register of Auditors.



In 2020, the events involving the corporate bodies may be summarised as follows:

Meetings of the Board of Directors

- 26/02/2020
- 31/03/2020
- 29/05/2020
- 20/07/2020
- 01/09/2020
- 17/09/2020
- 19/11/2020
- 30/12/2020

During 2020, the Board of Directors met to activate and monitor the initiatives and projects put in place and to be implemented within the current year and in the medium term. Except for the one of 17 September, all meetings were held by teleconference due to the pandemic.

During the course of 2020, the Chairperson and General Manager operated according to their respective responsibilities, as established in order to separate the role and responsibility to steer and approve activities from the executive role.

The Board of Directors is composed of five members as envisaged by art. 9 of the Foundation's Statute.

Furthermore, as envisaged by art. 16 of the Foundation's Statute, the Board of Directors has the right to establish, by means of a specific Regulation, Committees with advisory functions on specific matters, involving persons from the Board or external subjects on the basis of their competence.

As far as the composition of the Committees is concerned, they have not yet been established in the current mandate, although the Board expressed its intention to equip itself with the aforementioned committees.

The governance and organisation model implemented in 2020, reporting directly to the General Manager, features six posts to be filled by specific individuals (internally or in outsourcing mode):

- Fundraising
- Marketing & Communication
- Finance & Accounting
- Legal & Compliance
- "Break the Barriers" programme
- "Challenges" programme





B.2 Operational structure

In 2016 it was decided to establish the positions of Chairperson and General Manager in order to separate the role and responsibility to steer and approve activities from the executive role, in order to distinguish the different responsibilities and avoid any potential conflict of interest.

The Chairperson has granted broad executive powers to the General Manager, by means of special power of attorney drawn up by the Notary Public Alberto Zetti.

The Foundation has acquired expertise that enables it to expand and consolidate its core activities. One executive with the role of General Manager, one middle manager with the role of Chief Finance Officer (CFO), one employee in the communication department and one in the communication department, one employee in the communication/Fundraising department, two apprentices in the finance department and one executive assistant/office manager were confirmed in 2020. For the purposes of implementing the projects in the field, the Foundation increased the team of collaborators and professionals who work on educational projects every day.

Among the professionals who collaborate with the Foundation, a pedagogical coordinator and a property manager were appointed for the design of new interventions and for the correct maintenance of existing interventions.

The appointed Advisory Board members provided major support in the identification of the development strategy as well as the individual activities and projects to endorse.

Many professionals and companies worked on a voluntary basis and offered their pro bono work in order to build the Foundation's organisation.

Collaboration continued with long-term partners such as Fondation St. Luc for the maintenance and development of projects in Haiti, other partnerships were formed and are being established for the development of core activities.

The rest of the operations were supported by a large group of volunteer staff manning the various positions on a regular basis.

With reference to communication, the material was produced by an external agency, and the press office work was also outsourced. As far as communication and PR are concerned, a collaboration with the Edelman International Agency was established.

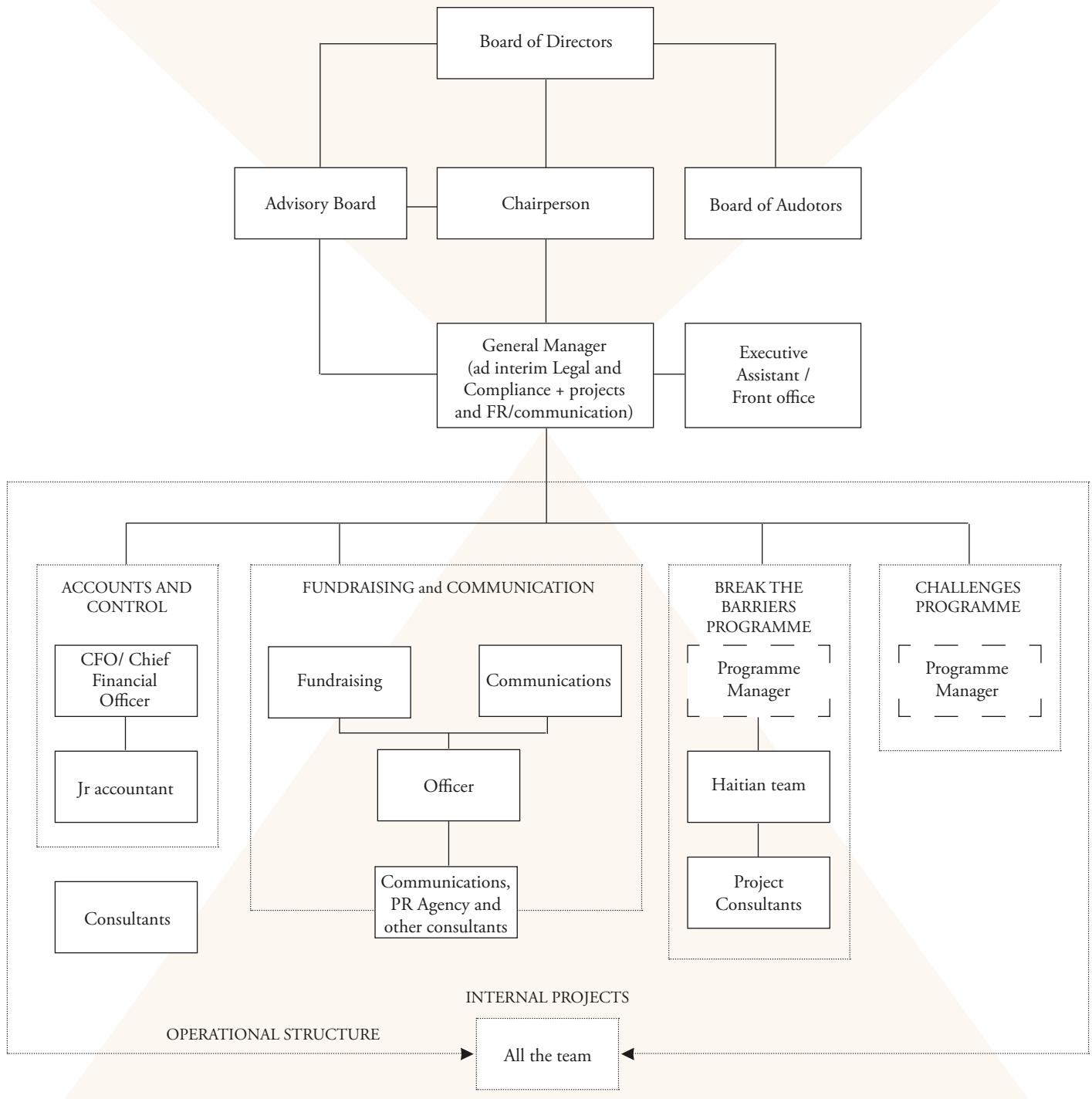
Legal advice is partly pro bono, partly provided by a law firm with which we have a well-established relationship in order to request opinions and to thoroughly manage the year's activities in terms of fund raising initiatives as well as international donations.

In addition to that, during 2020, the accounts department used the services of an external firm for tax fulfilments, tax consultancy and payroll.

Further actions were undertaken to retain volunteers, so that they too may give continuity and support to the Foundation.

The information system acquired in 2014 to manage donations as well as for management of projects and contacts with stakeholders was used for carrying out and disseminating activities.

A goal that should continue being pursued, in 2020 as well, is setting up a team of employees, associates, external suppliers, volunteers all working together under the same banner: trust, transparency and teamwork. A proposed organisational structure by positions that has been implemented to date is shown below, with dashed lines representing the vacancies to be filled in 2021.



C. ACTIVITIES: THE PROCESSES

The work process: support to projects

The Andrea Bocelli Foundation is an operational foundation that has always operated and will continue to operate according to three lines of activity:

1. Design and implementation of stand-alone projects or projects carried out in collaboration with national and international bodies or institutions, a core activity of the Foundation;
2. Philanthropic activities, in line with the Founder's vision and values;
3. Institutional relationships, opportunities for analysis and actions in partnership, in line with the Foundation's vision and mission.

The beneficiaries

The resources provided by the Foundation, apart from those used for actions of internal origin referred to in points 2 and 3, may only concern – as required by the Articles of Association – Non Profit Organisations and national and international Institutions, and the Foundation shall avoid as much as possible to provide economical resources directly to natural persons in need.

Starting as far back as 2011, even before the establishment of the Foundation, research and analysis was performed on projects falling within the Foundation's programmes and in the Founder's intentions, together with those who were then appointed as members of the Advisory Board.

In search of an organisational model that would take into account the impact and motivations of ABF members, since 2015 we have sought to strengthen existing partnerships, such as the one with Fondation Saint Luc in Haiti. Such partnerships multiplied over the years, as necessary for project implementation.

The will expressed by the bodies is to work in their own name or in partnership with trusted entities, as functional bodies, who hold the same vision and goals as the Foundation.

The multi-year forecast strategic document (DPP)

The "Documento Programmatico Pluriennale" (DPP) – Multi-year Forecast Strategic document - is a document that sets out the plan for the three-year period following approval. It is a medium-term strategic document that is used to draw up the DPA.

The annual forecast strategic document (DPA)

The "Documento Programmatico Annuale" (DPA) is a document planning activities with a special focus on projects to be implemented, related costs and revenues planning. The Document is approved every year by the end of the year.

Quarterly reports

The report that is drawn up each quarter is a check of the activities scheduled in the DPA, of the projects implemented, of the costs and revenues. It updates the DPA situation.

The Foundation operates based on the guidelines dictated in the plan, in most cases updating the DPA to monitor the status of projects, revenues and costs.

The search for project models and replicability

The Foundation operates first and foremost by setting out its own strategies and projects conducive to implementing its mission.

The projects are often internally developed, and on-site partners are then sought for implementation. One seeks to develop projects that are replicable although adjustments are required by each setting

Residual grant-making activity

Sometimes, if the mission can be implemented by supporting third parties' activities, the Board may decide to support the activities of other entities without managing them directly.

Emergency response

For some years now, a small fund has been accrued within the Foundation, equal to 0.001 of the estimate of the resolution to mainly address the needs of natural persons in special cases. Two volunteers completely dedicated to listening and serving on the coordination of the team.



D. CORE ACTIVITIES: OVERALL VIEW



In 2020, the Foundation's work was carried out through three levels of operations:

- Implementation of national and international projects with Non Profit Institutions and Organisations, which represents the Foundation's core activity;
- Philanthropic activities consistent with the Founder's philosophy;
- Institutional relationships and partnership initiatives with an Institutional profile or for the promotion of individual projects;

These activities were carried out within the two programmes identified by the Board of Directors in accordance with the vision, mission and values of the Foundation's sole founder: the Break the Barriers Programme and the Challenges Programme.

The Break the Barriers programme aims to promote and implement projects assisting, in particular, the populations of developing countries, where situations of poverty, illness, malnutrition and complex social issues impair or reduce life expectations.

The Foundation seeks to support actions to promote education, reflecting on health and social integration, and wishes to do so directly measuring, where possible, the impact of its actions in order to continuously improve it. The projects implemented in 2020 are listed below.

PARTNER	PROGETTO	PROJECT DETAIL	AMOUNT APPROVED in euro	AMOUNT DISBURSED in euro
Fondation St. Luc Haiti	Running costs	WHEAT	1,400,805	1,400,805
Fondation St. Luc Haiti	Development project	Empowering specialisation	25,000	25,000
Fondation St. Luc Haiti	Running costs	Water truck	160,493	160,493
Fondation St. Luc Haiti	Development project	St. Augustin reconstruction	200,000	200,000
Jameel Community	Development project	Royal College	-	222,499
Direct ABF	Development project	Camerino Academy	-	235,994
Direct ABF	Development project	Summer School Muccia	25,000	20,000
Direct ABF	Development project	Other emergencies	29,000	13,282
Direct ABF	Development project	Music Lab Lajatico	20,000	22,377
Direct ABF	Development project	Music Lab Muccia	20,000	22,377
Direct ABF	Health emergency	Covid - Phase 1	375,000	557,270
Direct ABF	Health emergency	Covid - Phase 2	-	126,776
TOTAL			2,255,298	3,006,874

The amounts approved and allocated were recorded according to the exchange rates in force on the date on which they arose.

The **Challenges** programme aims to bring together the best minds to find innovative solutions to help people cope with and overcome the limits imposed by their disability/discomfort.

The Foundation therefore supports scientific, technological research projects or innovative and original social actions that allow those who live in a situation of illness or social/economic difficulty to overcome or at least improve their conditions.

After the period of collaboration with MIT, the founder expressed the desire to continue with research activities in Italy through collaborations with research institutes, Italian universities and Italian Start Ups.

Starting from summer 2020, also thanks to the delegation formalised in November 2020, the Director Amos Bocelli launched a dialogue with the research group in BioRobotics of Prof. Micera of the “Scuola Superiore Sant’Anna” high school. Therefore, 2021 will be the year of the program restart, keeping on searching innovative low-cost tools, made with existing technologies, that may improve life quality of people having health problems.

Please find below the total disbursements as at 31/12/2020, broken down by action programmes

PROGRAMME	AMOUNT APPROVED in euro	AMOUNT DISBURSED in euro
Break the Barriers	2,255,298	3,006,874
Challenges	-	-
TOTAL	2,255,298	3,006,874

The amounts approved and allocated were recorded according to the exchange rates in force on the date on which they arose.



Projects and activities of ABF

in Italy and in the world



Timeline



2013 / June

ABF kicks off the Wheat project to benefit 1,163 students of the 3 street schools of St. Augustin, Notre Dame du Rosaire, St. Philomene in Haiti.



2014 / April

After having stabilised the number of students, ABF kicked off the EDU project aimed at converting the 3 street schools of St. Augustin, Notre Dame du Rosaire, St. Philomene into functional and safe facilities for 1,750 students.



2015 / April

ABF inaugurates the first 3 schools, which immediately become the reference point and hub of development and assistance project activities for the Communities.



2016 / January

ABF continues working in the Communities with the construction of 2 new schools: Manitane and St. Raphael, located in the towns of Dame Marie and St. Raphael. The number of students reaches a total of 2,550.



2017

ABF continues its works in Haiti with intervention programmes in the 5 communities, continuing to offer access to education, treatment, water and basic necessities and integrating the projects with elements of medium-long term development.



2018

ABF starts implementing its work in Italy for the communities affected by the Central Italy earthquake, applying the model of the experience gained in Haiti, where the school becomes the hub of day-to-day life. A school open to citizens, of today and tomorrow. It also continues working in Haiti with projects that assure continued access to education, care, water and primary goods.



2019

ABF continues to work in Italy and abroad in order to ensure access to quality and fair education for all students. It designs and organises intervention programmes that are scalable and replicable in other countries. Thanks to the interdisciplinary team and to international partners, ABF looks into the future in an increasingly global way.

2020

ABF implements new educational projects in Italy. The new structure of the Camerino Academy of Music, our third intervention in the areas after the 2016 earthquake, is inaugurated. It grants education access to more than 3,500 students. This initiatives responds to the Covid19 health emergency through two projects: one focus on assisting groups at risk and health professionals, and the other focused on the implementation of digital education, which will become a replicable pilot project.

9 years of ABF in figures

Focus on the main activities

In 9 years of activities:

We have collected _____

40 million Euro.

We have built _____

9 schools in Haiti and in Italy.

We have offered to _____

3,500 students, free access to education.

We have provided _____

8,000 people with basic health care in the poorest and remotest areas of Haiti.

We have provided drinking water every day to _____

400,000 people, who live in the slums.

We have helped _____

800 families with a specific project against HIV.

We have trained _____

60 students through the project “Voices of Haiti”, for the purpose of developing their potential and leading them to freely express their skills.

We have provided covid19 hospitals, nursing homes with more than _____

56,000 medical devices

1 CT scan

30 beds

We have provided _____

6 schools with over 300 tablets, laptops and material for the implementation of digital teaching.

2020, Covid-19, ABF's commitment

Empowering People and Communities is ABF's mission.

ABF achieves its own mission mainly by operating in the field of Education and Technological Research. All this in order to achieve the United Nations Global Goal no. 4 pursuant to which "Providing quality, equitable and inclusive education and learning opportunities for all".

In February 2020, when the Covid-19 health emergency started, ABF was committed to its core activity in schools and was planning new interventions and building the Camerino Music Academy.

Our support at the time of the first lockdown was dealing with the emergency and understanding the needs of the communities we were working with. After securing the operational structure, this emergency forced us to intervene alongside our communities and to quickly reorganize our way of working through procedures that would make us more "agile", identifying rapid investment in innovative and online tools and raise funds through online rather than live events.

When the health emergency stopped the construction site in Camerino, ABF found a new way to serve communities through health support and access to education. Health and school are the foundations for enabling the individual to express his/her own best and, on this basis, the work of ABF developed in 2020.

The mission budget statements represent all the above and open with the projects that were not present in DPA and that developed throughout Phase 1 and 2 of the Covid-19 emergency.

However, all the other projects envisaged by the DPA 2020 were carried out by the team, albeit, in most cases, they were revised or resized.



D1. Break the Barriers programme



Break the Barriers

“Break the Barriers” aims to support and promote projects assisting weaker population groups in Italy and in developing countries, where situations of poverty, illness, malnutrition and complex social issues impair or reduce life expectations.

The Foundation seeks to promote actions to support health, education and social integration, and wishes to do so directly measuring, where possible, the impact of its actions in order to continuously improve them.

Within this programme, for the current year ABF mainly worked in Haiti and started significant work in Italy and Europe as well.





PROJECTS

EDUCATIONAL AREA

Investing in human capital:

- opportunity for access to free primary education in PVS, especially in the remotest areas of Haiti;
- higher education opportunities for future leaders who have proven their ability with merit.

EMPOWERING COMMUNITIES AREA

Offers the opportunity to express the potential for both individuals and Communities as a key to creating a virtuous, socio-economic

growth cycle which can lead to self-support long term.

HEALTH AREA

In its Health and Prevention programs ABF works to take health assistance to remote areas, not reached by local health services.

At the same time through seminars and home care ABF works to create new awareness of the

importance of taking care of one's body for the growth and development of new generations. With the HIV Program in the capital, it assists 800 families, also at home.

EMERGENCY AREA

ABF implements timely support actions to deal with humanitarian emergencies and natural persons facing particular difficulties.

PROJECT:
ABF for Covid-19 emergency

Location: Italy



PROJECT

When the Coronavirus emergency started to spread in Italy, the Andrea Bocelli Foundation was building the new Music Academy in Camerino, a village in the Marche region that had been affected by the earthquake in 2016. After Sarnano and Muccia, where ABF rebuilt the secondary school, the primary school and the kindergarten school, the intervention in Camerino represented the new reconstruction intervention after the earthquake in 2016 and an investment in terms of education. On 17 March, for the safety of the team of workers, technicians, professionals and of their families, ABF decided to temporarily suspend the reconstruction work of the Music Academy in Camerino. ABF decided to remain at the service of communities suffering from a "double red zone" and launched a fundraiser dedicated to phase 1 of the emergency.

In this emergency context, ABF chose to put itself at the service and offer concrete support to both those working on the front line and communities in need. Actions focused on care and education aimed at leading each individual to express his/her own potential at his/her best. This is why ABF chose to start a project and a dedicated fundraiser: in order to restore a condition of dignity based on access to basic elements such as health and education.

After the success of the first campaign aimed at the acquisition of respirators for the intensive therapy of the Camerino hospital converted into Covid Hospital, the Foundation was able to support hospitals, nursing homes for the elderly (RSAs), voluntary associations in Italy through a crowdfunding campaign of about two months.

BENEFICIARIES (Interventions carried out from March to December 2020)

Camerino Hospital / ASUR 3 Regione Marche

- Provision of personal protective equipment for intensive therapy
- 4 respirators for intensive therapy
- CT Scan (Computerised Axial Tomograph Multilayer 128 slices) of the latest generation

Macerata Hospital / ASUR 3 Regione Marche

- Construction of Covid 19 ward in 10 days. Inaugurated on 7 April

"San Giuseppe" Hospital - Empoli / AUsl Toscana Centro

- n. 15 Flowmeters

“Lotti” Hospital - Pontedera

- Portable ultrasound system for Covid 19 ward

“San Giovanni di Dio” (Torregalli) Hospital - Firenze

- Portable respirator for Covid 19 ward

20 Oxygen concentrators

ASUR Macerata (RSA of Tolentino, RSA of Sarnano, Ospedale di Comunità of Matelica, RSA Esanatoglia)

Retirement Home of Cingoli

Retirement Home of Jesi

Retirement Home of San Severino Marche

Weekly delivery of safety devices (over 56,000 pcs)

Ospedale di Camerino

Ospedale San Giovanni di Dio (Torregalli) in Florence

Ospedale Apuane a Massa

Ospedale Versilia a Viareggio

Ospedale Lotti a Pontedera

Paediatric Surgery of Meyer Hospital in Florence

Community houses and guest houses for doctors Ronald McDonald Homes in Florence and Rome

Care Homes Marche and Lazio

Volunteer Associations Marche, located in the area of Earthquake 2016

CONTEXT

Around mid-December 2019, the health authorities of the city of Wuhan in China (with about 11 million inhabitants), detected the first cases of patients with symptoms of “pneumonia due to unknown cause”; this first group of patients was somehow connected to the local wet market, composed of about a thousand stalls where chickens, pheasants, bats, marmots, snakes, spotted deer and rabbits' organs, in addition to other wild animals, were sold. As of today, the origin is still uncertain but the most accredited hypothesis states that it is a new coronavirus coming from an animal (a zoonosis). Chinese authorities were the first to report the spread of the disease to the World Health Organisation on 31 December 2019. The strain responsible for the pandemic was identified at the beginning of January 2020 and officially named Coronavirus 2 of Severe Acute Respiratory Syndrome, abbreviated as SARS-CoV-2 and initially named new Coronavirus 2019 (nCoV-2019) and rarely hCoV-2019. On 11 February 2020, the WHO announced that the respiratory disease caused by the new coronavirus was named COVID-19. Preliminary research on COVID-19 revealed a lethality rate between 9% and 11% and, in January 2020, the WHO suggested that this value could be around 3%. A study carried out on 55 fatal cases revealed that the first estimates concerning lethality could be too high since asymptomatic infections were not taken into consideration, thus estimating a lethality rate (mortality among the infected) between 0.8 %, with asymptomatic carriers included, and 18%, including only the symptomatic cases from the Hubei province. On 22 March, a modelling approach based on French data revealed an effective lethality rate of 0.8%. As of 9 November 2020, 50,517,420 infections were confirmed, with 1,257,922 deaths and 33,083,920 healings. Infections were reported in most part of the Western world and Asia, mainly in those coming from mainland China, with transmission found in Germany, France, Italy, Hong Kong, Vietnam, Thailand, Singapore, Japan, South Korea, Australia, Spain, United Kingdom, United States, Brazil, Mexico, India, Israel, Turkey, Albania, Belgium, Russia, Switzerland, Sweden, Iran, Canada, Peru, Bangladesh, Argentina, Greece, Egypt, Portugal, Denmark, Republic of the Congo and South Africa. Deaths were reported in mainland China, the Philippines, and Hong Kong. As of 11 February 2020, only Mainland China was listed as an area with ongoing community transmission.

PROJECT: Art & Music Labs project

The network: Istituto comprensivo "Sandro Pertini" of Capannoli (PI), Istituto comprensivo "Mons. Paoletti" of Pieve Torina (MC), Municipality of Lajatico and Municipality of Muccia.
Location: Pieve Torina (MC), Muccia (MC), Capannoli (PI), Lajatico (PI) - Italy



PROJECT

According to Andrea Bocelli Foundation's philosophy, school is not only a safe space, functional to children's learning, but also a connection point for the whole territory, a place to live and enjoy, where stories and emotions can be shared; thus, specific conditions aimed at growing, acquiring and consolidating new relationships, learning and skills should be offered. For this purpose, the Art & Music Labs project envisages the inclusion of the atelierista figure within the educational personnel, as well as the expansion and care of labs. Our philosophy is based on the awareness that children's natural attitude to share images, thoughts and emotions through communication codes based on complex forms, must be supported by rich spatial and relational contexts, which should be strong in terms of opportunities for exploration, construction and sharing. In such scenario, the atelierista designs integrated experiences within the overall programming proposed by teachers and shares their meanings and results. The inclusion of the atelierista is accompanied and facilitated by a pedagogical coordinator who supports the integration between the activities and the educational and didactic offer of the facility.

BENEFICIARIES

130

Children involved every year

25

Teachers and educators

0-11 years old

Age range involved

2

Facilities involved





OBJECTIVES

- Offer proper conditions for the development of each child's talent
- Offer an adequate musical instrumentation to achieve a complete mastery of the language
- Offer an innovative resource useful to the planning of educational musical and artistic experiences, integrated in the wider programs carried out by schools
- Give significant support to areas that face demographic and environmental challenges on a daily basis
- Perform coordination, research and training actions

CONTEXT

The Istat BES 2020 report confirms that, despite the improvements achieved in the last decade, Italy is still not able to offer the same opportunities for proper education to all young people. Specifically, the level of education and skills that young people are able to achieve largely depend on their social background, on their socio-economic context and on the area in which they live.

THE ACTIONS

- Integrating, enriching and taking care of the setting of the Music and Art Labs
- Insertion and support for the figure of the atelierista
- Qualification of the offer through pedagogical coordination ABF



PROJECT:

Digital Lab - ABF for educational innovation

The network: I.C. "S. Pertini" of Capannoli, I.C. "Mons. Paoletti" of Pieve Torina and I.C. "G. Leopardi" of Sarnano, Municipality of Lajatico, Municipality of Muccia and Municipality of Sarnano.
Location: Pieve Torina (MC), Muccia (MC), Sarnano (MC), Capannoli (PI), Lajatico (PI) - Italy



PROJECT

After and in parallel with the implementation of the Art & Music Labs projects - focused on the expressive languages of art and music as resources aimed at favouring, supporting and promoting talents of each person - ABF promotes the use of new technologies for education within its network of schools: a valuable tool for communication and curricular integration, aimed at improving quality and designed to educational innovation.

The project - which represents a significant innovation in terms of promoting new technologies for educational innovation - wants to create and maintain those conditions that make devices real tools able to support, integrate and enrich the learning processes.

The digital library - ABF TeachBus - made available to each school is equipped with all the devices necessary to cover the whole number of students present in the school.

Furthermore, each device is delivered to the student already customised, with carefully chosen contents and applications on the basis of the age and - at the end of the student's cycle of studies - the device is returned to the digital library and is ready to be delivered to a new student.

Eventually, the project includes the development of an online platform for ABF Labs, which will offer access to a rich selection of educational content, and the training and inclusion of the digital atelierista within the teaching staff of the schools: a 4.0 librarian specialised in the use of new technologies for education who, in team with the ABF working group, shall promote new and transversal perspectives for the use of technological tools for students, thus supporting teachers and families in the best use of such devices.

BENEFICIARIES

200

Children involved every year

40

Teachers and educators

0-14 years old

Age range involved

3

Facilities involved



OBJECTIVES

- Encourage learning contexts that would promote interaction, communication and relationship contexts even through the support of new technologies
- Offering the appropriate conditions so that each child may discover or enhance his/her own talents
- Strengthening the educational offer
- Create and maintain the conditions that would make new technologies for education as tools supporting, integrating and enriching relationship, knowledge and learning processes
- Perform coordination, research and training actions

CONTEXT

The information ISTAT dated April 2020 illustrates a picture in which, between and minors up to 17 years old, the 57% must share their computer or tablet and 12.3% don't have it at all, 34% have low skills and 32% have only basic skills. Furthermore, the OECD survey dated 2018 reveals that, in Italy, almost half of teachers (48%) never received formal training on the use of new technologies for teaching and only little more than 1 out of 3 (36%) feel specifically skilled and able to use them. Notwithstanding the fact that the use of new Information and Communication Technologies (ICT) by individuals and families represents one of the fundamental goals of the social and cultural inclusion policies of the European Union - being one of the key competences - the general literacy level is very low.

THE ACTIONS

- Providing the ABF TeachBus: libraries of devices (notebooks and tablets) capable above all of granting all the children involved the conditions to maintain the relationships with each other, with the teachers and the atelieristas. Each device is delivered already customised, with contents and applications carefully chosen on the basis of the age group, and - once the cycle of studies is finished - it is returned to the digital library and is ready to be used again;
- Offering the ABF Online-Labs platform: an online platform for ABF Labs which can offer access to a rich selection of educational content;
- Inserting, training and coordinating the Digital Atelierista: a 4.0 librarian specialised in the use of new technologies for education who, in team with the ABF working group, promotes new and transversal perspectives for the use of technological tools for girls and boys, by supporting teachers and families in the best use of such devices;
- Ensuring the presence of the Pedagogical Coordination as a function of supervision, connection and networking of the project, guarantee of continuous training of the operators and of the overall educational quality.

PROJECT:

H-Labs - ABF for the school in hospital

The network: AOPI (Association of Italian Paediatric Hospitals), Ministry of Education
Location: Italy



PROJECT

The ABF H-LABS Project integrates and declines the intervention models tested in the schools of the ABF network within the Italian Paediatric Hospitals, with the purpose of giving children and hospitalised students beautiful, well-kept and welcoming places where to live their relationships with other people. The focus remains on the expressive languages of art and music. Understood as a tool to foster, support and promote everyone's talents. Moreover, the use of new technologies for education is implemented, a valuable tool for communication and curricular integration, aimed at improving quality and designed to educational innovation.

TARGET

- Number of children potentially involved every year: 70,000
- Age range involved: 3-18 years old
- Number of children potentially involved every year: 1,000
- Number of sections of School in Hospital belonging to the AOPI network: 16

OBJECTIVES

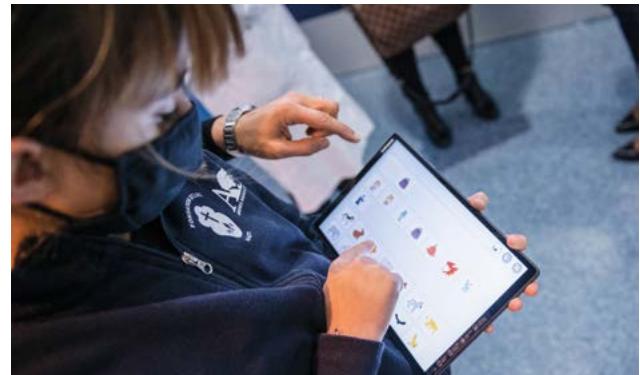
- Create aesthetically beautiful, well-kept and welcoming environments, in which to build new knowledge and skills through great opportunities for relationships with other people
- Encourage learning contexts that would promote the relationship, of proximity and distance, with their classmates and with the group of present peers
- Offer the appropriate conditions so that each child may discover or enhance his/her own talents
- Strengthen the didactic offer, by integrating it with an innovative program that includes art, music, foreign languages as an integrating background and promoter of new knowledge, awareness and skills
- Create and maintaining the conditions that would make new technologies for education as tools supporting, integrating and enriching relationship, knowledge and learning processes

BENEFICIARIES

Phase 1 - Digital

IRCCS G. Gaslini and I.C. Sturlo of Genova

Children involved every week: 100
Age range involved: 3-18 years old
Teachers involved: 6



CONTEXT

The School in the Hospital guarantees the right to education and instruction to hospitalised children and teenagers. In Italy, there are over 70,000 so-called “hospitalised” students - mainly from kindergarten school and primary school - that is to say students attending schools in specialised facilities in hospitals and/or at home. If we include chronic children, or those affected by complex pathologies, the number rises to one million.

THE ACTIONS

Phase 1 – Digital

- Providing the ABF TeachBus: libraries of devices (notebooks and tablets) capable above all of granting all the children involved the conditions to maintain the relationships with each other, with the teachers and the atelieristas. Each device is delivered already customised, with contents and applications carefully chosen on the basis of the age group, and - once the cycle of studies is finished - it is returned to the digital library and is ready to be used again
- Offering the ABF Online-Labs platform: an online platform for ABF Labs which allows access to a rich selection of educational content
- Inserting, training and coordinating the Digital Atelierista: a 4.0 librarian specialised in the use of new technologies for education who, in team with the ABF working group, promotes new and transversal perspectives for the use of technological tools for girls and boys, by supporting teachers and families in the best use of such devices
- Ensuring the presence of the Pedagogical Coordination as a function of supervision, connection and networking of the project, guarantee of continuous training of the operators and of the overall educational quality

Phase 2 – Art & Music

- Adapting, rearranging and setting up - or, where necessary, building ex novo - the spaces dedicated to the ABF LABS in which welcoming the School-to-Hospital sections in each Paediatric Hospital
- Introducing, training and coordinating Atelieristas of Expressive Languages: professionals specialised in the design of artistic and musical experiences, also in a foreign language, aimed at supporting, implementing and enriching school and curricular activities

PROJECT: **ABF Summer Camp**

The network: Istituto comprensivo "Mons. Paoletti" of Pieve Torina (MC) and Municipality of Muccia.

Location: Pieve Torina (MC), Muccia (MC) - Italy



PROJECT

The Andrea Bocelli Foundation, after inaugurating the new school complex "E. De Amicis", launches the ABF Summer Camp every year in July, where children, teachers and families of the Municipality of Muccia and of the neighbouring territories are welcomed. Activities planned for fifteen days in the new structure, which offer a place for meeting, research and discovery where children - and even adults, teachers and parents - may rediscover and share the pleasure of learning, being together, taking care of themselves, of the other people and of the environment surrounding us.

The project, focused on the acquisition of awareness of the value of self-care, care of other people and of the environment surrounding us, specifically through the use of expressive and digital languages, is undertaken and implemented by a rich and heterogeneous work team: volunteers, atelieristas, experts, educators and teachers, as well as auxiliary staff and personnel dedicated to the preparation of meals.

BENEFICIARIES

60

Children involved in the 2020 edition

3-11 years old

Age range involved

OBJECTIVES

- Offer children, families and teachers the chance to experiment with the numerous opportunities offered by the new structure
- Promote the concept of school as an educational, cultural and social centre, a reference for the entire community, by creating new and different contexts for meeting and sharing within the school, and by offering strategies and tools for enjoying the school - and exploiting all its potential - daily
- Encourage research, discovery and care for one's own and other people's talents by means of an educational context that welcomes a multiplicity of languages and intelligences
- Promote practices of self-care, care of other people and of the environment that welcomes us
- Support teachers in their acquisition of different teaching methodological possibilities to be adopted in support of educational innovation



CONTEXT

On 24 August 2016 at 3.36am Central Italy was hit by an earthquake with magnitude of 6.0, which affected the regions of Abruzzo, Lazio, Marche and Umbria. Thousands of people were involved in the event that caused 299 victims, numerous injuries and severe damage to the area. On 26 and 30 October, new violent earthquakes hit central Italy, in particular the border between Umbria and Marche. The 30 October earthquake – whose magnitude was 6.5 – was the strongest in Italy in the last thirty years. 95% of homes are now unusable. People live in Emergency Housing Units. In June 2019, ABF delivered to the Community a new functional and safe structure built in 150 days from the beginning of construction.

THE ACTIONS

ABF is responsible for:

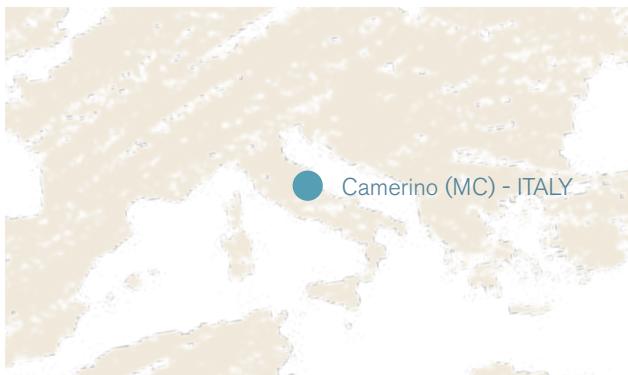
- Costs for the implementation of the Summer Camp
- The logistics organisation
- The pedagogical coordination of activities
- The training of the personnel employed
- The actions of planning, documenting and monitoring, and the assessment of the activities performed



PROJECT: Music Academy “Franco Corelli” in Camerino

The network: Extraordinary Commissioner of the Italian Government for Reconstruction, USR Marche Region, Municipality of Camerino.

Location: Camerino (MC) - Italy



PROJECT

After the construction of the “Giacomo Leopardi” school in Sarnano, and of the primary school in Muccia in the province of Macerata, the Andrea Bocelli Foundation started a new project in Camerino, in the Marche region, aimed at building the new Palazzo della Musica which was destroyed by the earthquake that hit Central Italy in 2016, which has been keeping on tormenting that land ever since. The project, for the benefit of over 160 students and thanks to an extant agreement with the Conservatory of Fermo, allows the new facility to host not only the lessons for enrolled students, but also to serve as a branch office of the Conservatory, thus playing a role that is even more significant for the area. The project will involve the Municipality of Camerino, the Associations of the region, the University, the musical high schools and the Conservatory of Fermo, which has already exceptionally granted a long-term multiannual agreement.

ABF will not only take care of construction of the building but, together with the aforementioned institutions, it will take action to strengthen the music facility and to make it self-sustainable, if possible, adding it to the network of the other local and national experiences it deals with. The new facility, which will be built with modern and anti-seismic construction techniques, will host themed classrooms, common areas and an auditorium.

OBJECTIVES

- Maintain continuity in the access to musical education
- Offer a proper and final facility
- Give a tangible sign of restoring everyday life to the community
- Offer a safe haven to the community
- Consolidate the project activities of the region by creating an integrated projectsystem

BENEFICIARIES

160

Students involved

18

Teachers

73

Members of “Orchestra City of Camerino

6,850

Inhabitants of Camerino



CONTEXT

On 24 August 2016 at 3.36am Central Italy was hit by an earthquake with magnitude of 6.0, which affected the regions of Abruzzo, Lazio, Marche and Umbria. Thousands of people were involved in the event that caused 299 victims, numerous injuries and severe damage to the area. On 26 and 30 October, new violent earthquakes hit central Italy, in particular the border between Umbria and Marche. The 30 October earthquake – whose magnitude was 6.5 – was the strongest in Italy in the last thirty years.

THE ACTIONS

The Andrea Bocelli Foundation built the new facility on a direct contract, coordinating the activities with the central and local offices of the Extraordinary Commissioner for Reconstruction.



PROJECT:
**Primary and Nursery School “E. De Amicis”
of Muccia**

Extraordinary Commissioner of the Italian Government
for Reconstruction, Municipality of Muccia.
Location: Muccia (MC) - Italy



PROJECT

After building the ‘Giacomo Leopardi’ School of Sarnano, in Province of Macerata, inaugurated in May 2018 and implemented in just 150 days, Andrea Bocelli Foundation undertook a new project in Muccia, in the Marche region, to rebuild the primary and nursery school “E. De Amicis” that had been destroyed by the earthquake swarm that hit Central Italy in 2016 and that has continued tormenting that land since then.

For the benefit of students of kindergarten and primary school, the project envisaged: the demolition of the old structures and the construction of the new ones, started in agreement with the offices of the Government’s Extraordinary Commissioner for Reconstruction and USR of the Marche Region. The new, final school facility was gifted “turnkey” to the local administration. In the Municipality, to date, nearly all families live in modular housing units and children attend classes in containers, 95% of homes are unusable, but here, the will to remain in one’s land, the community spirit are strong and go beyond the difficulties of reorganising one’s daily life. That is why ABF has decided to bring an important point of reference such as a school back to this town, to return to students and their families a functional, safe building that offers spaces for aggregation as well as for education.

OBJECTIVES

- Build the new structure of the primary and kindergarten school “E. De Amicis”
- Restore normal teaching activities
- Give back to the Community of Muccia and to its young people confidence and trust in the future and the will not to leave their homeland

BENEFICIARIES

50

Students involved

11

Teachers

1.000

Inhabitants of Muccia



CONTEXT

On 24 August 2016 at 3.36am Central Italy was hit by an earthquake with magnitude of 6.0, which affected the regions of Abruzzo, Lazio, Marche and Umbria. Thousands of people were involved in the event that caused 299 victims, numerous injuries and severe damage to the area. On 26 and 30 October, new violent earthquakes hit central Italy, in particular the border between Umbria and Marche. The 30 October earthquake – whose magnitude was 6.5 – was the strongest in Italy in the last thirty years. 95% of homes are now unusable. People live in Emergency Housing Units. In June 2019, ABF delivered to the Community a new functional and safe structure built in 150 days from the beginning of construction.

There have been no resolutions or disbursements for the project in the current year. The sheet reports the results achieved.

THE ACTIONS

The Andrea Bocelli Foundation built the new facility on a direct contract, coordinating the activities with the central and local offices of the Extraordinary Commissioner for Reconstruction.

PROJECT:
**First Level Secondary School
“G. Leopardi” of Sarnano**

The network: Only the Brave Foundation, Extraordinary Commissioner of the Italian Government for Reconstruction, Municipality of Sarnano.
Location: Sarnano (MC) - Italy



PROJECT

The Andrea Bocelli Foundation and Only The Brave Foundation, united by the desire to carry out concrete projects showing solidarity on an international scale, have set themselves the goal of restoring normality to the future of the many young people of Sarnano, a medieval village rich in history, located in the province of Macerata, whose artistic heritage was severely hit by the earthquake. The Andrea Bocelli Foundation and Only the Brave Foundation therefore decided to join forces for the reconstruction of the “Giacomo Leopardi” Middle School in Sarnano, made unusable by the earthquake that hit Central Italy last summer. The works were started in agreement with the Extraordinary Commissioner for Reconstruction and the building was gifted on a “turnkey” basis to the local administration on 2 May 2018, 150 days after the start of the works, completing the 1400 square metres of space. The new facility, built with modern and anti-seismic construction techniques, serves for the 2019-2020 school year 108 middle school students and three Primary School classes while waiting for the new facility to be built. In May 2019 it was officially recognised as a musical institution by the Ministry of Education.

BENEFICIARIES

150

Students involved

20

Teachers

3,268

Inhabitants of Sarnano





OBJECTIVES

- Build the new school facility
- Restore normal teaching activities
- Give back to the Community of Sarnano and to its young people confidence and trust in the future and the will not to leave their homeland

CONTEXT

On 24 August 2016 at 3.36am Central Italy was hit by an earthquake with magnitude of 6.0, which affected the regions of Abruzzo, Lazio, Marche and Umbria. Thousands of people were involved in the event that caused 299 victims, numerous injuries and severe damage to the area. On 26 and 30 October, new violent earthquakes hit central Italy, in particular the border between Umbria and Marche. The 30 October earthquake – whose magnitude was 6.5 – was the strongest in Italy in the last thirty years. 95% of homes are now unusable. People live in Emergency Housing Units. In June 2019, ABF delivered to the Community a new functional and safe structure built in 150 days from the beginning of construction.

There have been no resolutions or disbursements for the project in the current year. The sheet reports the results achieved.

THE ACTIONS

- School reconstruction project
- Coordination of activities with the Extraordinary Commissioner for Reconstruction
- Coordination with private and public project partners



PROJECT: **W.H.E.A.T - Haiti**

The network: Fondation St. Luc - Haiti
Location: Haiti



PROJECT

In a context such as Haiti, the role played by school becomes fundamental: safe places where children can “take refuge” from the dangers of rampant crime and benefit from an education which offers potential emancipation for them and the community itself. Educating children and their families to the concept of school as a chance for emancipation for themselves and the community means engendering awareness that change must go through and for them. Education and respect for its value, reaffirms the dignity of individuals, making them capable to positively impact the choices for their future. Education also means the culture of self respect, respect of one's own body, in a more responsible approach to sexuality and to STDs. All schools of the ABF-Fondation St. Luc system have the same status as state ones, and they are managed by duly authorised and qualified teachers and personnel. The curriculum is in line with that of public schools and is managed by a central committee, which is responsible for the implementation and monitoring its application in the schools of the various communities. A local committee at each school manages adaptation of the curriculum based on local characteristics and needs and on the level of the students concerned. The Central Committee is in constant dialogue with the local committees, communication which is not only conducive to addressing the specific needs related to education, but also the general conditions in which one operates. All teachers are included in a regular training programme that follows the national curriculum. The 5 schools of St. Augustin, St. Philomene, Notre Dame du Rosaire, St. Raphael and Manitane include equipped learning classrooms, direction offices, library, computer lab, kitchen, canteen, restrooms, playground. Some of the school facilities are equipped with electricity powered by a system of solar panels, solar-powered lamps, water towers that serve the Community as well, a system of water purification and distribution. ABF schools host the ABF Mobile Clinic project, the 3.COM Project, meetings with educational committees and representatives of the Community.

BENEFICIARIES

St. Augustin school

Inhabitants in the community: 50,000
Children involved: 997
Employees: 19
Teachers: 40
Beneficiary families: 850
Indirect beneficiaries: 5,600

Manitane school

Inhabitants in the community: 50,000
Children involved: 430
Employees: 13
Teachers: 23
Beneficiary families: 350

Notre Dame du Rosaire school	St. Philomene school	St. Raphael school
Inhabitants in the community: 70,000 Children involved: 430 Employees: 14 Teachers: 23 Beneficiary families: 350	Inhabitants in the community: 53,000 Children involved: 430 Employees: 11 Teachers: 21 Beneficiary families: 350	Inhabitants in the community: 50,000 Children involved: 450 Employees: 10 Teachers: 24 Beneficiary families: 375

OBJECTIVES

- Maintain continuity in access to education for students from the 5 communities
- Ensure a salary to teachers
- Offer a meal to students every day
- Improve the level of education of the 5 communities
- Offer a safe haven to the community

CONTEXT

During 2019 the Country was affected by significant economic and social blocks due to previous political unrest. Demonstrations and constant inter-clan fighting and struggles between social classes resulted in a significant stoppage of everyday activities such as access to education for many students. The ABF-FSL schools remained closed for weeks and this resulted in discontinuous access to lessons by the students.

St. Augustin - Abricots

Abricots is a village located 2 hours by car from Jeremie. Agriculture and fishing are the main sources of livelihood for the families living there. These activities are carried out randomly and thus do not guarantee the appropriate sustenance. The St. Augustin School can enrol up to 950 students coming from nearby villages.

On average, each student walks 3 km every morning to get to school. The current school facility was built by the Foundation and was inaugurated in June 2015. Hurricane Matthew of October 2016 severely damaged the building, which was completely restored in December 2017 after one year of works. In 2020 the Foundation started to build a new structure that will host kindergarten classes, 7 classrooms, with 250 students capacity.

Notre Dame du Rosaire - Croix-des-Bouquets

The Notre Dame school is located in the Croix-des-Bouquets district, the artists' quarter of the city of Port-au- Prince. In this district, many families work in the production of items called "Fer Forge" made from recycled diesel drums. The school facility where the activity is carried out was built by the Foundation and inaugurated in April 2015. At present, the premises can cater for up to 400 students.

St. Philomene - Kenscoff

The St. Philomene school is located in Kenscoff, a mountain area approximately a 2 hour drive from Port-au-Prince. Here too, the meagre economic activities such as agriculture above all, are carried out at household level and for mere sustenance. The school facility was built by the Foundation and inaugurated in April 2015. It can cater for up to 400 students. Like the other ABF-Fondation St.Luc schools, the facility offers a computer lab, library, canteen, kitchen, administrative offices and outdoor spaces for games and recreation.

Manitane - Dame Marie

The school is located in the city of Dame Marie, Grand'Anse Department. Dame Marie is a very remote area, just like all the other areas of the province, where people's livelihood depends on farming, fishing and animal husbandry. The school where the activities are carried out was founded in 2014. In June 2018 the foundation inaugurated the new structure composed of 3 buildings hosting from kindergarten to first level secondary school.

St. Raphael - Devarenne

The school is located in the area of Jacmel, in the southern part of Haiti. During the Foundation's first visit in June 2015, the distance from Port-au-Prince was measured as 3 hours by car and 2 and a half hours of walking in a mountainous area. Devarenne is also an isolated region, just like all the other areas of the province, where farming and animal husbandry are the mainly activities. The school facility where activities are carried out was founded in 2014. The Foundation has inaugurated the new building designed for up to 400 students.

THE ACTIONS

- Coverage of annual structure costs for the five schools of St.Augustin in Abricots, Jeremie, St.Philomene in Kenscoff, Notre Dame Du Rosaire in Croix des Bouquets, Manitane in Dame Marie and St. Raphael in Devarenne;
- Coverage of annual costs for teaching materials and for daily use such as uniforms, books, stationery, insurance, building maintenance, use of means of transport;
- Organisation and training for all teachers included in a training programme that follows the national calendar and standard.

PROJECT:

EDU project / The five school structures

The network: The St. Luc Foundation is a Haitian non profit and Catholic organisation that works in programs concerning education, medical care, community and agricultural development, emergency management from which approximately 90,000 people benefit each year. Founded by Father Rick Frechette CP, an American priest and doctor, and developed and expanded under Jean Nebez Agustin's guidance, the Foundation originates from more than 26 years of work experience in Haiti. Specific attention is addressed to the involvement of young Haitians, many of which grown up in the orphanages of Nos Petits Frères and Soeurs; a vision of development of Haiti based on hard work, moral integrity, Christian values, and inspirations acquired by the young Haitians themselves is shared with them. The San Luc Foundation programs employ over 1,000 people. Location: Haiti



PROJECT

After achieving the goal of stabilising the number of students and recognising the school as a reference point for the community, the Foundation decided to convert the basic structures of the 5 schools into structures suitable for welcoming students and offering them the best possible condition in order to let them enjoy the school experience. At the same time, the Foundation involved the students' parents and offered most of them a job in the construction of the new structures.

Since 2013 the Foundation has adopted the schools of St. Philomene, Notre Dame du Rosaire, St. Augustin, St. Raphael and Manitane, by guaranteeing continuity to the structures with the Wheat project aimed at covering the costs of wages and insurance. Thanks to this, the number of students settled and the community recognised the school as a point of reference. This allowed the conversion of such schools from "street schools" into functional and safe structures.

The Foundation with EDU Project achieved:

- Construction of St. Philomene School in Kenscoff
- Construction of St. Augustin School in Abricots
- Acquisition of land and construction of the Notre Dame du Rosaire School in Croix des Bouquets
- Acquisition of land and construction of the Manitane School in Dame Marie
- Acquisition of land and construction of the St. Raphael School in DeVarenne

BENEFICIARIES

St. Augustin school

Inhabitants in the community: 50,000
 Children involved: 997
 Employees: 19
 Teachers: 40
 Beneficiary families: 850
 Indirect beneficiaries: 5,600

Manitane school

Inhabitants in the community: 50,000
 Children involved: 430
 Employees: 13
 Teachers: 23
 Beneficiary families: 350

Notre Dame du Rosaire school

Inhabitants in the community: 70,000
Children involved: 430
Employees: 14
Teachers: 23
Beneficiary families: 350

St. Philomene school

Inhabitants in the community: 53,000
Children involved: 430
Employees: 11
Teachers: 21
Beneficiary families: 350

St. Raphael school

Inhabitants in the community: 50,000
Children involved: 450
Employees: 10
Teachers: 24
Beneficiary families: 375

OBJECTIVES

Transforming the street schools into a real functional and secure facilities, with updated learning programs, training programs for teachers, appropriate teaching material, library, computer lab, cafeteria, all raising the level of education to that of national and international standards.

There have been no resolutions or disbursements for the project in the current year. The results achieved are shown in the form.

CONTEXT

The education system in Haiti may be equated with that of the countries of Saharan Africa. Only 67% of children aged 6-12 years old attend school and only 30% of children attending primary school complete the required 5 years of school. Their leaving school is mainly due to the cost of education, which is too high for Haitian families. Basic education is organised in 3 cycles:

- Kindergarten
- Primary school
- Secondary school

Schools were created for children whose families are too poor to give them the opportunity to receive education, food and be treated when they are sick. Schools are a protection from the risk of living on the streets; a tangible result of this development program is proven by the fact that 70% of children who go to school do not contract HIV and actually stay away from criminal activities.



PROJECT:

EDU project / Kindergarten St. Augustin school

The network: The St. Luc Foundation is a Haitian non profit and Catholic organisation that works in programs concerning education, medical care, community and agricultural development, emergency management from which approximately 90,000 people benefit each year. Founded by Father Rick Frechette CP, an American priest and doctor, and developed and expanded under Jean Nebez Agustin's guidance, the Foundation originates from more than 26 years of work experience in Haiti. Specific attention is addressed to the involvement of young Haitians, many of which grown up in the orphanages of Nos Petits Frères and Soeurs; a vision of development of Haiti based on hard work, moral integrity, Christian values, and inspirations acquired by the young Haitians themselves is shared with them. The San Luc Foundation programs employ over 1,000 people.

Location: Haiti



PROJECT

In the desire to guarantee an appropriate and functional space for access to education addressed to students in St. Augustin and in order to respond to the growing demand, coming from families in the community, to have their children welcome by the school, ABF decided to create a new structure dedicated to kindergarten. The project consisting of two buildings able to welcome up to 250 students divided into 7 classrooms.

BENEFICIARIES

St. Augustin school

Inhabitants in the community: 50,000

Children involved: 250





OBJECTIVES

- Ensuring proper spaces for access to education for the students of St. Augustin
- Increasing the opportunities to access to the school

CONTEXT

The education system in Haiti may be equated with that of the countries of Saharan Africa. Only 67% of children aged 6-12 years old attend school and only 30% of children attending primary school complete the required 5 years of school. Their leaving school is mainly due to the cost of education, which is too high for Haitian families. Basic education is organised in 3 cycles::

- Kindergarten
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Schools were created for children whose families are too poor to give them the opportunity to receive education, food and be treated when they are sick. Schools are a protection from the risk of living on the streets; a tangible result of this development program is proven by the fact that 70% of children who go to school do not contract HIV and actually stay away from criminal activities.



PROJECT: **EDU project / Guest Houses**

The network: Fondation St. Luc - Haiti

Location: Haiti



PROJECT

Through the EDU project, the Andrea Bocelli foundation has achieved the construction of 3 Guest Houses to host staff, volunteers and supporters of the ABF and Fondation St. Luc team during missions and stays on location.

The facility in St. Raphael houses on a stable basis also some school teachers in order to support their attendance in view of its geographical position, thus decreasing turnover due to logistics difficulties.

OBJECTIVES

Offer a suitable facility to welcome and host people such as teachers, volunteers, donors, staff members, visitors. There have been no resolutions or disbursements for the project in the current year. The sheet reports the results achieved.

CONTEXT

The schools of St. Raphael, Manitane e St. Augustin are located in communities that are several hours of travel from the capital of PAP. This is the reason why the implementation of spaces that can regularly house not only teams and volunteers, but also local staff, such as the staff of the Mobile Clinic project, is important. Before the construction of these facilities, dormitory rooms were arranged in the schools' classrooms.



PROJECT:

EDU project / Vocational Center in Cité Soleil

The network: Fondation St. Luc - Haiti

Location: Cité Soleil - Haiti



PROJECT

ABF has covered the costs of recovery and renovation of a building located in Soleil 17, one of the largest slums in Port-au-Prince, in order to provide free basic literacy, catechises, art and civics, to all those who do not have access to education and vocational training in this community. This centre, delivered to Fondation St Luc in February 2018, will welcome a minimum of 500 children and adults per year, and will support skills training, so that they have better chances to provide for themselves.

DIRECT BENEFICIARIES

500
people (max capacity)

INDIRECT BENEFICIARIES

400,000
Inhabitants in the area

OBJECTIVES

- Provide free access to basic literacy
- Provide free access to professional training
- Improve health-sanitation conditions
- Contribute to cultivating art and talent as additional elements for self expression
- Return to the community a place that offers a safe haven





CONTEXT

Located just outside the Haitian capital of Port-au-Prince, Cité Soleil is one of the poorest and most densely populated areas in the country. In the slum there are few school facilities, and only a few medical clinics. Shops and businesses are also rare. The conditions of life and sanitation are precarious, especially after the earthquake of 2010 that destroyed the few pipelines, as well as many of the wells that are still dry.

THE ACTIONS

- Renovation works of the identified building
- Furnishing and organisation of the spaces of the new facility
- Coverage of start-up costs for the first 3 months of the centre's operation

There have been no resolutions or disbursements for the project in the current year.
The sheet reports the results achieved.

PROJECT: Water truck

The network: The St. Luc Foundation is a Haitian non profit and Catholic organisation that works in programs concerning education, medical care, community and agricultural development, emergency management from which approximately 90,000 people benefit each year. Founded by Father Rick Frechette CP, an American priest and doctor, and developed and expanded under Jean Nebez Agustin's guidance, the Foundation originates from more than 26 years of work experience in Haiti. Specific attention is addressed to the involvement of young Haitians, many of which grown up in the orphanages of Nos Petits Frères and Soeurs; a vision of development of Haiti based on hard work, moral integrity, Christian values, and inspirations acquired by the young Haitians themselves is shared with them. The St. Luc Foundation programs employ over 1,000 people. Location: Haiti



PROJECT

Since 2013, the Andrea Bocelli Foundation has been supporting the distribution of drinking water in the slums of Cité Soleil every day, 3 times a day, 6 days a week. Having established the effectiveness and actual need since 2014, the Foundation has decided to double its commitment with a second truck.

DIRECT BENEFICIARIES

300,000

People

6

Personnel involved

OBJECTIVES

- Allow the families in the Cité Soleil slums free access to water
- Improve hygiene-sanitary conditions
- Reduce the transmission of infective diseases
- Reduce mortality as a result of dehydration in infants and the elderly





CONTEXT

A recent UNICEF report established that over 9 million people in Haiti live without access to water. In the capital of Port au Prince many of the main water pipes were destroyed in the 2010 earthquake. In addition, many of the wells are currently dry. Having clean water to drink every day, to be used for cooking and to take care of hygiene is essential for survival but also to prevent the spread of diseases most notably cholera and epidemics related to poor hygiene or lack thereof.

THE ACTIONS

- Distribution of drinking water in the slums by 6 wheel tanker truck, 6 days a week, 3 times a day
- Distribution of drinking water in the slums by 10 wheel tanker truck, 6 days a week, 3 times a day
- Coverage of annual maintenance costs of the two trucks
- Purchase of water and fuel
- Annual coverage of wages for employees

PROJECT: Mobile clinic

The network: The St. Luc Foundation is a Haitian organisation, providing education, medical care and dignified life to more than 1 million people each year through projects which give life, employing more than 900 Haitians". Father Rick Frechette, an American, priest and doctor, founded and directs this institution in collaboration with a group of young Haitian leaders, who, together, have the will to lead their country towards a new future in which every man can live outside extreme poverty that takes away their dignity. Founded in 2001, St. Luc programs provide:

- Training and food to 10,000 students every year
- Medical care to more than 200,000 people each year
- Work for more than 1,800 permanent staff

Location: Abricots, Croix-des-Bouquets, Kenscoff, Dame Marie, Devarenne - Haiti



PROJECT

The project involves all students aged 2-24 years old, divided by categories based on age and classes, besides teachers and staff of ABF schools and all the people living in the involved communities. This program was created for the purpose of offering the opportunity to provide free medical assistance to staff, free medical treatment to children in schools and to the communities where ABF schools are located. Furthermore, the project envisages that mobile clinic spend more days in those communities where access to facilities and medical care is more difficult. For each community, the mobile clinic is scheduled to operate every 3 months. In addition, the project includes a seminar focused on the prevention and care of personal hygiene, together with a sex education program for children, adolescents and adults in the community.

BENEFICIARIES

8,850

People (direct beneficiaries)

2,850

Students involved

8

People employed

5

Communities



OBJECTIVES

- General counselling for each child, in order to strengthen their skills and their performance abilities in the academic field
- Screening of any abuse of children that could affect their learning ability
- Detecting any pathologies that may affect them and giving them adequate support
- Long-term health care aimed at preventing any possible infectious disease in ABF schools and in the related communities
- Early screening of any type of disability or disease such as blindness or low vision, mental problems, deafness, Mediterranean anaemia, epilepsy, inadequate nutrition, asthma and others, within the schools
- Reduction of the risk of long-term illnesses and mental deficiencies
- Early prevention of learning difficulties
- Offering better living conditions, education and health to the population

CONTEXT

Health should be our great treasure, it must support us throughout life, and that is why we must always take care of our body and mind. As we all know, health is both mental and physical and they cooperate together. Good health describes a condition where body and mind work in the right way. But we need to take care of our body in order to let our mind stay strong. Illness, an inadequate diet, injuries, stress, lack of hygiene and an unhealthy lifestyle are the main reasons for poor health. We should always be enabled to do our best in every area of our life. In brief, health and wellness lead the overall quality of our life to drastically improve. Childhood is a very important factor in the life of each one of us: good health at an early stage of life has a positive effect on children's productivity. Being healthy is vital for the adequate growth and development of body and mind. Students should be able to have enough energy to spend the whole day at school and this is the main reason why ABF and St Luke started this project in their schools, a project that includes a health insurance program for students. This program is addressed to the poorest and most remote areas of the island of Haiti, where ABF operates and allows the involved communities to have free access to medical care, which is something not so common in those areas. Since the empowerment of people and communities is ABF's mission, this project properly reflects its will by offering to everyone further opportunities to reach education, in a broad sense.

THE ACTIONS

- A team of 2 doctors, 3 nurses, and 3 helpers (auxiliaries or workers from the health area)
- Individual visits for each patient
- Medications
- Instrumentation and consumables
- Staff training
- Seminars and information materials



PROJECT:

Endowment for scholarship program at the Royal College of Music in London

The network: Royal College of Music, Community Jameel

Location: London



PROJECT

Thanks to a joint endowment of the Andrea Bocelli Foundation and the Jameel Community, the Royal College of Music of London (RCM) - one of the most prestigious conservatories in the world - created, starting from the academic year 2020/2021 and for the future, a new scholarship for international singers.

The Andrea Bocelli Foundation-Jameel Community Scholarship will promote the training of full-time students at the RCM who will be selected on the basis of merit (assessed with an audition) and of their economic situation.

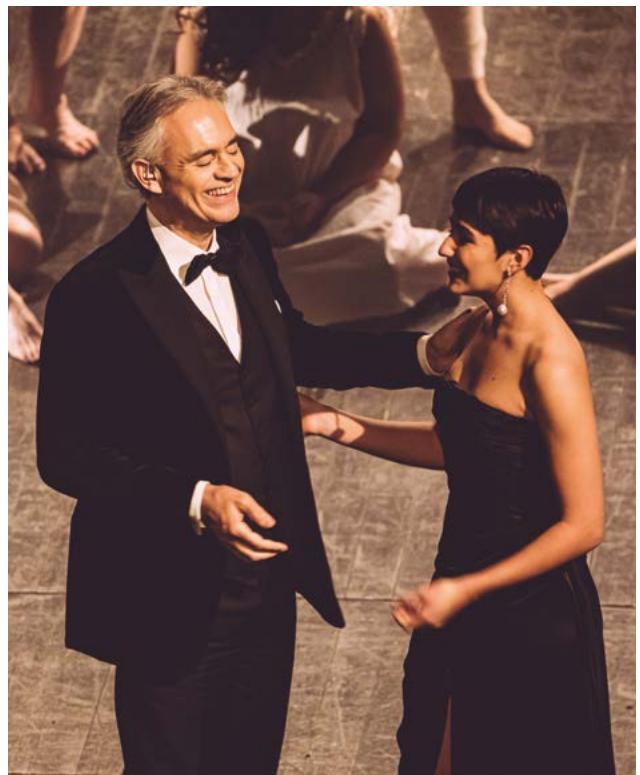
This will lead talented students to overcome barriers and access world-class training courses, besides supporting the start of their career with the help of the founder Andrea Bocelli.

CONTEXT

This activity is part of the broader RCM London awareness campaign and promotion called "Più' Musica: Reimmaginare il Royal College of Music" ("More Music: Reimagining the Royal College of Music"), whose priorities are:

- Improvement of College facilities
- support for the most talented students
- Offering greater access
- Promoting innovation

For the first time in the history of College, ABF obtained that one of the criteria for access to the international scholarship, alongside merit, was the evaluation of the student's economic situation, in order to look for those talents who would not be able to access this type of education without external support.



PROJECT: **3.com**

The network: Fondation St. Luc - Haiti

Location: Abricots, Croix-des-Bouquets, Kenscoff - Haiti



PROJECT

Starting with the schools, the intention is to carry out projects that go beyond the school walls to reach the community's most marginalised and needy families.

The objective of the project is to begin building an actual village for the community – a village where everyone has the opportunity to live a dignified life.

The ABF-Fondation St. Luc schools built with the EDU project become a real meeting place for the community, a place where there is access to electricity, drinking water, internet connection. In addition, all the students' families benefit from the organised distribution of solar powered lamps which make it possible to study after dark and to lengthen family life. Moreover, the development programme includes implementing farming activities with training and coaching so that they can be a growing source of income for the community.

The project's objective is to give all families a dignified life and for many that also means having suitable housing. For this, further activities concerned the families of the most disadvantaged students of the community of Laserengue in Abricots and new homes were built.

BENEFICIARIES

329,031

Inhabitants in the area

800

Families involved

OBJECTIVES

- Turn schools into a safe haven for the whole community, a kind of public square in which to meet and get essential services;
- Bring water and lighting to the three communities
- Start a path of economic development of the areas
- Giving decent housing to the neediest people



CONTEXT

Abricots is a village located 2 hours by car from Jeremie, approximately 9 from the capital. Reaching these places is very difficult because of the total lack of infrastructure and roads. Agriculture and fishing are the main sources of livelihood for the families living there. These activities are carried out randomly and thus do not guarantee the appropriate sustenance. Kenscoff is located in a mountainous area approximately a 2-hour drive from Port au Prince. Here too, the meagre economic activities such as agriculture above all, are carried out at household level and for mere sustenance. The district of Croix des Bouquet is the artists' quarter of the city of Port au Prince. In this district, many families work in the production of items called "Fer Forge" made from recycled diesel drums.

THE ACTIONS

Thanks to the 3.COM project the schools and related community can benefit from:

- Wells and/or water tanks and filtration systems capable of providing drinking water to 10,000 people per day
- Solar panels for the production of electricity and light at night to consolidate the school as a safe centre for the community
- 2 solar lights for the 800 families of students to enable them to study at home at night
- 2 supplies of fertiliser to households and the improvement, through training, of their ability to farm, with the aim of increasing their income and resources
- Construction of 32 family homes in the Abricots community, Laserengue, for the neediest families
- Computer labs with internet connection

There have been no resolutions or disbursements for the project in the current year.

The sheet reports the results achieved.

PROJECT: Health-care professions

Partner: Fondation St. Luc - Haiti - University of Genoa - University of Florence - Gaslini Hospital of Genoa - Meyer Paediatric Hospital of Florence.

Location: Italy



PROJECT

With this project, the Andrea Bocelli Foundation decided to support Haitian doctors in the path to access the specialisation course for surgeons offered by Italian and European universities. In this regard it is necessary to apply with the Ministry of Health for equivalence and recognition of the qualification as doctor together with documentation relating to the authenticated, translated and legalised degrees. The Foundation guarantees, thanks to the involvement of the Ministry of International Cooperation and Foreign Affairs, coverage of all the costs required for the specialisation scholarship. Currently, the first Haitian doctor benefiting from this project is regularly enrolled and attends the fourth year of specialisation in paediatric surgery at the Meyer Paediatric Hospital.

BENEFICIARIES

1

Direct beneficiaries

9,993,247

Inhabitants in Haiti

OBJECTIVES

- Obtain recognition of degrees in the European Union
- Offer free access to specialised education
- Contribute to improving the personnel's skills

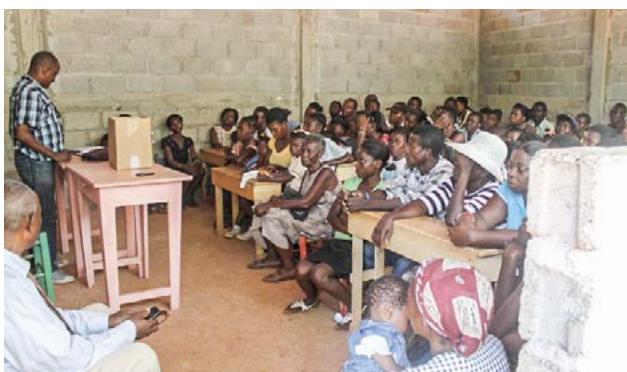


CONTEXT

In Haiti, even after obtaining a degree, it is very difficult to access surgical specialisation courses, so much so that the number of actual surgeons is in no way sufficient to meet the demands of such a large and needy population. The surgeons/population ratio may be estimated to be around 1/2,000,000.

THE ACTIONS

- Cover the scholarship costs as surrogate of the Ministry of Foreign Affairs
- Cover the travel, board and lodging costs of the direct beneficiary



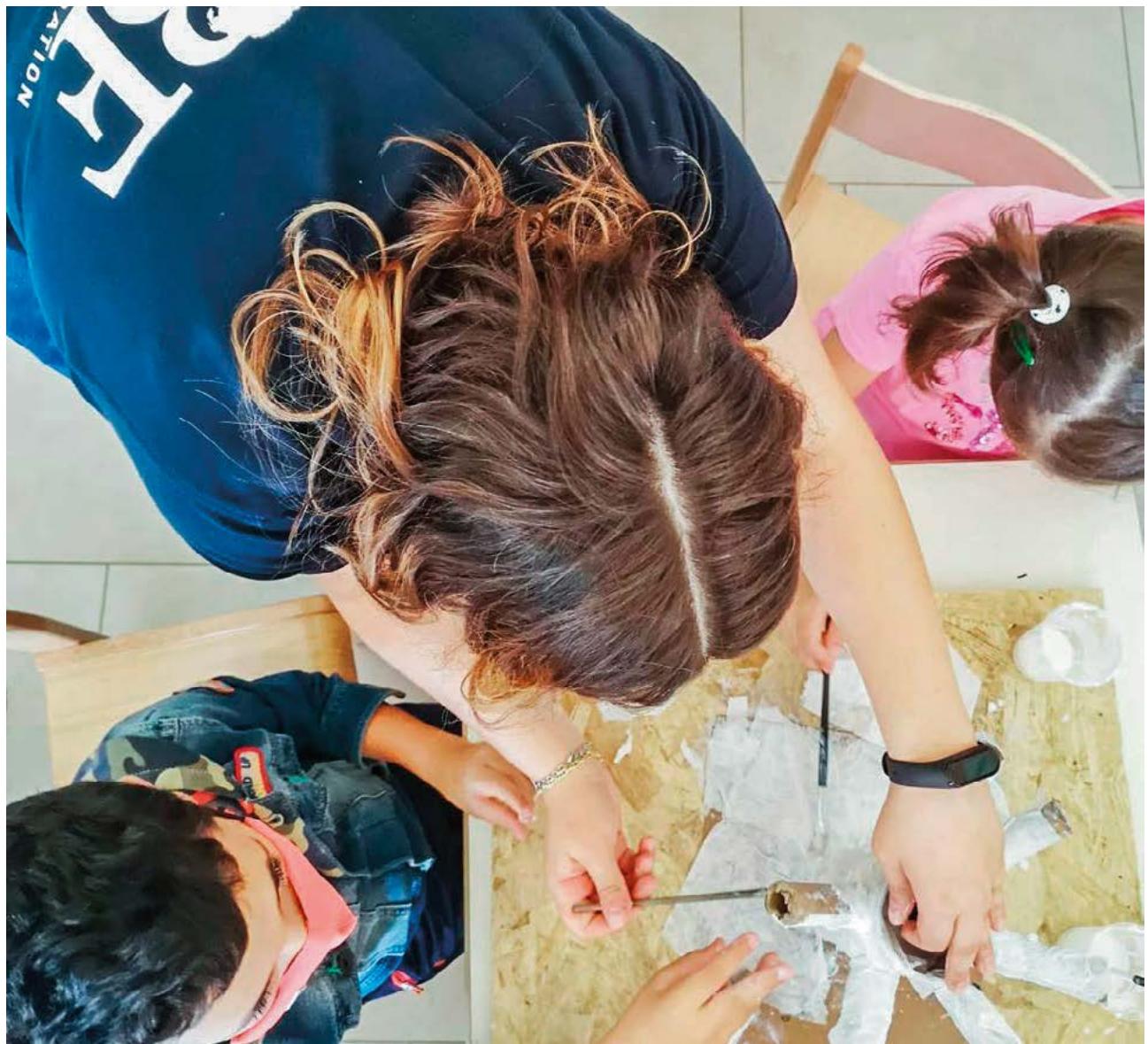


Challenges

“Challenges” operates within the area of scientific and technological research and social innovation, tackling major challenges in terms of both investments and results to be achieved with the aim of allowing anyone experiencing financial or social difficulties to express themselves. The programme aims to bring together the best minds to find innovative solutions to help people cope with and overcome the limits imposed by their disability or discomfort to achieve better quality of life.



Core activities



ABF's mission in Palestine and the Holy Land for expansion of Voices of the World

January 2020

An ABF delegation led by Director General Laura Biancalani undertook a mission trip to the territories of Palestine and Israel. Institutional meetings were held with the Custos of the Holy Land and with other representatives of humanitarian organisations operating locally for the development of new projects with specific reference to the "Voices of the World" project based on the model created with the "Voices of Haiti" project and which sees the creation of choirs in places of conflict and under disadvantaged socio-economic conditions. The ABF delegation visited some educational establishments in Jerusalem and in the West Bank.



Un nuovo giorno (A new day) - 45516

28 April 2020

In order to support the fundraising for the Covid19 emergency, ABF worked with Maestro Bocelli's management team to create television content comprising the best performances and meeting moments of the shows that RAI dedicated to Maestro Bocelli in the last three years. This also aimed at reporting on the projects carried out by ABF and giving strength to the campaign "Con te per l'emergenza Covid19" (" We are with you for the Covid19 emergency"). A journey through time, from the Colosseum in Rome to the Arena di Verona and the Teatro del Silenzio, with the narration of the projects carried out, such as the reconstruction of the schools in Sarnano and Muccia in the areas hit by the earthquake in Marche in 2016.

The show "Andrea Bocelli: Un nuovo giorno" (Andrea Bocelli: a new day), in which ABF founder, Andrea Bocelli, welcomed guests from his own home and retraced moments of music and solidarity together with many friends from the world of music, cinema, entertainment, both Italian and international, aired on 28 April 2020; on such occasion the Foundation organised a Fundraising Campaign through permanent solidarity number 45516.



Memorandum of understanding MIUR and AOPI

May 2020

In May 2020 ABF signed a Memorandum of Understanding with the Ministry of Education in order to promote projects in schools aimed at guaranteeing the right to well-being and education of all children and adolescents, with specific reference to those who live in contexts of disadvantage, discomfort or isolation in case such condition was even exacerbated by the Covid-19 emergency.

Specifically, through the Memorandum of Understanding, the Ministry of Education acknowledged the Foundation's activity as activity of interest in the field of educational projects aimed at supporting students, families and teachers in the field of expressive and digital languages, and also the activity of functional and substantial requalification of school spaces

and the supporting action for the construction of educational networks in which good practices may be disseminated and reflected.

In order to achieve the objectives of the Memorandum, a working group was established, composed of representatives of the Foundation and of the Ministry of Education.



Concession of the spaces inside the complesso di San Firenze by the Municipality of Florence

Florence - October 2020

The Municipality of Florence has granted the second floor of the Complesso San Firenze to the Foundation, as its operational headquarters, for 29 years.

Over 500 square meters on the noble floor of the former Court of Florence, where ABF will carry out the management of its core activity and will create the ABF GlobaLab, a vocational centre for local and international young people that could bring San Firenze back to its original educational vocation to which it was destined by San Filippo Neri.

Attached to such grant, an agreement was entered into by ABF and the Department of Culture and Youth Policies of the Municipality of Florence for the implementation of the GlobaLab project for ten years.

The Foundation took care of the restoration of the spaces by investing in structural recovery and in the research in order to bring the rooms back to the colours and to the aesthetics of the era of construction. As far as interior design is concerned, we tried to leave traces of recent history, by transforming many pieces of furniture belonging the former Court in an innovative light and by mixing them with the Foundation's history and for the purposes of creating an environment that would be familiar and welcoming for young people who will use our spaces.

After a long period of planning and dialogue with the several technical departments of the Municipality of Florence involved and with the Superintendence of Cultural Heritage, the site was opened on 18 May, immediately after the end of lockdown. The construction site was opened on 20 May 2020 and closed at the beginning of October; the operational offices of the Foundation were thus moved to San Firenze on 5 October 2020.

The official inauguration of the House of Art of Culture and Solidarity For Florence, multifunctional spaces open to the community, especially to young people, for the purpose of making beauty and work on talent a collective heritage, took place on 24 January 2021 formally, on the occasion of the World Education Day.



Veronica Berti Bocelli - Master of Social Responsibility

Milan - 30 September 2020

The Areté Award for Responsible Communication "Mother Enterprise" was awarded to the Vice President Veronica Berti Bocelli for the current year, for the activity promoted within the Andrea Bocelli Foundation. The Vice President received the award in Milan and released an interview broadcast by Forbes channels.

The Award was held at the Corporate Social Responsibility and Social Innovation Exhibition at Bocconi University.

The Areté Award for Responsible Communication 2020 is dedicated to public and private companies, associations and foundations that gave a concrete response, with generosity and intelligence, to the exceptional needs of the country within its fight against Covid 19.



Opening of the Music Academy “F. Corelli”

Camerino - 1 October 2020

The enthusiastic audience welcomed the founder Andrea Bocelli and many artists that were there, including Renato Zero. Built in less than 150 days, thanks to the funds raised and the supervision by the Andrea Bocelli Foundation (ABF), the inauguration of the Academy marks the start of a development process for 160 students and their community of Camerino (MC), 1 October 2020 - Camerino restarts from music. Such restart was accompanied by the voice of the ABF founder on stage, together with Renato Zero, Marco Masini, Serena Autieri, Giovanni Caccamo, Andrea Griminelli, Anastasiya Petryshak, Andrea Paris, Carlo Bernini and Ilaria della Bidia. After the schools in Sarnano and Muccia, even the third major project signed by the Andrea Bocelli Foundation, in the areas of the earthquake 2016, came to completion. An investment of just under two million, for another philanthropic bet: finishing it in less than 150 days of construction, notwithstanding the complexity of the year 2020, which suffered from the lockdown. In the presence of the Extraordinary Commissioner Giovanni Legnini, of the top management of the Foundation, of the national and regional authorities and of the Mayor Sandro Sborgia, the structure was officially handed over to the community of the university town in the heart of the Region Marche, which could enjoy a proper House of music. The Academy, an educational and artistic hotbed worthy of the noble tradition that has characterised cultural life in Camerino for centuries, will serve as a branch of the Conservatory of Fermo as well.

Together with Veronica Berti (ABF Vice President) and Laura Biancalani (ABF General Manager), the ABF President, Stefano Aversa, remarked the satisfaction for the accomplished commitment towards a community that is historically linked to art, music and beauty: a cultural and artistic centre with a strong university tradition that has been active for almost seven hundred years. Due to the current safety regulations, the inauguration of special classrooms was held for a few close friends in the morning: from the one dedicated to Renato Zero on the occasion of his seventieth birthday, “Zero Settanta”, to the one dedicated to the famous lyricist and author Giancarlo Bigazzi, to the “Kinder” classroom where children can approach the art of sounds through a series of musical workshops.

In compliance with safety regulations, the inauguration

ceremony of the new building took place in the space in front of the Academy and was broadcasted on a large screen: a Music Palace of over 700 square meters for 160 students, which looks like a modern, bright and captivating building built by ABF and made available by the municipal administration, located in front of the new university campus. After the ribbon was cut, the concert of Maestro Andrea Bocelli and his guest artists took place, accompanied by the 40 young instrumentalists of the Academy's Wind Instruments Orchestra. A jubilation of applause followed Andrea Bocelli's interpretation of the aria “Ah, tout est bien fini...Ô, Souverain” da “Le Cid” by Massenet, a moment of intense spirituality and great emotions. The performances of the flautist Andrea Griminelli, the singer and actress Serena Autieri, the violinist Anastasiya Petryshak, accompanied on the piano by Carlo Bernini, were joyfully welcomed as well. Grand finale with Renato Zero, Marco Masini, Giovanni Caccamo and Ilaria della Bidia, who reached the stage by joining their colleagues to sing “Con te partiro” and, eventually, the voice of the founder who performed the famous “Nessun dorma” by Puccini. The new Academy, following Andrea Bocelli's will, was named after Franco Corelli, a great colleague from the Region Marche, Bocelli's teacher and friend, and will play a central role in education and music production activities, for the benefit of the local community and not only.

The project, through direct intervention by ABF, was implemented in agreement with the Extraordinary Commissioner of the Italian Government for Reconstruction, USR Marche Region and Municipality of Camerino, thus embodying a virtuous example of cooperation between Public and Private: where forces are coming together, it is actually possible to reach results that are extremely useful for community, able to offer a solution to binding problems, besides important perspectives for the future.

The new structure in Camerino confirms the centrality of art (specifically music), within the ABF educational projects, and expresses full consistency with the foundation's mission: “Empowering People and Communities”. After almost a decade of activity, the Foundation is increasingly acknowledged to have a community leader profile on an international level.



ABF: Christmas of hope and opportunity

Florence - 7 December 2020

The Andrea Bocelli Foundation (ABF), together with the Municipality of Florence, lit up the city, starting from Piazza San Firenze, the future headquarters of the Foundation and cultural centre dedicated to young people and to arts, in the presence of the Founder, Maestro Andrea Bocelli, the ABF leaders and the Mayor Dario Nardella.

A sign of a restart in the name of hope in future generations and culture. In fact, the recovery of the second floor of the baroque complex of San Firenze, granted as the operational headquarters of the Foundation by the Municipality of Florence, free of charge, restored by ABF and inaugurated in January during World Education Day (24 January).

The lighting of the tree in Piazza San Firenze embodies a double meaning: hope for the future and closeness to the community and to the new generations, by symbolically anticipating the light that will remain lit inside the complex, which will open its doors to young people that have always been the focus of ABF mission.

The event, organised in compliance with the current Covid19 legislation, aired on 8 December at 5.00 pm on the official social channels of the Andrea Bocelli Foundation, of the founder Andrea Bocelli and of the Municipality of Florence; also available on the Andrea Bocelli Foundation Youtube channel.





E. RESOURCES FOR CORE ACTIVITIES

In 2020, the Foundation received the funds to support and develop its projects from fundraising activities, either direct or mainly organised by third parties and volunteers, as well as from charitable donations by private or corporate donors.

The year 2020 was a special year for fundraising since it was not possible to raise funds through live events. With the impact of the pandemic, the Foundation team quickly tried to invest in new fundraising methods, especially online, and created new ways to communicate to historical donors and to intercept new ones.

As far as this is concerned, it should be pointed out:

- **Annual SMS:** the Foundation acquired a telephone number in 2020 to carry out ongoing campaigns for the purpose of fundraising via SMS. Through the number 45516 it was possible to spread different campaigns and fundraise via SMS throughout the year. In April 2020 there was a moment of greatest media impact, during the founder's TV programme "Un giorno nuovo (A new day)" aired on RAI 1.
- **Crowdfunding campaigns:** in order to raise funds for the emergency, crowdfunding campaigns were activated through the GoFundMe web platform for the first time. This platform was selected because it is known to the general public, it can be easily and quickly used by users and activated and managed by the Foundation, which did not have time to create its own.
- **Online fundraising platforms:** together with the founder's management, a series of platforms that could raise funds by clinging to the professional activities of Maestro Bocelli, with no need of a dedicated activity on his part, were selected.

Specifically, it was started a collaboration with:

- > the American non-profit organisation Plus One, through which whoever buys a ticket for a concert may have the opportunity to donate 1 euro to a charity cause;
- > the American company Omaze, for the creation of a sort of lottery through which it is possible to win a

meeting with the founder during one of his concerts.

- **Online charity auctions:** in occasion of live events and with a target of big donors, the foundation has been organising an online charity auction every year for some time. Since it was not possible to organise events, the Foundation invested in the construction of two online auctions throughout the year, by specifically investing in technological applications capable of creating to an actual online experience. Such investment and the speed of activation and creation of an experience that did not exist on the market at that time, gave rise to a replicable and successful experiment, even in terms of fundraising.

- **Circle's donors:** a special program was created in 2020 in order to retain top donors: a network of individuals united by the desire to support the Foundation's projects for a minimum of three years and through significant amounts. Through such program, donors have the opportunity to be constantly updated on ABF projects, events and programs and to be part of a network that, close to the family, has the opportunity to guide future projects by means of pleasant moments of reflection, visits to projects and dialogue with the Board of Directors, with the team and with other network subjects.

The Foundation operates in the utmost transparency, with published financial statements, available on the Foundation's website and certified by the auditing firm KPMG.

Since its inception in 2011 the Foundation has

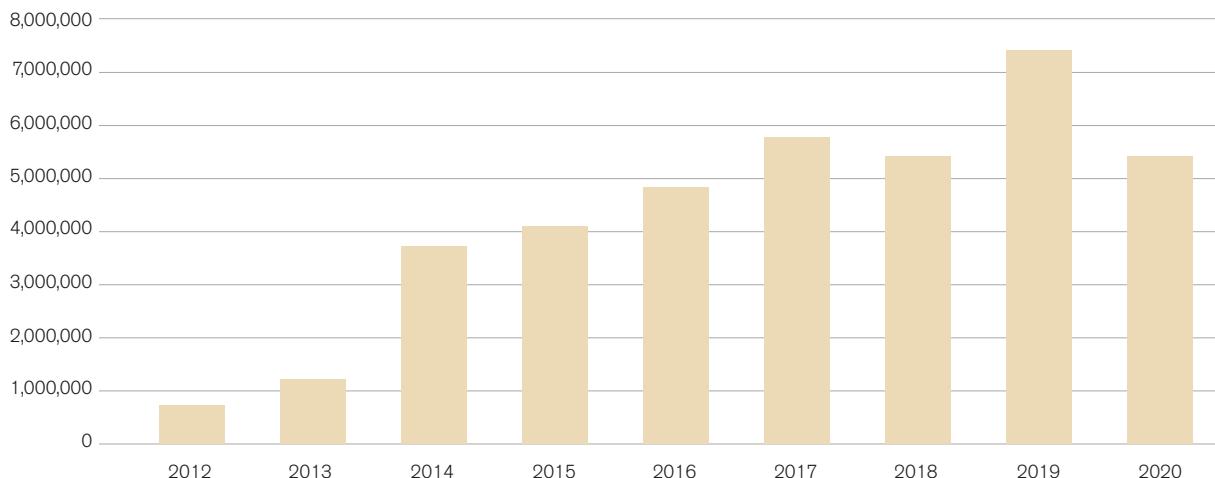
collected over 39 million Euro.

Below is a table showing the accounting data for fundraising since the foundation's inception.

REVENUES FROM FUNDRAISING FUNDS

DATES	AMOUNT in euro
2012	826,970
2013	1,204,984
2014	3,882,311
2015	4,138,003
2016	4,918,117
2017	5,893,877
2018	5,374,699
2019	7,330,306
2020	5,336,258
TOTAL	38,905,525

REVENUES FROM FUNDRAISING FUNDS
in euro



The data for the compound revenues for the year are shown below.

REVENUES	2020	2019	CHANGES in euro	CHANGES %
Other revenues from core activities	471,883	1,117	-470,766	-100%
Revenues from core activity and fundraising	4,829,376	7,329,189	2,499,813	52%
Revenues from other activities	-	-	-	-
TOTAL	5,336,258	7,330,306	4,528,861	-28%

Trend of donations 2013-2020

The graph below analyses the trend of donations 2013-2020. These figures are important to understand the dynamic of resource development and analyse the work carried out for the Foundation's future sustainability. Notwithstanding the impact of the pandemic, the number of donations progressively increased in 2020, with a decrease in the average donation and thus

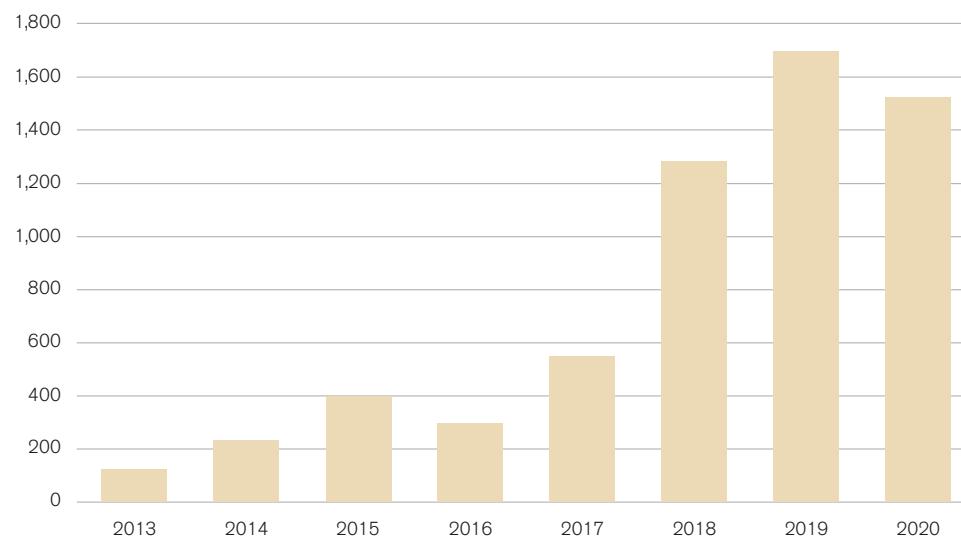
contributing to the expansion of the donor base.

This means:

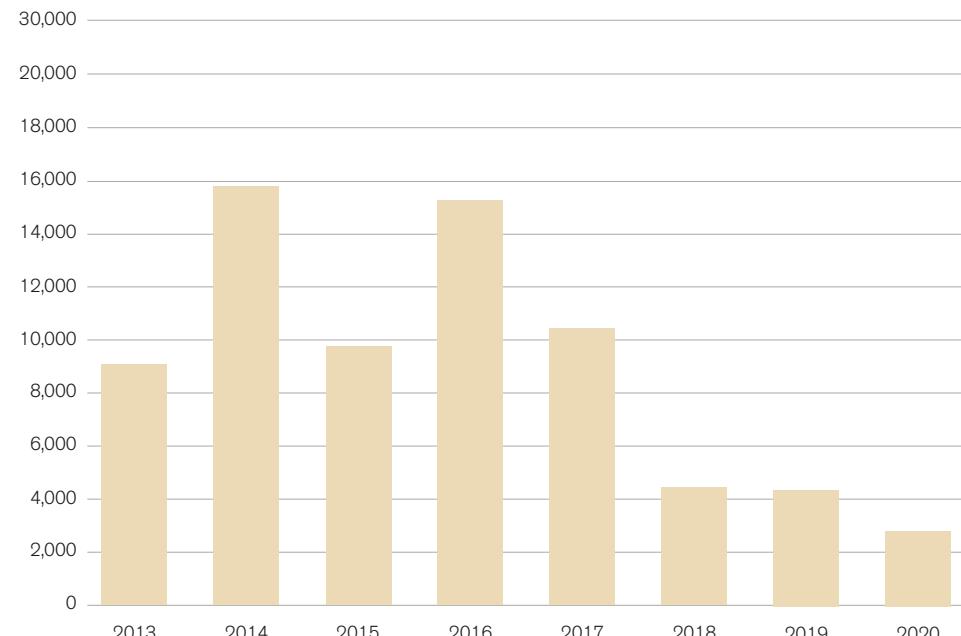
- Growth of the absolute number of donors;
- Growth of the donors' turnover rate;
- Decrease of the average donation and broadening base of the donors' pyramid.

DONATION	2013	2014	2015	2016	2017	2018	2019	2020
Amount (in Euro)	1,204,984	3,882,311	4,138,003	4,918,117	5,893,877	5,734,699	7,330,306	5,301,259
Number of donation	131	244	421	320	562	1,300	1,703	1,544
Average donation (in Euro)	9,198	15,911	9,828	15,369.12	10,487.33	4,411.31	4,302.88	3,456.12

NUMBER OF DONATIONS BY YEAR



AVERAGE DONATION
in euro



Below is the breakdown by geographical area in 2020 and the 2019/2018 comparison.

Since 2017 one can notice a significant broadening of Italy donations corresponding to Italian projects.

GEOGRAPHICAL AREA	2017 in euro	% over total	2018 in euro	% over total	2019 in euro	% over total	2020 in euro	% over total
Italy	1,128,195	20%	1,911,077,77	36%	2,225,750,73	33%	1,706,264	35%
USA	4,284,963,42	76%	2,321,969,08	43%	3,314,459,48	45%	2,713,843	56%
Rest of the World	232,705,58	4%	1,141,652,15	21%	1,787,586,50	25%	409,268	9%



A. Assets

The Foundation's capital is still the amount provided by the Founder at the time of its establishment, € 100,000.00, also called Endowment Fund.

B. Revenues from charitable donations and fundraising

Total revenues for 2020 were € 5,336,258, allocated as follows.

The following table shows the allocation of donations received in 2020 by donors and the fund raising channel from which the aforementioned contributions were generated. In fact, they may choose to tie their donations to one of the Foundation's projects or programmes.

PROCEEDS from core activities by allocation	2020	INCIDENCE %	2019	INCIDENCE %
Challenges	-	0%	-	0%
EDU project Haiti	674,812	13,97%	1,744,376	24%
WHEAT	1,206	0,02%	433,989	6%
Voices of Haiti	135	0,00%	148,824	2%
Water truck	201,668	4,18%	125,590	2%
Mobile clinic	38	-	130,583	2%
Covid - Phase 1	656,574	13,60%	-	0%
Covid - Phase 2	826,960	17,12%	-	0%
Hospital	79,680	1,65%	-	0%
ABF core activities	1,635,323	33,86%	1,872,229	26%
Break the Barriers	990	0,02%	20,600	0,3%
EDU project Italy	400,569	8,29%	905,171	12%
Sarnano school - Central Italy heartquake	-	-	630	0,01%
Muccia school - Central Italy heartquake	1,395	0,03%	1,132,720	15%
Camerino Academy Central Italy heartquake	349,925	7,25%	813,477	11%
Music Lab - Centro Zerosei "A. Bocelli"	-	-	1,000	0%
Break the Barriers	4,829,275	100%	7,329,189	100%
TOTAL	4,829,275	100%	7,329,189	100%

The proceeds of the year by collection channel of the funds of origin are set out below.

PROCEEDS from core activities by collection channel	2020	INCIDENCE %	2019	INCIDENCE %
ABF events	-	-	228,412	3%
ABF auction	748,359	15%	1,123,338	17%
Events - Third parties	252,922	5%	1,173,295	18%
5x1000	175,597	3%	75,545	1%
Solidarity SMS	258,422	5%	262,022	4%
Spontaneous donation	918,252	18%	881,074	13%
Campaigns	2,793,429	54%	2,795,157	43%
Donation from Founder	-	-	-	-
TOTAL	5,146,982	100%	6,538,842	100%
Donation in Kind	189,276	-	193,346	24%
Donations of assets charity auction	-	-	88,500	11%
Donations from immoveable good	-	-	508,500	64%
TOTAL	189,276	100%	790,346	100%

B.1. Donations received from Charity Aid Foundation (CAF America)

The Andrea Bocelli Foundation, following due diligence carried out by the CAF America's Eligibility Committee, has been deemed eligible to receive donations from CAF America for a further two years, organisation that allocates donations worldwide, thus helping organisations, companies and individuals to donate without borders.

In 2020 the Foundation renewed its membership including the FRIENDS FUND that makes it possible to chip in on large and small amounts (including online). In 2020, ABF received the following contributions from CAF, which were paid quarterly:

DATES	AMOUNT in euro	AMOUNT in USD
29/01/20	97,109	106,830
15/04/20	316,110	344,656
23/07/20	320,642	367,951
15/10/20	424,102	496,115
30/12/20	110,059	135,165
TOTAL	1,268,024	1,450,716

B.2. Occasional fundraising

Again in 2020, the Foundation carried out occasional fundraising during Christmas time; net funds collected amounted to Euro 538.382,39.

For further details concerning the operations, please refer to the reports pursuant to Article 20 of Italian Presidential Decree 600/1973 as amended by Article 8 of It. Legislative Decree 460/1997 annexed to these Financial Statements (Annex no.1).



B.3. Solidarity SMS

In 2016, for the first time, the Foundation decided to initiate a communication and fundraising campaign through the solidarity SMS tool.

Since then, the Foundation activated a SMS campaign, which is going on every year, promoted by Rai Sociale in correspondence with the show of Maestro Bocelli broadcast on RAI and coinciding with the event of CFN Italia.

In 2020, coinciding with the start of the pandemic, the Foundation acquired an annual SMS number, whose validity is not limited to the two-week period agreed with Rai Sociale.

At the beginning of Phase 2 of the Covid-19 pandemic, which coincided with the uncertain reopening of commercial and social activities (end of April 2020), the founder of ABF organised a TV programme with Rai and Rai Sociale in a very short time and put together the three concerts that had been aired on Rai since 2017, with the representation of all the projects that ABF completed thanks to the SMS, thus to the intervention of a huge audience.

During the programme entitled "Un giorno nuovo (A new day)" the campaign "Con te per disegnare il futuro (With you to draw the future)", with which ABF built a project for the dissemination of digital education that could go beyond the Covid emergency, was launched.

The service providers of the solidarity number 45516 were the following:

PROVIDER	AMOUNT COMMUNICATED in euro	AMOUNT COLLECTED by 31/12/2020 in euro	AMOUNT COLLECTED 2021 in euro	ACCRUAL OF THE REVENUE
Tim	169,318	160,907	1,689	2020
Vodafone	28,487	32,632	11	2020
Wind-tre	35,086	34,538	452	2020
Fastweb	14,690	14,345	345	2020
Iliad	3,350	3,318	-	2020
Convergenze	-	-	-	2020
Postemobile	4,934	4,804	-	2020
Tiscali	2,427	-	2,412	2020
Coopvoce	-	-	4,862	2020
Twt	130	130	-	2020
TOTAL	258,422	250,674	9,771	

B.4. Crowdfunding

Crowdfunding is a term deriving from the English word crowd, that is translated with the Italian “finanziamento collettivo”. It is a collaborative process where a group of people use their money in common with other people in order to support projects of an organisation.

Starting from 2020 and in relation to the Covid 19 campaigns, the Foundation activated a crow-funding campaign on the external GoFundMe platform. The total value of crow-funding contributions is approximately of Euro seven hundred thousand for 2020.

B.5. Donations in kind

Starting from the financial statements for the year 2019, the Foundation has decided to account for contributions in kind (donations in kind) received. The total value of the contributions in kind is Euro 189,276.00 in 2020.

Specifically, such contributions relate to projects concerning the health emergency and to the project for the reconstruction of the Music Academy in Camerino.

DONATION DATE	AMOUNT in euro	DONATION	NOTES	PROJECT
19/03/20	25,599,48	UNIMED	PPE - Face masks FFP2	Covid-19 Emergency - Phase 1
19/03/20	120,36	Marco Bianchi	PPE - Surgical masks	Covid-19 Emergency - Phase 1
27/03/20	726,58	Jacqueline Dominy	PPE - Gloves and overalls	Covid-19 Emergency - Phase 1
15/05/20	800,00	Yuri Pizzasegola	PPE - Face masks FFP2	Covid-19 Emergency - Phase 1
21/05/20	24,000	Q&L srl	PPE - Face masks	Covid-19 Emergency - Phase 1
19/06/20	1,800	Marioluca Giusti	Flute of champagne	ABF core activities
01/09/20	14,531	Associazione Sportiva Dilettantistica	Tools Academy	Rebuilding of Camerino Music Academy
15/09/20	3,500	Fondazione Cassa di Risparmio di Parma	Piano	Rebuilding of Camerino Music Academy
18/09/20	14,481,11	Prase Shure	Microphones Academy	Rebuilding of Camerino Music Academy
30/09/20	5,100	Fabbrini Pianoforti	Piano	Rebuilding of Camerino Music Academy
30/09/20	695,40	Alberto Marziali	Tools Academy	Rebuilding of Camerino Music Academy
30/09/20	200,57	Distilleria Varnelli	Food packages	Rebuilding of Camerino Music Academy
30/09/20	14,426,10	Edra s.p.a.	Home decoration	Palazzo San Firenze
15/10/20	960	Barbara Picchio	Food packages	Rebuilding of Camerino Music Academy
20/10/20	5,000	Delamaison Production S.R.L.	PPE - Surgical masks	Covid-19 Emergency - Phase 1
27/10/20	15,583,80	SAM LABS LTD	Educational platforms and software	Covid-19 Emergency - Phase 2
28/10/20	5,100	Fabbrini Pianoforti	Piano	Palazzo San Firenze
05/11/20	12,000	Marco Lodola	Sculpture	Palazzo San Firenze
07/12/20	6,588	ESAOTE	Concentrators	Rebuilding of Camerino Music Academy
30/12/20	38,064	Harcome	Performance	Rebuilding of Camerino Music Academy

C. Expenses from core operations

The following table sums up the expenses for setting up and managing the Foundation's projects broken down by the two intervention programmes:

PROGRAMME	AMOUNT APPROVED in euro	AMOUNT DISBURSED in euro
Break the Barries / Projects	2,255,298	3,006,874
Challenges	-	-
TOTAL	2,255,298	3,006,874

The amounts approved and allocated were recorded according to the exchange rates in force on the date on which they arose.



D. Expenses for activities as at 31/12/2020 and expenses from core operations

Total expenses for the performance of the Foundation's activities were equal to Euro 1,001,767 of which:

EXPENSES FOR PROMOTIONS AND FUNDRAISING	AMOUNT in euro	INCIDENCE COSTS/REVENUES %
Promotional and fundraising costs	266,247	5%
TOTAL REVENUES	5,301,259	-

GENERAL EXPENSES	AMOUNT in euro	INCIDENCE COSTS/REVENUES %
General support expenses	633,275	11,9%
Costs for corporate bodies	-	-
TOTAL REVENUES	5,336,258	-

	AMOUNT in euro	INCIDENCE COSTS/REVENUES %
A) Expenses to conduct the activities	899,522	17%
General support expenses	633,275	11,9%
Costs for corporate bodies	-	-
Cost for promotions and fundraising	266,247	4,6%
Bank and financial charges	102,245	-
TOTAL OPERATING EXPENSES	1,001,767	18,9%



Annex 1

OCCASIONAL FUNDS COLLECTION STATEMENTS

Online Auction 17/12/2019 & ABF Christmas |
 Supported project: Educational Project

REVENUES	AMOUNT in euro
Cash donations	204
Donations by contributions to the bank account	25,631,24
Donations by cheque, credit or debit card	
Donations through assets acquired free of charge	476,690,31
Collection from sale of assets purchased against payment	
Collection from services provided (lottery)	79,590,47
TOTAL REVENUES	582,116,02

EXPENSES	AMOUNT in euro
Purchase of assets distributed during the collection event	-11,019,63
Charges for the hire of platforms	-5,185
Reimbursement of expenses to volunteers	-1,315
Promotional expenses for fundraising (publicity, shows and events)	-6,755
Printing and transport expenses	-17,907
Utility expenses	-115
Expenses for other fundraising services	-1,437
Fees for performances	
TOTAL EXPENSES	-43,733,63

NET RESULT OF THE COLLECTION **538,382,39**

3.

FINANCIAL STATEMENTS

Ended 31/12/2020

Approved by the Board of Directors on 29 April 2021

Report on operations.

To the financial statements for the year ended at 31/12/2020

The financial year 2020 of the Andrea Bocelli Foundation ended with a positive trend, higher in terms of net result compared to 2019, although the financial year was strongly impacted by the pandemic, specifically at the level of total revenues which are lower than the previous year.

The institutional activity of the Foundation was abruptly interrupted at the end of February 2020, when the first lockdown impeded any institutional activity in presence and all the events of the year cancelled.

Even in such an uncertain context, major donors and partnerships with institutions, foundations and companies of high international level were confirmed as crucial for the Foundation and this enabled us to effectively support the emergency with targeted activities and projects, but also to expand our possibilities of intervention to Phase 2 of the emergency, as identified later by the Italian government.

Great impetus was given to the online communication and fundraising, in the attempt to reach the wide public of ABF around the world, even remotely, by identifying cutting-edge tools in fundraising and new channels. Therefore, there was a strong investment in new digital tools aimed at supporting the collection and the implementation of new design dynamics.

The total revenues in 2020 reached Euro 5.3 million, with a decrease of 2 million on 2019. The decrease in income is due to the post-pandemic economic crisis and, specifically, to the total cancellation of all the live events and shows associated with fundraising: an overall budget of Euro 2.1 million was determined for those events. In order to mitigate the negative effect of the aforementioned loss of income, the Foundation activated alternative collection channels for a total of Euro 1.9 million.

In relation to the difference compared to the previous year, it should be pointed out that income from live fundraising events amounted to Euro 2.5 million in 2019 and that the Foundation benefited from a bequest of over Euro 0.5 million and donations of goods for a total of Euro 0.3 million in the same year.

Expenses for core operations amounted to Euro 3.2 million, with an impact of over 66% on total revenues from core operations; the use of resources received for purely project-based purposes and therefore linked to the Foundation's core activity is still predominant, although the percentage is lower due to the downsizing or postponing of some projects as a consequence of the pandemic. The contraction in terms of projects was equal to Euro 1.5 million; the core projects related to education and to the water project in the Haiti area were confirmed, but the Voices of Haiti project has been suspended. Activities in Italy, after the success of the reconstruction project of the Music Academy in Camerino (inaugurated in October 2020) confirmed the Foundation's desire to keep on having an impact in the revitalisation and reconstruction of those Italian areas affected by the earthquake in 2016.

Educational workshops in the musical and artistic field that had already started on the Italian territory in 2019 were confirmed; new health and educational projects in support of the emergency were added to said educational projects.

The Foundation decided to remain at the service of the communities suffering from a "double red zone" and of other hospital centres involved in treating Covid patients, by sending personal protective equipment, lung ventilators and by contributing to the creation of a Covid ward at the hospital of Macerata.

In order to support the emergency, the Foundation opened a second campaign called "Con Te, per disegnare il futuro (With You, to draw the future)", aiming at offering material support to students, families and to their teachers, with a pilot initiative aiming at strengthening distance education, by taking the side of communities that live in very difficult situations once again.

Such projects resulted in an impact of Euro 0.7 million in 2020.

Charges for promotions and fundraising amounted to Euro 266 thousand, with a reduction of over Euro 73 thousand, due to the cancellation of investments related to live activities, if compared to 2019. General support expenses decreased in comparison to 2019 and settled at Euro 0.6 million, mainly due to the savings associated with remote work and to the lack of any costs related to the renting of operational headquarters in the second half of the year, partially offset by new depreciation associated with the restructuring of the new operational headquarters.

With regard to financial revenues and charges, there was a negative net effect equal to Euro 52 thousand, due to exchange rate differences of approximately Euro 74 thousand deriving from the USD dollar's negative performance during the year. Therefore, the operating surplus is equal to Euro 1.2 million.

Such positive result is even more significant if we consider that it originates from an extremely anomalous year, from an economic and financial point of view and from the point of view of ABF's activity.

On the one hand, the natural contraction in income associated with fundraising difficulties, decreased the volume of the Foundation's income; on the other hand, the necessary downsizing or, in some cases, the total suspension or slowdown of projects after the lockdown and consequent restrictions and the savings, in terms of structure and communication-collection costs, led to the non-use of some of the resources forfeited during the year and led to the formation of a significant surplus in 2020.

Specifically, the following should be noted on 2020 at the design level:

- Failure to launch the Voices of the World international project, which would have allowed the Foundation to internationalise one of the pilot projects promoted in Haiti in the last 3 years. The total blocking of international relations and travel, in fact, made it impossible to start such a complex project and to implement it in 2020, thus being any

dialogue with the financing partner and any possible local project partners postponed to the following year and preventing the board from making any estimate in terms of project provision.

- failure to identify a real estate construction or reconstruction project in Italy, a well-established design element that has characterised the Foundation in the last 3 years. Therefore, there is no planning, nor consequent provision for a major real estate project for the financial year 2020, since they are usually financed with the funds raised during the current and subsequent financial year.

Due to the pandemic, during 2020 it was not possible to open the usual dialogues and consequent evaluations with the Italian institutional bodies, nor to define the next real estate intervention of the Foundation in the educational field. Coordinating with the Extraordinary Commissioner for Reconstruction or with similar local and governmental bodies, in order to identify possible interventions on which ABF could make a difference within the needs of the Italian educational area, is now an established practice for the Foundation. The dialogue was resumed at the very beginning of 2021, when some possible major real estate projects, on which to intervene in the second half of 2021, were brought to the attention of the Foundation.

Possible design solutions on national and international territory, on which it will be possible to intervene in operational terms in first half of 2021, are being studied.

These resources are mainly deriving from donations not destined for specific projects, which flow and will flow into the free section of the Foundation's assets, equal to approximately Euro 4 million as at 31 December 2020.

BALANCE SHEET

(data in euro)

ASSETS	2020	2019
A) Receivables from shareholders for payments still due	-	-
B) Fixed assets	624,937	218,293
I. Intangible fixed assets	309,892	7,911
1) Licences and software	1,254	68
2) Trademarks and Patents	8,032	7,843
3) Other multi-year expenses	-	-
4) Leasehold improvements	300,605	-
5) Other	-	-
II. Tangible fixed assets	312,845	208,182
1) General installations	0	-
2) Machinery and equipment	33,320	-
3) Furniture	85,196	7,017
4) Electronic equipment	14,303	15,440
5) Buildings	180,025	185,725
6) Other	-	-
III. Financial fixed assets	2,200	2,200
1) Deposits paid	2,200	2,200
C) Current assets	8,090,554	8,650,798
I. Inventories	-	-
1) Inventories	-	-
II. Receivables	33,855	167,298
1) Receivables due within 12 months	33,855	167,298
2) Receivables due after 12 months	-	-
III. Financial assets	500,000	100,000
IV. Cash and cash equivalents	7,556,700	8,383,500
D) Prepaid expenses and accrued income	3,324	5,557
E) Assets intended for disposal	357,000	407,000
1) Buildings intended for disposal	318,500	318,500
2) Other tangible assets intended for disposal	38,500	88,500
TOTAL ASSETS	9,075,815	9,281,648

BALANCE SHEET

(data in euro)

LIABILITIES	2020	2019
A) Net equity	7,013,684	8,270,850
I. Free capital	5,276,688	4,164,442
1) Endowment fund	100,000	100,000
2) Other reserves	-	-
3) Free funds and retained earnings	3,985,442	3,664,160
4) Surplus (deficit) from current operations	1,191,246	400,282
II. Tied capital	1,736,996	4,106,408
EDU project fund	-	87,241
Wheat fund	1,400,630	1,793,401
Empowering specialisation fund	109	109
Voices of Haiti fund	46,659	46,659
Water truck fund	94,707	105
Mobile clinic fund	-	50,691
HIV fund	-	550
Covid Phase 1 fund	-	-
Lajatico 0-6 fund	7,645	20,000
Santo Domingo fund	4,000	10,000
Klitcko project fund	-	25,000
Music Lab fund	23,404	-
Sarnano school fund	30,000	73,679
Other emergencies fund	39,844	24,126
Muccia school fund	90,000	309,128
Camerino school fund	-	1,665,719
B) Provisions for future risks and charges	563,556	600,000
C) Employee severance indemnity provision	56,856	41,726
1) Employee severance indemnity	56,856	41,726
D) Payables	1,441,719	369,072
1) Payables due within 12 months	1,060,102	369,072
2) Payables due after 12 months	381,618	-
E) Accrued liabilities and deferred income	-	-
TOTAL LIABILITIES AND NET ASSETS	9,075,815	9,281,648

DIRECTORS' REPORT

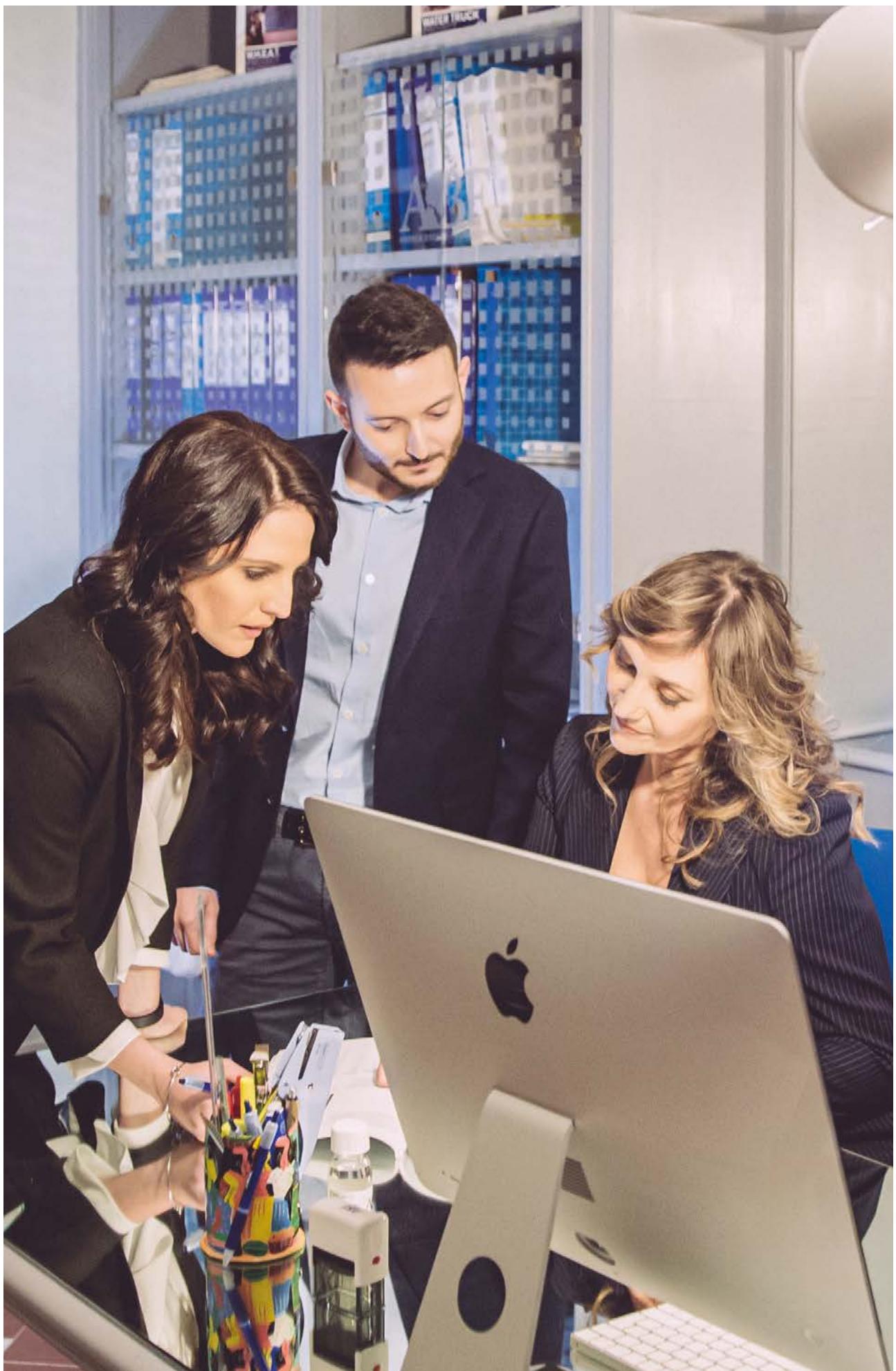
(data in euro)

	2020	2019
A) Revenues		
I. Revenues from core operations	5,336,258	7,330,306
1) Revenues from members and associates	4,829,376	7,329,189
2) Contributions and monetary donations	4,206,080	6,201,276
3) 5x1000 (tax donation)	175,597	75,545
4) Other contributions	258,422	262,022
5) Contributions and donations in kind	189,276	790,346
II. Other revenues	506,883	1,117
1) Other revenues from other core activities and fundraising	489,803	1,117
2) Revenues from other activities	17,080	-
B) Expenses		
I. Expenses for core operations	4,069,045	6,314,476
1) Expenses for core operations	3,169,523	5,253,873
I. Challenges programme	-	-
II. Break the Barriers programme	2,973,592	4,969,941
EDU project	200,000	-
Covid Phase 1	557,270	-
Covid Phase 2	126,776	-
Wheat	1,400,805	1,890,551
Empowering specialisation	-	-
Voices of Haiti	-	137,962
Water truck	160,493	-
Mobile clinic	-	138,852
HIV	-	-
Lajatico 0-6	-	20,000
Santo Domingo	-	-
Klitcko project	-	25,000
Music and digital Lab	44,754	-
Sarnano school	-	-
Other emergencies	-	-
Muccia school	25,000	1,000,000
Camerino school	235,994	1,757,576
Royal College	222,499	-
III. Mission expenses	6,526	9,409
IV. Purchases intended for projects	189,276	193,346
Expenses relating to donations in kind	189,276	193,346
V. Services intended for projects	129	81,177
1) Purchases	-	-
2) Services	-	48,961
3) Other general costs	-	-
2) Expenses for promotions and fundraising	266,247	339,604
1) Purchases	-	98,837
2) Services	-	169,868
3) Other general costs	-	70,900
3) General support expenses	633,275	720,999
1) Purchases	6,915	7,711
2) Services	155,158	188,802
3) Personnel	391,987	463,825
4) Leases and rentals	28,945	35,511
5) Depreciation and write-downs	49,321	24,946
6) Miscellaneous operating costs	949	204

	2020	2019
C) Provisions	-	600,000
1) Provision for future charges	-	600,000
D) Net financial revenues and expenses	-51,866	3,334
1) Interest income from bank accounts	24,382	18,814
2) Revenues from bank deposits	2,092	368
3) Other financial revenues	-	-
4) Interest payable	-3,433	-
5) Other financial charges	-724	425
6) Net effect of exchange gains (losses)	-74,182	22,091
E) Extraordinary income and charges	-9,751	129
1) Contingent assets	14,152	2,438
2) Contingent liabilities	-903	2,309
3) Capital losses from disposals	-23,000	-
Earnings before tax	1,205,597	412,625
Taxes for the period	14,351	12,343
SURPLUS (DEFICIT) FROM OPERATIONS	1,191,246	400,282

**CASH FLOW STATEMENT OF THE ANDREA BOCELLI FOUNDATION
AS AT 31 DECEMBER 2020** (data in euro)

	2020	2019
Surplus for the period	1,191,246	400,282
Taxes for the period	14,351	12,343
Net Financial and Bank Expenses	-22,317	-18,757
Depreciation	49,321	24,946
+/- other extraordinary expenses	-13,249	-129
Capital losses/gains from sales of assets	23,000	-
Allocation to the provision for risks and charges	-	601,898
Increase/(decrease) in Provision for Risks and Charges	-36,444	-
Employee Severance Indemnity increase/(decrease)	15,130	-
Decrease/(increase) in accrued income and deferred expenses (pertaining to operations)	2,233	-1,491
Increase/(decrease) in accrued charges and deferred income (pertaining to operations)	-	-
Decrease/(increase) in operating receivables	133,442	-138,825
Increase/(decrease) in operating payables	691,030	-219,506
A) Cash generated (absorbed) by operations for the financial year	2,047,743	660,762
Use of earmarked funds	-4,119,925	-4,406,691
Provision for earmarked funds	2,176,298	4,969,941
Other equity changes	-504,803	59,847
Other non-monetary changes	48,233	-
B) Cash absorbed (generated) due to changes in free or tied capital funds	-2,400,196	623,097
Decrease/(increase) in tangible and intangible fixed assets	-455,965	-8,602
Decrease/(increase) in financing receivables	-400,000	281
Decrease/(increase) in accrued income and deferred expenses (pertaining to cash flow management)	-	-
Increase/(decrease) in financing payables	381,618	-
Donations of goods in kind	-	-597,000
C) Cash generated (absorbed) by the change in equity elements	-474,347	-605,321
D) Cash generated (absorbed) by operations (A+B+C)	-826,801	678,538
E) Cash and cash equivalents as at 1/1	8,383,500	7,704,963
Cash and cash equivalents as at 31/12 (D+E)	7,556,700	8,383,500



4.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended at 31/12/2020

Approved by the Board of Directors on 29 April 2021

Introduction

The Andrea Bocelli Foundation was established in 2011 to help people experiencing difficulties as a result of illness, poverty or social exclusion, by promoting and supporting projects in Italy and in Developing Countries, in particular Haiti, to help break those barriers and encourage the full expression of a person's potential.

The Mission Report is the social report of non-profit organisations, communicating how and to what extent the organisations have achieved their mission, proving their legitimacy and allowing them to gain consensus.

The Mission Report of the Andrea Bocelli Foundation presents the Foundation from a strictly corporate point of view as well as being an invaluable communication tool, for third parties interested in taking part in programmes and projects related to the Foundation's specific mission.

The Mission Report also certifies that the Foundation pursued its corporate purpose, operating in compliance with the constraints set by the Articles of Association and laws in force.

The Mission Report is divided into two clearly identifiable, distinct sections:

1) Mission Report. Includes all "social" reporting related to activities and their effectiveness, identifying the topics and social issues the Foundation deals with. It presents programmes and projects and relevant results achieved in the year, as well as those planned for the next year.

2) Financial Statements for the Year. Presents income and financial results for the accounting period of reference, from 1 January to 31 December of each calendar year. Also detail the main account items, to present the economic and financial effects of what is qualitatively presented in the Mission Report.

Financial Statements is also submitted to legal audit by the board of internal auditors and to voluntary accounting audit by KPMG SpA".

Drafting criteria

The financial statements for the year ended as at 31 December 2020 are inspired by the indications of accounting standard 1 for non profit entities and takes into account the recommendations issued by the Italian National Board of Chartered Accountants Non Profit Companies Commission and the Italian civil code.

The Financial Statements for the year include the Balance Sheet, Directors' Report, Financial Report and these Notes. All figures are expressed in Euros, as required by art. 2423, paragraph 5 of the Italian Civil Code.

Directors' Report

The Directors' Report sets out items by type, as it is considered the form that provides the most significant information. It was prepared in separate sections, suitably adapted to the specific features of the Foundation, to present a clear picture of activities performed and results achieved.

Balance Sheet

The Balance Sheet is presented through a clear distinction between assets and liabilities and, for each assets and liabilities item, the amounts expected to be settled or recovered within or after 12 months from the balance sheet reference date.

Financial Statement

Cash flows were recognised through the indirect method and reconcile the balance of cash and cash equivalents at the beginning and at the end of the year.



Criteria applied in the valuation of financial statement items

The valuation of financial statements items, in compliance with the contents of accounting standard 1 for non-profit organisations and taking into account the recommendations made by the Italian National Council of Chartered Public Accountant Non-profit Commission, was based on general criteria of prudence and accrual, taking into consideration the economic function of the asset and liability items.

Application of the principle of prudence involved the individual valuation of the components of the individual entries or items of assets and liabilities, to avoid offsetting losses that should have been recognised and profits not to be recognised since unrealised.

In accordance with the accrual principle, the effect of transactions and other events was accounted for and allocated to the year which such transactions and events refer to, and not to the year in which the associated cash flows (receipts and payments) are finalised.

The continuity of application of the aforementioned valuation criteria over time is a necessary element to compare the Foundation's financial statements in the various financial periods: the principles used in the previous financial year have been complied with and applied in the preparation of this document.

The financial statements have been prepared on the going concern basis of the Foundation's activities.

Conversion of foreign currency items

Transactions in foreign currencies are converted at the exchange rate in force on the date of the transaction. Monetary items in foreign currency at the balance sheet date are converted into Euro using the closing exchange rate. The exchange rate differences deriving from the conversion are recorded in the income statement and any net profit deriving from the exchange rate adjustment of monetary items in foreign currency is recorded in a special equity reserve, specifically created for separating the exchange effect deriving from the currency transactions made by the Foundation.

Intangible fixed assets

These are stated at historical purchase cost and adjusted by the accumulated depreciation.

They are costs for fees for corporate and notary consultancy services borne by the company during 2011 for incorporation and subsequent amendments to the Articles of Association and the costs of setting up and implementing the websites and the domains belonging to the Foundation, for the development of project and core activities. In accordance with the Board of Auditors, these expenses were considered "Expansion costs" and depreciated using the direct method over a period of five years.

Throughout 2020 the Foundation renovated the second floor of the monumental complex of San Firenze (former Court of Florence located in Piazza San Firenze), granted as operational headquarters to the Foundation by the Municipality of Florence, free of charge and for 29 years, in order to let the Foundation itself carry out some social integration projects with the Municipality of Florence. Any costs for the adaptation and restructuring of the aforementioned asset, not owned by the foundation, were entered under the item "Leasehold improvements" among intangible assets and amortised on the basis of the grant period agreed with the Municipality of Florence.

Tangible fixed assets

Tangible assets in use are entered at historical cost, inclusive of directly attributable additional costs and needed to use the asset for the purpose it was purchased for, and costs borne to use the asset, reduced by trade discounts and cash discounts for a significant amount. If the Foundation is likely to benefit in the future from the cost borne to replace a part of a building, plant and equipment elements and the cost of the element can be reliably calculated, that cost is entered as an increase in the book value of the item it refers to. All other costs are entered in the income statement in the year in which they are borne.

Tangible assets are entered net of relevant accumulated depreciation and any reductions in value, calculated as described below. Depreciation is calculated as constant percentages based on the asset's estimated useful life. This is reviewed every year and any changes are reflected in the statements.

At 31 December 2020 no permanent value losses were entered. Depreciation percentages of the main tangible fixed assets are:

TANGIBLE ASSETS	ANNUAL RATE
General installations	25%
Equipment	15%
Furniture and furnishings	15%
Electronic equipment and data processing machines	20%
Buildings	3%

INTANGIBLE ASSETS	ANNUAL RATE
Licences	33%
Trademarks	20%
Other multi-annual uses	20%
Leasehold improvements	3%



Receivable

These are entered at their presumable collection value which, being referred to non commercial and tax receivables, is their nominal value.

Cash and cash equivalents

Cash and cash equivalents include the cash flow figures, that is those figures that meet the requirements of availability on demand or very short-term availability, success or absence of collection costs. They are valued at their nominal value and their use is not subject to restrictions.

Assets intended for disposal

Assets intended for disposal consist of immovable and movable assets for which disposal is expected within 12 months after closing the financial statements.

The categories recognised in the financial statements are buildings and other assets. Buildings are recognised at the presumed realizable value, which is the market value inferred from a land valuation report prepared by an independent expert. The other assets are recognised at the real value, that is the value declared by the original donor in the notarial deed of donation through which the asset was transferred to the Foundation.

Accruals and deferrals

They were determined on the basis of the accrual period.

For multi-year accruals and deferrals the conditions that led to the original entry were verified, and where necessary, appropriate modifications were carried out.

Net assets

These are set out based on the availability criterion and the ties its components are subject to. Net assets were entered at the original nominal value, net of any use.

It consists of:

- Endowment Fund;
- Free Capital, represents the Foundation's "available" capital, to be used based on future indications by the Board of Directors;
- Tied Capital, earmarked for the Foundation's core activities, programmes, projects and emergencies, in compliance with specific Board of Directors' resolutions.

Related to that portion of Equity, the financial resources might already have been found (cash or bank) or might still have to be collected through fundraising activities.

Tied Capital Funds are used or changed following a Board of Directors' resolution: they increase following the Board's project authorisation resolution and are offset by posting under expenses from core activities; they decrease when the money is allocated or when the invoice is received against cash or bank amounts being reduced.

Provisions for risks and charges

Provisions for risks and charges are liabilities having an established nature, certain or likely, the date of occurrence or amount of which cannot be determined. In particular, the provisions for risks represent liabilities of a determined nature and likely existence, the values of which are estimated, while the provisions for future charges represent liabilities of a determined nature and certain existence, estimated amount or date of occurrence, connected to commitments already undertaken or however determined at the balance sheet date, with the expenditure actually occurring in subsequent financial years.

As at 31 December 2019, the Foundation recognised 600 thousand euros of future charges set aside in a dedicated fund, for liabilities aimed at supporting the structural and institutional growth of the Foundation.

Employee Severance Indemnity

This represents the actual amount due to employees in accordance with the law and the collective labour agreements, considering all forms of ongoing remuneration.

The employment severance indemnity provision is the total of the individual indemnities due to employees accrued at the financial statements date, net of advances paid, and is equal to what should be paid to employees in case of employment termination on that date.

Payables

Payables are entered at their nominal value, considered representative of their settlement, adjusted for returns or billing corrections.

Income taxes

Taxes are allocated according to the accrual principle; therefore, they represent the provisions for taxes to be paid for the year, determined in accordance with current rates and regulations.

Please note that when performing its core activities with the aim of social solidarity, the Andrea Bocelli Foundation does not perform any commercial activities. Therefore, the proceeds resulting from directly connected activities do not form taxable income.

Recognition of Proceeds

Proceeds from contributions are recognised at the time when they are obtained with certainty, normally identified when the sums of money are transferred or with the formal resolution of the Disbursing Body. However, these proceeds are not accounted for until the Board of Directors has formally accepted the amounts, by an authorisation resolution.

All proceeds from contributions are entered gross of bank charges withheld by the crediting banks, so the kind of item is presented correctly and clear evidence is given of the amounts actually transferred by each donor.

With regard to proceeds not directly deriving from contributions and donations but relating to contractual relationships, specifically the contributions deriving from the solidarity SMS campaigns, the revenue is recorded according to the ordinary accounting accrual criterion, with the recognition of any receivables for amounts established but not yet paid if necessary.

Donations in kind received in the year are entered, proceeds and implicit expenses related to free purchases and services provided free of charge by third parties are recorded at the same time.

The amount at which the donation and the relevant expenses are entered correspond to the normal value plus VAT declared by the individual donor in the valuation sheet, which accompanies the donation declaration letter, as per the internal procedure.

Proceeds of a financial nature are recognised on an accruals basis, entering the relevant accruals and deferrals if necessary.

Recognition of Expenses and Charges

Expenses and charges are entered in the financial statements on an accruals basis, also considering those for the year, even if recognised after it has ended. In particular, please note that the Directors' Report is divided into three cost sections including respectively:

- **Expenses from Core Operations**

The following are detailed for each programme and project:

- 1) Money disbursements authorised by the Board of Directors related to projects relating to the period, for which the relevant financial expenditure might have occurred in full or only partially during the year. That item includes expenses arising from amounts intended for projects whose financial disbursement will take place after the financial year. The item results in a counter-item by the increase in the net tied capital funds;
- 2) The costs incurred for missions supporting projects resolved in the period and the purchase of goods, consumables and services used to implement those projects;
- 3) The implicit expenses linked to donations in-kind that impact at an expense level offsetting the related revenue.

- **Charges for promotions and fundraising**

The section includes all costs incurred as part of communication efforts to promote Foundation activities and projects decided in the year, as well as all costs related to first contact activities and updating of all private donors, including individuals, companies and foundations.

- **General support expenses**

The section includes all the Foundation's general costs, incurred by General Management, personnel costs, all branch management costs, for information systems and any other connected activity.

Use of estimates and valuations

Drafting the financial statements and relevant notes requires management to make estimates and assumptions that have an effect on the value of potential assets and liabilities at the date of the financial statements. Final results might differ from said estimates. Estimates may be used to record provisions for risks on receivables, write-downs of assets, depreciation, taxes and other provisions to risk funds. Estimates and relevant assumptions are based on prior experience and on assumptions considered reasonable when the estimates are made. Estimates and assumptions are reviewed periodically. Should the resulting *a posteriori* values differ from the original estimates, the effects are entered in the income statement when the estimate is amended.

Management of the exchange rate and liquidity risks

When performing its activities the Foundation is exposed to several market risks, in particular exchange rate fluctuation and liquidity risks.

The fluctuation in exchange rates risk is connected to the collection and disbursement of sums in currencies other than the Euro.

As a matter of fact, the Foundation receives 40% of its funds and disburses 60% of its sums in US dollars although it keeps its accounts in Euro only.

To minimise the exchange risk arising from those flows, the Foundation has had a current account in USD as of 2014, designated for receiving contributions in American dollars and disbursements in the same currency.

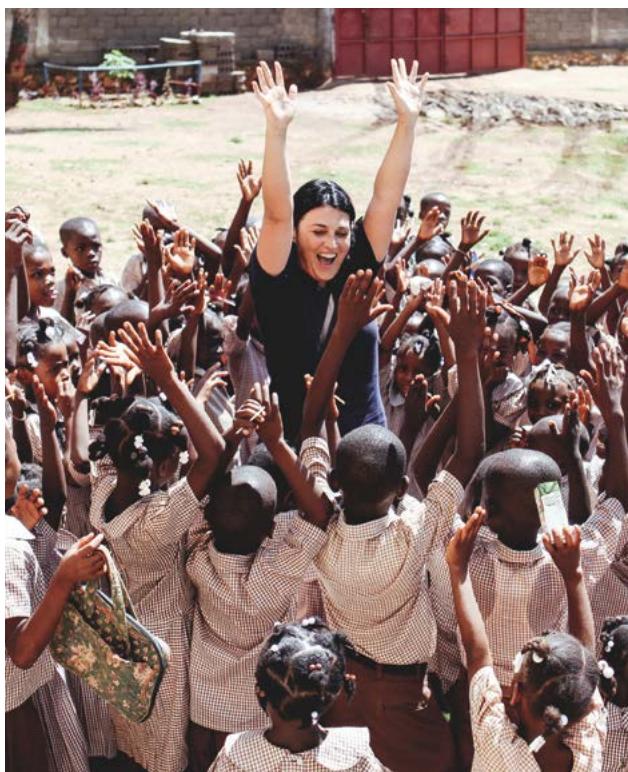
The liquidity risk is the risk that the Foundation takes on when the Board of Directors resolves to implement a project for which the funds have not yet been fully or partially collected.

In fact, at that moment the Board undertakes to organise, manage and conduct fund raising to cover and implement the individual project resolved.

The Foundation covers that risk thanks to careful, precise planning of fund raising events and opportunities, often connected to the artistic activities of its Founder Maestro, for which a collection budget is set up and approved in advance.

For the recognition of foreign currency items, reference should be made to the above paragraph "Conversion of foreign currency items".

As known, the reform of the Third Sector has not been fully defined yet, pursuant to Legislative Decree no. 117/17 aimed at harmonising the regulations applicable to non-profit organisations. It will be entirely effective after the enactment of the implementing decrees and after the establishment of the Third Sector National Single Register, presumably expected during 2021. With the registration, which is optional, in this Register, the Foundation will acquire the status of ETS (Third Sector Body - Ente del Terzo Settore) and will have to comply with the provisions envisaged by the reference legislation which will also introduce changes in terms of financial statements and taxation; said changes will be dealt with later herein.



Significant events occurred after the end of the year

On 19 February 2021 the Foundation received confirmation from the prefecture of Pisa of amendments to the Statute approved by the Board of Directors on 30 December 2020 and registered in the Register of legal persons.

As far as the aforementioned amendments are concerned, it should be pointed out that the number of Directors of the Foundation was raised from 5 to 7 members.

Furthermore, in addition to the 5 directors confirmed in November 2020, the following directors were appointed in occasion of the Board of Directors dated 10 March 2021:

- The Lawyer Mr. Giovanni Lega;
- Mrs. Maurizia Iachino Leto di Priolo.

Thus, starting from that date, the Board of Directors of the Andrea Bocelli Foundation is composed of a total of 7 members.

The preliminary deed of sale of the properties in Via Ticino 31 sub 11 and sub 13 and related appurtenances in Grosseto, a property inherited by the Foundation following the bequest of Mrs. Giovanditti in 2019, was signed on 26 March 2021.

The General Director of the Foundation, equipped with a special power of attorney on behalf of the President, signed the deed of sale of the aforementioned properties as per notary deeds drawn up by notary Brunelli in Grosseto, respectively for Euro 117 thousand and Euro 169 thousand, net of advances received in 2020.



BALANCE SHEET INFORMATION

Intangible fixed assets

Net intangible fixed assets amounted to a total of Euro 310 thousand, with an increase of Euro 302 thousand compared to 31 December 2019, following the net effect between increases in pre-existing items equal to Euro 4 thousand, increases due to the inclusion of the new item relating to leasehold improvements for Euro 311 thousand and total depreciation for Euro 14 thousand.

Increases in the licence item relate to the new licences for the website, while increases in the trademarks and patents item concern the registration of the Voices of the World trademark at an international level, in support of the project inaugurated by the Foundation in November 2019.

It is pointed out that the item Licences includes the residual costs for the creation and implementation of the websites and domains belonging to the Foundation, for the development of project and core activities.

As far as the new item "Leasehold improvements" is concerned, it includes all the renovation and improvement works connected to the second floor of the property located in Piazza San Firenze (monumental complex of San Firenze, former Court of Florence), granted to the Foundation as its operational headquarters by the Municipality of Florence, free of charge and for a total period of 29 years, in 2019. It should be pointed out that such grant has the purpose of guaranteeing the Foundation's activities in the socio-educational-cultural field, by implementing workshops in collaboration with national and international institutions, open to the young people in the city, and vocational meetings with national and international speakers from the world of business, entertainment and culture aimed at supporting young people in terms of vocation and training orientation.

The Foundation officially moved its operational headquarters to the new offices in Piazza San Firenze, starting from 5 October 2020.

INTANGIBLE FIXED ASSETS (data in euro)

Description	Gross value as at 31/12/2019	Accumulated depreciation as at 31/12/2019	Reclassifications	Increases for the period	Decreases for the period	Depreciation for the period	Balance as at 31/12/2020
Licences	10,789	-10,721	0	1,830	0	-644	1,254
Trademarks and patents	9,958	-2,215	0	2,486	0	-2,296	8,033
Other multi-year expenses	5,990	-5,990	0	0	0	0	0
Leasehold improvements	0	0	0	311,347	0	-10,741	300,605
Other	0	0	0	0	0	0	0
TOTAL	26,737	-18,826	0	315,663	0	-13,681	309,892

Tangible Fixed Assets

Tangible assets amount to a total of 313 thousand euro, up by 105 thousand euro compared to 31 December 2019.

The increase by Euro 140 thousand is mainly related to:

- Euro 39 thousand for new machinery and new IT equipment installed at the new headquarters in San Firenze;
- Euro 95 thousand for new furnishings and for the lighting systems and doors of the new headquarters in San Firenze.

It should be pointed out that two properties located in Grosseto, received through a testamentary bequest in 2019 and subject to a lease contract, are recognised under fixed assets.

It should be pointed out that, in relation to the property located in Grosseto in via Ticino 31 sub 13, a purchase proposal was received for a total of Euro 117 thousand, which is higher than the appraisal value: this is why the historical value of assets was kept unchanged.

In relation to the aforementioned proposal, it should be pointed out that the General Manager of the Foundation, with a special power of attorney, signed the deed of sale of the aforementioned properties on 26 March 2021, as per notary deeds drawn up by notary Brunelli in Grosseto for a total of Euro 117 thousand net of the related advance received in 2020, equal to Euro 12 thousand.

There were no write-downs of tangible fixed assets in 2020.

TANGIBLE FIXED ASSETS (data in euro)

Description	Gross value as at 31/12/2019	Accumulated depreciation as at 31/12/2019	Reclassifications	Increases for the period	Decreases for the period	Depreciation for the period	Balance as at 31/12/2020
General installations	3,904	-3,904	0	0	0	0	0
Machinery and equipment	3,200	-3,200	0	39,199	0	-5,879	33,320
Furniture	42,162	-35,146	0	95,863	0	-17,682	85,197
Buildings	190,000	-4,275		0	0	-5,700	180,025
Electronic machinery	38,342	-22,902	0	5,241	0	-6,378	14,303
Other	0	0	0	0	0	0	0
TOTAL	277,609	-69,427	0	140,303	0	-35,639	312,845

Financial Fixed Assets

Financial fixed assets include active security deposits, which did not change in comparison with 2019.

RECEIVABLES (data in euro)

Description	Within 12 months	After 12 months	After 5 years	Total as at 31.12.2020	Balance as at 31.12.2019	Changes
For tax receivables	1,423	-	-	1,423	5,588	-4,165
Advances to suppliers	12,749	-	-	12,749	4,540	8,209
From others	19,683	-	-	19,683	148,629	-128,946
TOTAL	33,855	-	-	33,855	158,757	-124,902

Receivables

Receivables are entered at their nominal value corresponding to the presumable collection value. The item decreased by over Euro 125 thousand, mainly due to the decrease in receivable from telephone companies in relation to the Solidarity SMS campaign for the year 2020. This year, differently from the previous year, the main iTV show with which the campaign was associated was held in the first part of the year and any related income was recognised almost entirely in 2020.

The item Receivables from others, equal to Euro 20 thousand, represents the residual amount to be collected in relation to the SMS campaign for the year 2020, besides a receivable relating to a donation collected in 2021 but defined and ascertained after the charity auction announced by ABF on 17 December 2020.

It should be pointed out that, in relation to the SMS campaign for 2020 and unlike the previous years, the activation of a permanent solidarity number for the whole 2020, which would allow ABF to keep on collecting through said instrument for the entire period, subject to prior communication of the project associated with the collection to telephone companies, was agreed with the telephone companies.

The item tax receivables decreased by a total of Euro 4 thousand while the item advances to suppliers increased by Euro 8 thousand, mainly due to the recognition of a credit note to be received for an invoice relating to the reconstruction project of the Music Academy in Camerino.

Financial assets

The item financial assets includes active financial investments at Banca Popolare di Lajatico for a total of Euro 500 thousand. These are two Time Deposits equal to, respectively, Euro 100 thousand and 400 thousand, with a duration of 1 year and 3 years. These are solutions that allow to bind a sum of available money temporarily; upon expiry of the term, the sum will be available again on the current account together with the relevant accrued interest. Such instruments, being so flexible, allow to request to release the money at any time and make the sums immediately available directly on the current account. The first represents an annual investment guarantee to cover the Foundation's social Fund[U1][A2]. The rate is 1%, the coupon is six-monthly and maturity is scheduled for 14 August 2021. The second represents an investment of Euro 400 thousand entered into on 2 July 2020, at a rate of 1% with a six-monthly coupon and maturity after 36 months, in order to guarantee the unsecured loan granted by Banca di Lajatico for the restructuring of the second floor of the monumental complex of San Firenze, where the Foundation moved its operational offices in October 2020. The Board of Directors opted to use free funds for the opening of a certificate of deposit, on which to establish a pledge to guarantee the sums financed to cover the restructuring of a capital asset, although not owned by the Foundation. The interest income relating to said investment, which amounted to approximately Euro 1,500 in 2020, partially offset the interest on the loan, thus mitigating the negative impact in terms of financial charges.

Description	Duration	Maturity	Rate	Balance as at		Changes
				Coupon	31/12/2020	
Time deposit	1 year	14/08/2021	Fixed 1% Ind. variable	Six monthly	100,000	100,000
Time deposit	3 years	02/07/2023	Euribor 6m + 1	Six monthly	400,000	0
TOTAL					500,000	100,000
						400,000

Cash and Cash Equivalents

Cash and cash equivalents amounted to Euro 7.6 million, down by Euro 0.8 million compared to the previous year. Please note that the item mainly consists of the liquidity held on the Foundation's 6 current accounts, one more than the previous year, due to opening of the new current account in Euro intended for investments in the growth and stabilisation of the Foundation, associated with the Future Charges Fund allocated in 2019.

A detail of the situation as at 31 December 2020 is shown below:

- 1) Current account in Euro: used for donations collected in Euro and to pay suppliers, employees and the tax administration. As at 31 December 2020, liquid assets in the current account amounted to Euro 5,964,413.
- 2) Current account in USD: used for donations collected in USD, for project disbursements to foreign partners (of which the Saint Luc Foundation represents over 95%) and current payments to foreign suppliers, mainly American, that the Foundation uses when organising missions in Haiti and projects abroad. As at 31 December 2020, liquid assets in the current account amount to USD 738,039, that is Euro 601,450.
- 3) Current account in Euro intended for the Central Italy Earthquake Emergency, reconstruction of the Sarnano School: intended for the management of the reconstruction project of the "Giacomo Leopardi" junior high school in the municipality of Sarnano, project which was concluded in May 2018. As at 31 December 2020 cash on the current account was Euro

3,372, residual required for activities to be carried out in the areas related to the project.

4) Current account in Euro intended for the Central Italy Earthquake Emergency, rebuilding of the Muccia School, project which was concluded in June 2019.

As at 31 December 2020 cash on the current account was Euro 68,921, residual required for activities to be carried out in the areas related to the project.

5) Current account in Euro intended for the Central Italy Earthquake Emergency, rebuilding of the Music Academy in Camerino, project which was concluded in October 2020. As at 31 December 2020 cash on the current account was Euro 351,214, residual required for the payment of some supplies yet to be paid.

6) Current account in Euro opened in order to isolate and monitor expenses for any investment in support of the development of the Foundation, related to the use of the Future Charges Fund allocated at the end of the financial year 2019.

It is to be pointed out that the establishment of such Fund derived from the express will of the Board of Directors to strengthen the structure, increasing the Foundation's project abilities and growth by allocating a total of Euro 600 thousand to the fund and by transferring the related funds from the current account to the new dedicated current account.

As at 31 December 2020, liquid assets in the current account amounted to Euro 565,564.

CASH AND CASH EQUIVALENTS (data in euro)

Description	Balance as at 31/12/2020	Balance as at 31/12/2019	Changes
Bank and postal deposits	7,554,934	8,381,242	-826,308
Balance on rechargeable cards	320	1,844	-1,524
Cash on hand and other cash equivalents	1,446	414	-1,032
TOTAL	7,556,700	8,383,500	-826,801

Assets intended for disposal

The item, created in 2019, includes movable and immovable assets owned by the Foundation and intended to be monetised within 12 months from the end of the year.

In particular, the item includes the valuation of:

- The buildings located in Pisa, in Lungarno Buozzi no. 20, and in Grosseto, in Via Ticino no. 31/33, made available to the Foundation after a real estate bequest, of which the Foundation benefited in December 2019 without any restrictions nor lease contracts and for which, therefore, it is possible to proceed with sale immediately.

Recognition in the financial statements was at fair value, which is determined on the basis of the values expressed by a land valuation report performed by independent experts.

The total entry value is equal to Euro 319 thousand, of which Euro 150 thousand relating to the property located in Pisa and Euro 169 thousand relating to the property located in Grosseto.

In relation to both properties, the mandates for the sale to primary real estate agencies were appropriately conferred in May 2020.

Although the real estate market was slowed down by the lockdown and the pandemic in general, as far as the property located in Grosseto and its subordinate are concerned, a purchase proposal was received for a total of Euro 169 thousand, a higher value than the appraisal value for 2019, while the building in Pisa is currently being visited by the agency. A deposit of Euro 18 thousand was paid for this property in 2020.

- Some movable assets that were made available to the Foundation after donations formalised with a notarial deed in 2019, intended for charity auctions organised by the Foundation for the purposes of fundraising activities.

The assets are entered at their real value, that is the value stated directly by the donor in the notarial deed of donation. Although live activities and charity auctions were suspended during 2020, due to the Covid pandemic, the Foundation managed to sell some assets recognised under the aforementioned item, thus reducing the amount for a total of Euro 50 thousand compared to 2019.

Specifically, the sale of the jewellery set consisting of a ring and earrings, donated by Ms. Ritika Ravi in 2019, for a total of Euro 35 thousand of real value and sold during the web auction on 17 December 2020 for Euro 12 thousand.

Although the asset had already been beaten and assigned during the CFN 2019 auction and a donation of over Euro 40 thousand had been received for it, the bidder having renounced the collection of the asset with the desire to leave it to the Foundation for a further future auction, such asset was inserted among the items of the 2020 auction. On the occasion of the aforementioned web event, the jewellery set was beaten and assigned for a total of Euro 12 thousand, against which a loss on disposal of Euro 23 thousand was entered in the financial statements. A sculpture and a painting, for a total value of Euro 38 thousand, remain available to the Foundation as at 31 December 2020.



Net Assets

The Foundation's Net Assets amount to a total of Euro 7.0 million, down by Euro 1.3 million on 31 December 2019 due to a combination of the following events:

- Positive operating result for a total of Euro 1.2 thousand;
- Change to the free funds item for a total of Euro 79 thousand, mainly due to allocation of the positive result for 2019, partially offset by the use of some funds for certain minor projects;

- Decrease for a total of Euro 2.4 million in tied assets, due to the lower provisions for projects approved during the year, with particular reference to worldwide projects, cancelled or postponed due to the restrictions imposed by the COVID pandemic.

NET ASSETS (data in euro)

Description	Opening balance	Increases for resolutions	Uses for disbursements	Other changes	Reclassifications	Closing balance
Free capital	3,764,154	400,282	-	-	-79,000	4,085,436
Endowment fund	100,000	-	-	-	-	100,000
Other reserves	-	-	-	-	-	-
Retained earnings	2,475,075	-	-	-	-	79,000
Free funds	2,475,075	-	-	-	-79,000	2,396,075
Tied capital	4,106,408	2,176,298	-4,119,925	-504,803	79,000	1,736,996
NET ASSETS BEFORE THE OPERATING RESULT	7,870,737	2,576,580	-4,119,925	-504,803	-	5,822,415

With regard to Tied Capital as already reported in the section concerning the accounting standards used to prepare the financial statements, it is intended for the Foundations' core activities, programmes, projects and emergencies, as per specific Board of Directors' resolutions, and consists of financial resources that:

- Might have already been obtained (money in cash or bank);
- or
- Might still have to be collected through fundraising activities.

Tied Capital Funds are used or changed on a formal Board of Directors' resolution: they increase following the Board's resolution for project authorisation and are offset by posting under expenses from core activities; they decrease when the money is allocated against cash or bank amounts being reduced.

The movements below occurred during the 2020 financial year are highlighted in detail:

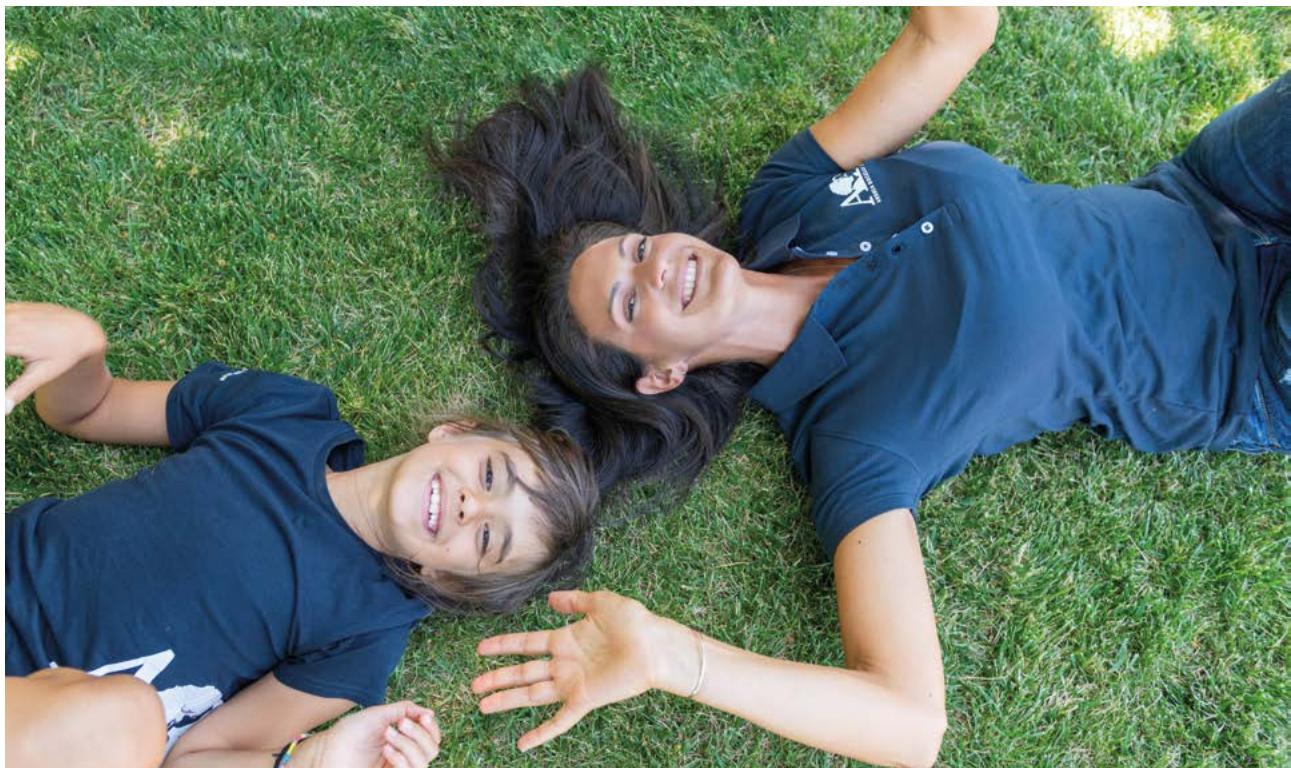
- Euro 2.2 million of increases approved by the Board of Directors;
- Euro 4.3 million of uses for dedicated disbursements;
- Euro 0.5 million of other movements, due to reversals of previously set aside tied funds
- Euro 0.1 million of reclassifications from use of tied funds to use of free funds for some minor projects for which, with no dedicated collection activated, the Board of Directors approved coverage with funds raised generically for the Foundation's statutory activity.

In relation to projects in Haiti, It should be pointed out that the multi-year agreement with the project partner Foundation St. Luc was renewed in February 2020, in order to continue with the ongoing projects for the 2020 and 2021 financial years.

In 2020, although the pandemic was underway, the Foundation confirmed support for projects related to education and development of communities around the school system and left out projects that were not within its mission or for which activities could not be carried out due to the pandemic.

NET ASSETS
(data in euro)

Description	Opening balance	Uses for disbursements	Increases for resolutions	Other changes	Reclassifications	Closing balance
Tied capital	4,106,408	2,176,298	-4,119,925	-504,803	79,000	1,736,996
EDU Project fund	87,241	200,000	-200,000	-87,241	-	-
Wheat fund	1,793,401	1,400,805	-1,719,632	-73,945	-	1,400,630
Empowering specialisation fund	109	-	-25,000	-	25,000	109
Voices of Haiti fund	46,659	-	-	-	-	46,659
Water Truck fund	105	160,493	-65,891	-	-	94,707
Mobile Clinic fund	50,691	-	-	-50,691	-	-
HIV fund	550	-	-	-550	-	-
Covid - Phase 1 fund	-	350,000	-375,000	-	25,000	-
Lajatico 0-6 fund	20,000	-	-12,355	-	-	7,645
Santo Domingo fund	10,000	-	-6,000	-	-	4,000
Project Klitcko fund	25,000	-	-	-25,000	-	-
Music Lab fund	-	40,000	-16,596	-	-	23,404
Sarnano School fund	73,679	-	-705	-42,974	-	30,000
Other emergencies fund	24,126	-	-13,282	-	29,000	39,844
Muccia School fund	309,128	25,000	-19,727	-224,402	-	90,000
Camerino School fund	1,665,719	-	-1,665,719	-	-	-
TOTAL TIED CAPITAL FUNDS	7,870,737	2,576,580	-4,119,925	-504,803	-	5,822,415



In the 2020 financial year, the funds relating to the Wheat project (running costs of the 5 schools in Haiti) were fully allocated, the annuity and collection of which partially impacted on 2020 and on the following financial year, whilst the funds relating to other projects will be subject to allocation during the 2021 financial year, the collection and implementation of which was initiated at the end of the first quarter of 2021.

Two new provisions should be pointed out in 2020: the provision for the project of music, art and digital laboratories that the Foundation activated at its schools in the Marche region and the provision fully used to support the first phase of the COVID emergency.

In addition to the expenses that led to the total exhaustion of the fund, additional costs were incurred in support of the COVID Emergency project, and properly recognised under costs for project activities, having exceeded the provision approved by the Board of Directors.

As far as the provisions for funds dedicated to projects in the area hit by the Italian earthquake of 2016 are concerned, it should be pointed out:

- An increase in the Muccia fund, in relation to the Summer School project launched in July, for Euro 25 thousand. Net of the reversal, the Muccia fund is still open for Euro 90 thousand to cover any costs for the next project activities that the Foundation will organise in the school.
- The reversal of the Sarnano fund, in order to keep the residual Euro 30 thousand allocated to the fund so that to cover any costs relating to the organisation of

promotional events at the G. Leopardi school.

- The total use of the provision for the reconstruction project of the Music Academy in Camerino, set aside in 2019. In addition to the expenses that led to the total exhaustion of the fund, additional costs were incurred in support of the project, properly recognised under costs for project activities, having exceeded the provision approved by the Board of Directors.

It should also be noted that the item "Other changes" includes the reversal of project funds, which was offset by a revenue in the income statement in the case of funds allocated prior to 2020 or a reduction in project costs for funds approved by the Board in the current year.

It was in fact considered appropriate to adjust the level of the funds in order to give a truthful and correct representation of each tied fund and at the same time evidence the savings made for each project with respect to what was initially budgeted. These lower project costs derive from a combined activity of cost savings and collection of donations in kind, which over the 2020 financial year were particularly significant as regards the project to rebuild the Musical Academy in Camerino.



Funds

The item amounts to a total of Euro 620,000 down by Euro 21,000 compared to the previous year.

The item includes the employee severance fund for a total of Euro 57 thousand and the provision for future charges allocated in 2019, currently equal to Euro 563 thousand.

It is pointed out that the establishment of the Future Charges Fund, aimed at supporting the development of the Foundation, derived from the express will of the Board of Directors to strengthen the structure, increasing the Foundation's project abilities and growth.

At the time of its establishment, the Board of Directors hypothesised that the fund would be used during the two-year period 2020 - 2021, since these two years were deemed to be fundamental for the evolution and development of the Foundation.

However, this evolutionary process was strongly slowed down by the COVID emergency and the pandemic, a downsizing of development plans and the need to postpone some interventions were imposed.

During 2020 the fund was used for the development of some new web modules intended for fundraising and for some additional promotion and investment expenses related to the new headquarters in San Firenze.

Below are listed the main areas of intervention to which the provision for future charges was allocated:

- Investments for the development of the new headquarters: the will to significantly invest in the new headquarters, in order to turn it into a place of planning impetus for ABF, within the scope of the city as well as at international level, remains. Besides the operational offices, some laboratory rooms were created, in which educational and social projects may be created with important national and international partners, and a museum room dedicated to Maestro Bocelli where some of his musical instruments are exhibited in support of social and educational activities carried out by the Foundation.

Throughout 2021, the Foundation will invest in events, of an institutional and international nature, aimed at promoting the upcoming project activities developed right in the premises of San Firenze.

- Investment for information system upgrade: implementation costs of new modules of the existing management system, and to the purchase of any new platforms to be added to those already present, if required by the new planning needs.
- Investment for strengthening the operational structure: need to further integrate and strengthen the operating structure, by selecting, on the one hand, 2 new senior figures in support of the General Manager

in routine operations and, on the other, by significantly investing in training and in the construction of an incentive and rewarding system.

Specifically, in 2021, the Foundation will invest even internally, towards its own resources and within an empowering project, which would completely enhance the organisational, managerial, planning and operational skills of the Foundation.

- Investment for the establishment of friends of USA: the intention to increase ABF's potential on the American market, by focusing on the establishment of "Friends of", is restated. The idea is that of a body external to ABF, which would be established, developed and promoted by third parties who, nonetheless, are historical friends of ABF, donors or ambassadors.
- Investment in consultancy for the organization and development of the Foundation: Also with a view to significantly enhancing the Foundation's image, its project ability and its internationalisation, the Board deems it necessary to invest in targeted and high-level consultancy activities, aimed at increasing ABF's operational and strategic skills, as well as at enhancing and improving relationships with private, public, national and international stakeholders.

Specifically, the implementation of the Organisational Model pursuant to (It.) Legislative Decree 231 is expected in 2021.

Description	Balance as at 31/12/2020	Balance as at 31/12/2019	Changes
Provisions for future risks and charges	563,556	600,000	-36,444
Employee Severance Indemnity fund	56,856	41,726	15,130
TOTAL	620,412	641,726	-21,314

Payables

They are recorded at their nominal value, considered representative of their discharge value.

Please find the amount of the item below:

PAYABLES (data in euro)

Description	Within 12 months	After 12 months	After 5 years	Total	Balance at 31.12.2019	Changes
Payables to banks	-	-	381,618	381,618		381,618
Trade payables	812,624	-	-	812,624	156,014	656,611
Invoices to be received	24,044	-	-	24,044	53,567	-29,523
Tax liabilities	2,187	-	-	2,187	18,373	-16,186
Payables due to employees	2,826	-	-	2,826	64,777	-61,951
Payables to social security and welfare agencies	14,279	-	-	14,279	54,621	-40,342
Other accounts payable	204,141	-	-	204,141	704,360	-500,219
TOTAL	1,060,102	-	381,618	1,060,102	1,051,712	8,390

Compared to the previous year, the item reaches Euro 1.4 million, with an increase of over Euro 1 million compared to the financial year 2019. Compared to the previous year, the opening of an unsecured 10-year loan for the amount of Euro 400 thousand should be noted. This loan was granted by Banca Popolare di Lajatico in order to allow the renovation of the second floor of the monumental complex of San Firenze, granted to the Foundation by the Municipality of Florence, free of charge and for 29 years, in order to endow the Foundation with operational headquarters and some spaces dedicated to workshops and educational projects to which the Foundation will commit starting from 2021.

The Board of Directors considered it preferable to

renovating the spaces by using bank debt:

- In order to dilute the financial effect of the renovating in the long term and to assimilate the financial movement to the repayment of a rent, as it occurred starting from the financial year 2016, that is to say the year in which the Foundation moved its operational headquarters to Florence;
- In order not to use a significant amount of free resources, intended for the Foundation's statutory activity, for the renovation of a property not owned by the Foundation (capital asset).

As a guarantee to the aforementioned long-term loan, Banca di Lajatico requested a pledge on the open certificate of deposit for the corresponding amount on 2 July 2020.

Description	Changes 2020	Duration	Maturity	Rate	Guarantees
Unsecured Loan Opening	400,000	10 years	23/06/2030	Variable rate indexed to Euribor 6m + 1.75	Pledge on the certificate of deposit equal to Euro 400 thousand
Capital shares paid period July - December 2020	-18,382	-	-	-	-
BANK LOAN BEYOND 12 MONTHS AS AT 31 DECEMBER 2020	381,618	-	-	-	-
Interest for the year 2020	3,433	-	-	-	-

As far as payables within 12 months are concerned, payables to suppliers amount to Euro 813 thousand; the increase in the item compared to 2019 is mainly linked to the invoice of extra costs and to the last tranche of the contract agreement with PSC S.p.A., contractor company for the reconstruction of the music academy in Camerino, besides other payables to professionals working on communication strategies.

Invoices to be received show an increase of a total of Euro 58 thousand compared to 2019.

It is also noted the item other payables for Euro 46 thousand, which includes Euro 38 thousand relating to the advances paid for the sale of the property located in Grosseto, for which the sale was completed on 24 March 2021.

INFORMATION ON THE DIRECTORS' REPORT

Revenues

In the financial year 2020, a significant decrease in income was recorded, compared to 2019, for Euro 2.0 million (- 28%).

REVENUES (data in euro)

Revenues	2020	2019	Changes	Changes %
Other revenues from core activities	506,883	1,117	505,765	45270%
Revenues from core activity and fundraising	4,829,376	7,329,189	-2,499,813	-34%
Revenues from members and associates	-	-	-	0%
Contributions and donations	4,206,080	6,201,275	-1,995,195	-32%
5x1000 Pre-tax donation	175,597	75,545	100,052	132%
Donations of goods	189,276	790,346	-601,070	100%
Other contributions	258,422	262,022	-3,600	-1%
Revenues from other activities	-	-	-	0%
TOTAL	5,336,258	7,330,306	-1,994,048	-27%

The aforementioned trend stems from a combined effect of the following events:

1. Increase in other revenues from core operations for Euro 0.5 million. The reversal of project funds allocated prior to 2020 is included in this item, following recognition of the surplus of these funds. It was in fact considered appropriate to adjust the level of project funds in order to give a truthful and correct representation of each tied fund and at the same time evidence the savings made with respect to what was initially budgeted. These lower project costs are due to a combined activity of cost savings and collection of donations in kind.

2. Reduction in Revenues from Core Activity and fundraising for Euro 2.5 million. Specifically, the item Contributions and donations decreased by Euro 2.0 million and the item Donations of Goods decreased by Euro 0.6 million, which only includes donations in kind in 2020. It should be pointed out that the item included the donation of assets following charity auctions organised by the Foundation (for Euro 88 thousand) in 2019, and the valuation as a donation of the real estate received through a will, for a total value of Euro 0.5 million.

For further details regarding the type of donations in kind received in the period, see the section of the mission financial statements concerning revenues from core operations. As far as contributions and donations are concerned, it should be pointed out that such decrease is mainly linked to the failure to carry out the originally planned fundraising events in 2020, which were estimated at Euro 2.5 million according to the annual planning document.

In order to better understand the effects of lockdown and of limitations originated from the Covid pandemic, a breakdown of revenues from core activities (contributions and donations) by collection channel and intended project is shown below, based on specific indications by each donor and subsequently accepted by the Board of Directors.

In this connection, please note that, as already stated in the section concerning the accounting principles used to prepare the financial statements, revenues from charitable donations are recognised when they are definitely obtained, normally identified with the transfer of sums or the formal resolution of the Allocating Body.

PROCEEDS FROM CORE ACTIVITIES BY COLLECTION CHANNEL
(data in euro)

Description	2020	2019	Changes
ABF events	-	228,412	-228,412
ABF auctions	748,359	1,123,338	-374,978
Third Parties events	252,922	1,173,295	-920,374
5x1000	175,597	75,545	100,052
Solidarity SMS	258,422	262,022	-3,600
Spontaneous donation	918,252	881,074	37,178
Campaigns	2,793,429	2,795,157	-1,728
Donation from Founder	-	-	-
TOTAL	5,146,982	6,538,842	-1,391,861
Donations in Kind	189,276	193,346	-4,070
Donations of assets charity auction	-	88,500	-88,500
Donation of immovable property	-	508,500	-508,500
TOTAL	189,276	790,346	-601,070

It should be pointed out that the usual ABF event at Teatro del Silenzio was cancelled and that there was an overall decrease in revenues from third party events and auctions for Euro 1.1 million.

However, the decrease is lower than the volume of third party events envisaged in the planning document, since the Foundation managed to offset the loss of donations related to the cancellation of live events, with the implementation of alternative events taking place through the web channel. In this regard, two charity web auctions were launched and concluded for a total of Euro 0.7 million.

The 5x1000 channel is strengthened, through the collection of two annuities (2018-2019) for a total of Euro 176i thousand, following the provisions of the (It.) Law Decree "Decreto rilancio".

The channel of the solidarity SMS [U3] is stable, having it benefited from the campaign activated for the

emergency during the first lockdown through Maestro Bocelli's show which aired on RAI 1. Notwithstanding the pandemic, the Campaigns channel showed a fair stability thanks to the activation of newi campaigns and web platforms, launched in correspondence with the new projects in support of the emergency in Phase 1 and Phase 2.

In this regard, a total of Euro 1.5 million was collected in 2020 for projects related to the COVID emergency. In relation to said new projects, it should be pointed out that the Foundation, which was committed to the construction, iof the new Music Academy in Camerino, was forced to close the construction site at the beginning of the Coronavirus emergency in Italy. However, the Foundation decided to remain at the service of the communities hit by the earthquake and of other communities in the Tuscany area by launching a fundraiser on the GoFundme.com website which,

in collaboration with local institutions, allowed the donation of 4 lung ventilators to the intensive care ward of the Covid Hospital in Camerino and the construction of a new Covid ward with 30 places in the hospital of Macerata.

Furthermore, thanks to the funds raised for Phase 1 of the emergency, a latest generation CT scan was donated to the Hospital of Camerino and personal protective equipment were donated to several other hospitals engaged in the care of Covid-19 patients in the Regions Marche and Tuscany.

In May 2021 the Foundation opened the second phase of its fundraising activities for the Covid-19 emergency with the campaign "Con Te, per disegnare il futuro (With You, to draw the future)" which wants to symbolise the rebirth through a project dedicated to digital education (COVID PHASE 2).

Access to education has always been the focus of ABF's work, an element of expression of its mission, in Italy and abroad. For this reason, ABF decided to offer material support to students, families and to their teachers, with a pilot initiative aimed at strengthening

distance education, by taking the side of communities that live in very difficult situations once again. Thanks to the funds raised, it was possible to offer the tools necessary to develop students' talent and to let them redeem within their communities to some public schools and schools within hospitals, even in times when learning from a distance has become necessary. Specifically, the new ABF initiatives for distance education will be aimed at creating:

1. Creation of a library of devices, able to allow students to connect with teachers and educators;
2. Development of a platform for the ABF Lab, which would allow access to a series of online content for education, including interactive ones;
3. Training of the digital atelierista figure, a 4.0 librarian able to support teachers, parents and students in the correct use of tools and in the use of them for the purpose of maintaining or developing relationships.

PROCEEDS FROM CORE ACTIVITIES BY ALLOCATION (data in euro)

Description	2020	2019	Changes
Challenges	100	-	100
Educational project in Italy	400,569	905,171	-504,601
Educational project in Haiti	674,812	1,744,376	-
Wheat	1,206	433,989	-432,783
Voices of Haiti	135	148,824	-148,689
Water truck	201,668	125,590	76,078
Mobile clinic	38	130,583	-130,545
Covid - Phase 1	656,574	-	656,574
Covid - Phase 2	826,960	-	-
H-Labs - ABF for the School in Hospital	79,680	-	-
ABF core activities	1,635,323	1,872,229	-236,906
Break the Barriers	990	20,600	-19,610
Sarnano School - Earthquake Central Italy	-	630	-630
Muccia School - Earthquake Central Italy	1,395	1,132,720	-1,131,325
Music Lab Centro Zerosei "A. Bocelli"	-	1,000	-1,000
Reconstruction Musical Academy - Camerino	349,925	813,477	-463,552
Break the Barriers	4,829,276	7,329,189	-2,499,913
TOTAL	4,829,376	7,329,189	-2,499,813

Expenses

As widely described in the section concerning the accounting principles, expenses reported in the Directors' Report are broken down into:

- Expenses from Core Operations

For each programme and project they include:

- 1) Amounts resolved by the Board of Directors in reference to projects approved in the year. The item results in a counter-item by the increase in the net tied capital funds.
- 2) The costs incurred for missions supporting projects resolved in the period and the purchase of goods, consumables and services used to implement those projects;
- 3) The implicit expenses linked to donations in kind that impact at an expense level offsetting what has been recorded as revenues in kind.

- Charges for promotions and fundraising.

The section includes all costs incurred as part of communication efforts to promote Foundation activities and projects decided in the year, as well as all costs related to first contact activities and updating of all private donors, including individuals, companies and foundations.

- General support expenses

The section includes all the Foundation's general costs, incurred by General Management, personnel costs, all branch management costs, for information systems and any other connected activity.

Below are the expenses from core activities linked to projects and those for general support.

EXPENSES FROM CORE ACTIVITIES LINKED TO PROJECTS

(data in euro)

Destination	2020	2019	Changes
Challenges programme	-	-	-
Break the Barriers programme	2,973,592	4,969,941	2,706,339
EDU Project	200,000	-	200,000
Covid - Phase 1	557,270	-	557,270
Covid - Phase 2	126,776	-	126,776
Wheat	1,400,805	1,890,551	1,400,805
Empowering specialisation	-	-	-
Voices of Haiti	-	137,962	-
Water truck	160,493	-	160,493
Mobile clinic	-	138,852	-
HIV	-	-	-
Lajatico 0-6	-	20,000	-
Santo Domingo	-	-	-
Klitcko project	-	25,000	-
Music Lab	44,754	-	-
Sarnano school	-	-	-
Other emergencies	-	-	-
Muccia school	25,000	1,000,000	25,000
Camerino school	235,994	1,757,576	235,994
Royal College	222,499	-	222,499
Mission expenses	6,526	9,409	6,526
Purchases intended for projects	189,276	193,346	189,276
Services intended for projects	129	81,177	129
TOTAL	3,169,523	5,253,873	3,169,523

The total charges from core activities equal to Euro 3.2 million records a decrease by 40% in comparison with the Euro 5.3 million in the previous year. The reduction and rationalisation of the design apparatus during 2020 was defined by the Board of Directors during the first lockdown in March 2020, in the awareness that some of the projects (especially the international ones) could not be continued in 2020. It was thus decided to decrease projects in Haiti, focus only on the support of schools and guarantee distance learning first and in presence later, in compliance with the rules deriving from the pandemic. The water project was confirmed and it shall be strengthened in view of the most stringent health regulations in Haiti, while the projects connected with the choir were suspended.

Likewise, the Voices of the World project and the related in-depth missions were suspended.

On the other hand, Italian projects were postponed to the second half of the year: art and digital laboratories in support of distance learning were added to music laboratories within ABF schools, while the reconstruction project of the Music Academy in Camerino was completed in September 2020 and inaugurated on 1 October 2020. The construction cost amounts to Euro 2.0 million, partly pertaining to 2019 after the allocations approved by the Board of Directors and partly pertaining to 2020 in relation to the extra costs not set aside.

Furthermore, there are Euro 0.7 million relating to new projects activated after the Covid-19 emergency, of which Euro 0.6 million in support of the first phase of the emergency with the distribution of personal protective equipment and with support to hospitals in Marche and Tuscany Regions.

As far as this is concerned, the main interventions below should be pointed out:

- Donation of 4 lung ventilators to the intensive care unit of the Covid Hospital in Camerino;
- New Covid ward with 30 places in the hospital of Macerata
- Donation of a latest generation CT scan to the hospital of Camerino
- Personal protective equipment to the hospitals of Massa, Versilia, Pontedera, Florence (San Giovanni di Dio), Camerino-Macerata and many other associations, RSA nursing homes for the elderly, Family houses with paediatric patients.

As far as the project relating to Phase 2 of the emergency ("Con Te, per disegnare il futuro" - "With you, to draw the future") is concerned, it wants to symbolise the rebirth through a project dedicated to digital education.

Access to education has always been the focus of ABF's work, an element of expression of its mission "empowering people and communities", in Italy and abroad. For this reason, ABF decided to offer material support to students, families and to their teachers, with a pilot initiative aimed at strengthening distance education, by taking the side of communities that live in very difficult situations once again.

In this moment of planetary emergency, approximately 91% of students in the world are facing distance learning and, according to recent data released by ISTAT in relation to Italy, 57% of students under 17 years old must share their computer or tablet with their family members, while 12.3% do not own any device at all. ABF, as a community leader and in close collaboration with the Ministry of Education, University and Research (MIUR), decided to offer material support to students, families and to their teachers, with an initiative focused on distance education, by taking the side of communities that live in very difficult situations once again.

Thanks to the funds raised, it was possible to offer the tools necessary to develop students' talent and to let them redeem within their communities to some public schools and schools within hospitals, even in times when learning from a distance has become necessary, in line with the UN Global Goal 4 "Providing quality, equitable and inclusive education, and learning opportunities for everyone". Specifically, the new ABF initiatives for distance education will be aimed at creating:

1. Creation of a library of devices, able to allow students to connect with teachers and educators;
2. Development of a platform for the ABF Lab, which would allow access to a series of online content for education, including interactive ones;
3. Training of the digital atelierista figure, a 4.0 librarian able to support teachers, parents and students in the correct use of tools and in the use of them for the purpose of maintaining or developing relationships.

Specialisation and support projects to small forms of emergency, sustained by the use of free funds acquired in previous years, are also confirmed and active.



Expenses for promotions and fundraising amount to a total of Euro 266 thousand, about Euro 70 thousand less than the year 2019 (-22%).

Such decrease derives from the decrease in communication and collection costs related to fundraising events and institutional events that had not been implemented due to the lockdown and restrictions imposed by the coronavirus emergency. Specifically, the movements in the item below should be noted:

1. Decrease in purchases related to collection campaigns and communication activities for Euro 19 thousand. Savings are mainly attributable to minor purchases for merchandising usually intended for events and to the reduced production costs of relevant advertising material;
2. Decrease in services related to collection campaigns and communication activities for Euro 59 thousand. Savings are mainly attributable to minor costs for communication consultancy not incurred after the cancellation of events and to lower travel, transport and logistic costs. However, the reduction represents a net effect, after some increases in costs for new web collection channels and new platforms activated in order to reach the various stakeholders of the Foundation electronically. As far as this is concerned, there are a total of Euro 50 thousand of new costs in support of new digital activities, first of all the web auctions held in July and December;
3. Increase in other charges for promotions and fundraising for approximately Euro 5 thousand. Such increase is mainly attributable to charges for promotions related to the SMS solidarity campaign of 2020, which led to the collection of approximately Euro 260 thousand during the year. Such higher costs are attributable to the Foundation's choice to launch a permanent solidarity number campaign at the beginning of 2020; the first campaign activity was carried out through the show aired on RAI1 in April. The choice to proceed with a permanent number, rather than a temporary one that would be valid for a maximum period of two weeks, is due to the desire to use this precious collection tool on other occasions of the year too, such as small events, inaugurations of school structures or activities communicated by the management of Maestro Bocelli. Among the applications of the tool in 2020 and besides the aforementioned show, we can mention: use of the campaign in the strategy of the Foundation's social channels, inauguration of the Music Academy in Camerino, press releases and spaces acquired on several national media.

General support expenses reach Euro 633 thousand, with a decrease of Euro 88 thousand compared to 2019 (-12%).

Such decrease represents a net effect originating from a decrease in overhead costs, on the one hand, and an increase in depreciation charges on the other hand. Such decrease concerns office purchases and general services after lockdown and the incentive to remote work as a tool aimed at containing the pandemic, allowed by the Italian government, by way of derogation, to small and medium-sized enterprises and non-profit organisations.

There was a decrease in personnel costs as well, of more than Euro 70 thousand after a senior figure left the Foundation. The number of employees in service is 8 as at 31 December 2020.

The item Rental income and hire is lower compared to 2019, mainly due to savings related to the rental expense of the operational headquarters starting from October 2020.

It should be pointed out that the Foundation is now operating from the new headquarters located in Piazza San Firenze 5, a space granted free of charge by the Municipality of Florence, starting from 5 October 2020.

CHARGES FOR PROMOTIONS AND FUNDRAISING
(data in euro)

Description	2020	2019	Changes
Purchases	79,540	98,837	-19,296
Services	110,843	169,868	-59,025
Other charges for promotions and fundraising	75,864	70,900	4,964
TOTAL	266,247	339,604	-73,358

GENERAL SUPPORT EXPENSES
(data in euro)

Description	2020	2019	Changes
Purchases	6,915	7,711	-795
Services	155,158	188,802	-33,644
Personnel	391,987	463,825	-71,838
Leases and rentals	28,945	35,511	-6,566
Depreciation and write-downs	49,321	24,946	24,375
Miscellaneous operating costs	949	202	745
TOTAL	633,275	720,998	-87,723

Other information

There is no other significant information to report during the year.

5.

REPORT OF THE BOARD OF AUDITORS

ANDREA BOCELLI FOUNDATION

Registered office in Via Volterrana 49, 56030 Lajatico (PI)

Operating headquarters in Piazza San Firenze, 5 - 50123 Firenze (FI)

Endowment Fund Euro 100,000.00

JOINT REPORT OF THE BOARD OF STATUTORY AUDITORS

To the Directors of the Foundation,

Introduction

The Board of Auditors, for the financial year ended on 31 December 2020, carried out the duties required by articles 2403 et seq. of the Italian Civil Code as well as those set forth by article 2409-*bis* of the Italian Civil Code.

This report contains in section A) the "Report of the Independent auditor pursuant to Article 14 of Italian Legislative Decree no. 39 of 27 January 2010", and in section B) the "Report pursuant to Article 2429, paragraph 2, of the Italian Civil Code".

A) Report of the independent auditor pursuant to art. 14 of Legislative Decree no. 39 of 27 January 2010"

Auditing report on the financial statements

Opinion

We audited the financial statements of the Foundation Andrea Bocelli, including the balance sheet as at 31 December 2020, income statement, cash flow statement for the financial year ended on said date and notes to the financial statements.

In our opinion, the financial statements provide a true and fair picture of the financial and equity situation of the foundation as at 31 December 2020, of the economic result and cash flows for the year ended on that date, in compliance with Italian laws regulating drafting criteria, including the provisions envisaged by art. 7 of (It.) Law Decree no. 23 of 8 April 2020.

In our opinion, the Foundation's mission statement is consistent with the economic and financial evidence and with the Foundation's purposes and methods of pursuing the statutory purposes and it is compliant with the law. We found no material errors in the mission report.

Basis of the opinion

We performed the audit in accordance with ISA Italia International Auditing Standards. Our responsibility under these standards is further described in the section Responsibility of the auditor for auditing the financial statements of this report. We are independent of the foundation in compliance with the applicable rules and principles on ethics and independence in the Italian legal system for auditing the financial statements. We believe we have acquired sufficient and appropriate evidence on which to base our opinion.

Responsibilities of the directors and the Board of Statutory Auditors for the financial statements

The directors are responsible for the preparation of the financial statements that provide a truthful and fair representation in accordance with the Italian regulations governing the drafting criteria and, within the terms established by law, for that part of the internal control deemed necessary for drafting financial statements that do not contain material misstatements due to frauds or unintentional behaviour or events. The directors are responsible for assessing the foundation's ability to continue operating as a going concern and, in drafting the financial statements, for the appropriateness of the use of the going concern assumption, as well as for adequate disclosure. The directors use the going concern assumption in the preparation of the financial statements unless they have ascertained that the conditions for the liquidation of the foundation or for discontinuing the operations exist or they have no realistic alternatives to such choices.

The Board of Statutory Auditors is responsible for supervising, within the terms established by the law, the process of preparing the foundation's financial information.

Auditor's responsibility for auditing the financial statements.

Our objectives are the acquisition of a reasonable assurance that the financial statements as a whole do not contain material misstatements, due to fraud or unintentional behaviour or events, and the issue of an audit report that includes our opinion. Reasonable assurance is understood as a high level of certainty which, however, does not guarantee that an audit carried out in accordance with ISA Italia International Auditing Standards will always identify a material misstatement, if any. Misstatements may arise from fraud or unintentional behaviour or events and are considered significant if it can reasonably be expected that they, individually or as a whole, are able to influence the economic decisions made by users on the basis of the financial statements.

As part of the audit conducted in accordance with ISA Italia International Auditing Standards, we have exercised our professional judgement and maintained professional scepticism throughout the audit. Furthermore:

- we have identified and assessed the risks of material misstatement in the financial statements due to fraud or unintentional behaviour or events; we have defined and performed audit procedures in response to these risks; we have acquired sufficient and appropriate audit evidence on which to base our opinion. The risk of not identifying a material misstatement due to fraud is higher than the risk of not identifying a material misstatement deriving from unintentional behaviour or events, since fraud can imply the existence of collusion, forging, intentional omission, misleading representations or overriding the internal control;
- we have acquired a significant understanding of the internal control for auditing purposes in order to define appropriate audit procedures in the circumstances and not to express an opinion on the effectiveness of the foundation's internal control;
- we have ascertained the appropriateness of the accounting principles used and the reasonableness of the accounting estimates made by the directors, including the related disclosure;
- we have come to a conclusion on the appropriateness of the use by the directors of the going concern assumption and, based on the acquired evidence, on any significant uncertainty regarding events or circumstances that may give rise to significant doubts about the foundation's ability to continue operating as a going entity. In the presence of significant uncertainty, we are obliged to draw attention in the audit report on the related disclosures in the financial statements, that is, should such disclosure be inadequate, to reflect this fact in the formulation of our opinion. Our conclusions are based on the audit evidence obtained up to the date of the report herein. However, subsequent events or circumstances may result in the Foundation ceasing to operate as a going concern;
- we have assessed the presentation, structure and content of the financial statements as a whole, including disclosure, and we have assessed whether the financial statements represent the underlying transactions and events in such a way as to provide a correct representation; we have communicated to the managers responsible for governance activities, identified at an appropriate level as required by the Italian ISAs, among other aspects, the planned scope and timing for the audit and the significant results that emerged, including any significant deficiencies in the internal control detected during the audit.

Report on other legal provisions and regulations

Opinion pursuant to art. 14, paragraph 2, letter e), of (It.) Legislative Decree no. 39/10

The directors of the Foundation are responsible for the preparation of the management report as at 31 December 2020, including its consistency with the related annual financial statements and its compliance with the law.

We have carried out the procedures indicated in audit principle SA Italia no. 720B in order to express an opinion on the consistency of the report on operations with the financial statements of the Foundation as at 31 December 2020 and on its compliance with the law, as well as to issue a declaration on any material misstatements. In our opinion, the management report is consistent with the financial statements as at 31 December 2020 and was prepared in compliance with the law. With reference to the declaration pursuant to art.

14, paragraph 2, letter e) of Italian Legislative Decree no. 39/10, issued on the basis of the knowledge and understanding of the undertaking and the relevant context, acquired during the audit, we have nothing to report.

B) Report on supervisory activity pursuant to art. 2429, paragraph 2, of the Italian Civil Code.

During the financial year ended 31 December 2020, our activity was inspired by the provisions of the law and the Rules of Conduct of the Board of Statutory Auditors issued by the National Council of Certified Chartered Accountants.

B1) Supervisory activity pursuant to art. 2403 et seq. of the Italian Civil Code.

We monitored compliance with the law and the articles of association, as well as the principles of good management.

We took part in the meetings of the Board of Directors and, based on available information, we observed no breaches to the law and the articles of association, nor operations that are manifestly risky, hazardous, in potential conflict of interest or that might undermine the integrity of corporate equity.

We have acquired from the administrative body, the General manager and the function manager, even during the meetings held, information on the general management trend and its foreseeable evolution, specifically on the persistence of the impacts generated by the Covid-19 health emergency in the first months of the financial year 2021, on risk factors and significant uncertainties, on the most significant transactions carried out by the Foundation, in terms of size or characteristics, and we have nothing to report on the basis of the information acquired.

We have acquired knowledge and monitored the adequacy of the organisational, administrative and accounting structure and of its material functioning and concerning the measures adopted by the Foundation to deal with the COVID-19 emergency situation, also through the collection of information from the subjects responsible for the offices and we have nothing to report in this regard. We have acquired knowledge and supervised, within the scope of our responsibilities, the adequacy and operation of the administrative-accounting system, even with reference to the impact of the COVID-19 emergency on IT and telematic systems, and on the latter's reliability to present management facts correctly, by obtaining information from the department heads and examining company documents, and have no specific comments to make in this connection.

During the year, the board of auditors did not issue any opinions set forth by law.

During the supervisory activity described above, no other significant facts were noted that require to be mentioned in this report.

B2) Observations on the Financial Statements for the year

To the best of our knowledge, the directors, in preparing the financial statements, did not depart from the rules of law pursuant to article 2423, paragraph 5, of the Italian Civil Code. Pursuant to art. 2426, no. 5 of the Italian Civil Code, we have consented to recording the significant items under Balance Sheet assets.

The outcome of the statutory audit of the financial statements performed by us are contained in section A) of this report.

B3) Remarks and proposals regarding approval of the Financial Statements

Considering the outcome of the activity we carried out, the Board asks to approve the financial statements for the year ended 31 December 2020, as prepared by the Directors. The board of statutory auditors agrees with the proposal to allocate the operating result by the Directors.

Firenze, 15 April 2021

The Board of Statutory Auditors

Deborah Sassorossi (Chairperson)
Franco Martinelli (Standing Auditor)
Stefano Monti (Standing Auditor)

6.

INDEPENDENT AUDIT FIRM REPORT



(Translation from the Italian original which remains the definitive version)

Andrea Bocelli Foundation

**Financial statements as at and for the year ended
31 December 2020**

(with report of the auditors thereon)

KPMG S.p.A.
15 April 2021



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(Translation from the Italian original which remains the definitive version)

Independent auditors' report

*To the board of directors of
Andrea Bocelli Foundation*

Opinion

We have audited the financial statements of Andrea Bocelli Foundation (the "Foundation"), which comprise the balance sheet as at 31 December 2020, the directors' report and cash flow statement for the year then ended and notes thereto.

In our opinion, the financial statements of Andrea Bocelli Foundation as at and for the year ended 31 December 2020 have been prepared, in all material respects, in accordance with the basis of preparation set out in the notes.

Basis for opinion

We conducted our audit in accordance with the International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the "Auditors' responsibilities for the audit of the financial statements" section of our report. We are independent of the Foundation in accordance with the ethics and independence rules and standards set out in the International Code of Ethics for Professional Accountants ("IESBA Code") issued by the International Ethics Standards Board for Accountants applicable to audits of financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

We draw attention to the basis of preparation of the Foundation's financial statements as at and for the year ended 31 December 2020 described by the directors in the notes. We did not qualify our opinion in this respect.

Other matters

This report is not issued pursuant to any legal requirements as the Foundation was not required to subject its 2020 financial statements to a statutory audit pursuant to Legislative decree no. 39/10 and other auditors carried out the audit required by the Foundation's by-laws. Accordingly, we did not carry out the audit procedures required by Standard on Auditing (SA Italia) 250B to check that the Foundation's accounts

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20124 Milano MI ITALIA

were regularly kept or those required by Standard on Auditing (SA Italia) 720B to express an opinion pursuant to article 14.2.e) of Legislative decree no. 39/10.

Responsibilities of the Foundation's directors for the financial statements

The directors are responsible for the preparation of the financial statements in accordance with the basis of preparation described in the notes and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The directors are responsible for assessing the Foundation's ability to continue as a going concern and for the appropriate use of the going concern basis in the preparation of the financial statements and for the adequacy of the related disclosures. The use of this basis of accounting is appropriate unless the directors believe that the conditions for liquidating the Foundation or ceasing operations exist, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISA (Italia), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;
- conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Foundation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit



Andrea Bocelli Foundation
Independent auditors' report
31 December 2020

evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Foundation to cease to continue as a going concern;

- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance, identified at the appropriate level required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Florence, 15 April 2021

KPMG S.p.A.

(signed on the original)

Matteo Balestracci
Director of Audit



ANDREA BOCELLI FOUNDATION

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