



2017

Annual Report

2017

Annual Report

Index



2017. Overall Picture	5
How to Read the Data	7
2017 Institutional Activity: Tables	12
Operational Departments, Programmes and Instrumental Bodies	23
What We Have Achieved	
1. Research and Health	26
2. Art, Cultural Activities and Heritage	31
3. Cultural Innovation	36
4. Social Policies Department	40
5. Philanthropy and Territory Department	48
Other forms of institutional activity. Multiplicative factors	54
2017 Financial management	58
Allocations and the territory.. An in-depth look.	62

2017

Overall Picture



The total allocations made by Compagnia di San Paolo during 2017, the first whole year of the new cycle of 2017-2020 planning, amounted to Euro 177,438,478.26, for a total of 914 grants decided on the budget funds or earmarked in previous years. The total allocated in 2017 confirms previous years' growth, during which Compagnia's allocations to the territory showed an upward trend.

How to Read the Data



1. 2013-2017 Allocations per Sectoral Area, figures in thousands of Euro

Areas	2013	2014	Areas since 2015	2015	2016	2017
Research and Higher Education	42,572	43,039	Research and Health	44,783	45,014	45,660
Health	5,327	5,460				
Art Heritage	16,569	16,480	Art, Cultural Activities and Heritage	29,611	29,999	30,188
Cultural Activities	15,431	15,082				
			Cultural Innovation	5,985	5,710	6,002
Social Policies	49,657	52,581	Social Policies	50,270	68,150	78,560
			Philanthropy and Territory	7,990	8,941	11,256
Programmes (Polo del '900, ZeroSei, Torino e le Alpi)		2,747	Programmes	5,000	7,586	5,773
Total Allocated	129,556	135,389		143,639	165,400 (***)	177,439 (***)
of which allocated on the year's resources	123,941	128,499		135,872	149,391	150,978
Special Funds for Voluntary Work (Law 266/91)	4,693	6,378		6,314	7,132	6,748
Protocols of Agreement / Extraordinary Grants	(*) 401	1,182(**)(**)		503 (*)	591	597
Number of Grants from budgeted funds	781	806		971	1,045	914

(*) destination of the allocation to the Fund for ACRI's Common Initiatives

(**) additional grant with respect to the allocation of the fifteenth part of the 2013 financial statements according to the Acri-Voluntary Work agreement of 16.10.2013

(***) according to Acri's orientation, this figure also includes the tax credit connected with the Fund to fight against education poverty (about Euro 16 million for 2016 and 21 million for 2017) besides, obviously, the amount destined to the same fund by the Compagnia as from the 2016 budget. For 2017 the amount also includes € 2,186,578 relative to the additional contribution to voluntary funds granted by Compagnia di San Paolo.

Reading the data regarding Compagnia's institutional activities requires some attention. Starting from 2015, the use of funds set aside in the budgets of previous years for institutional activities is represented separately in the various areas of destination. Consequently, the figures shown in the tables include these provisions, while they do not include the amounts recovered deriving from reabsorption and reallocation from the budgets of recent years (in 2017, approximately Euro 1,063,551). The total number of resources amounting to € 177.4 million, also includes the tax credit used by the foundations participating in the Fund to fight against education poverty, a joint initiative between the national government, Acri and numerous foundations of banking origin. These resources were entirely allocated to setting up the selfsame Fund and then transferred to numerous intervention projects implemented throughout Italy.

Decisions regarding grant expenditures depend on the combined and complementary activity of Compagnia's two main governance bodies: the General Council, which establishes strategic guidelines and approves the estimates and final balances, and the Management Committee, to which it is mandated the competence of punctual allocation of institutional resources, among others.

As normally happens to bodies that operate "with continuity", the allocations that are concretely manifested in figures during a given year – that is, the payment of contributions or their division into installments for beneficiaries – can be more numerous and entail a higher total than the allocations of that year. Some of these can in fact be financially manifested in the years following the budget year, mainly due to the specific features of projects supported, whose implementing logic defines timelines and the amounts of liquidation tranches envisaged for the grants. Taking into consideration the resources actually liquidated in

2017 only, Compagnia's concrete contribution to the "philanthropic basin" can be estimated to be over € 160 million (see Table 2).

It should, however, be noted that not all allocations give rise to a single project intervention: a typical example is the case of contributions allocated through calls, generally depending on a single general allocation from which a multitude of contributions then stem (assigned to the winners of the call), both in the year in question and in subsequent years. The overall figure of the number of interventions (914 in 2017 compared to 1,045 of the previous year) must be viewed taking into account the evolution in the forms and methodologies of financing adopted by Compagnia. The increasing frequency with which, in the current phase, the call-based approach is preferred to the contribution to "spontaneous" proposals, can underestimate the effective number of interventions managed. If we consider the allocation of funds and projects among Compagnia's main institutional departments, the Social Policies department has absorbed about 44% of the economic resources allocated in 2017, which resulted in support for 274 different projects (30% of total interventions). The following are, in terms of grants, the departments of Research and Health, and Art, Activities and Cultural Heritage, to which 25.7% and 17% of economic resources have been transferred respectively. In addition, 2017 saw the consolidation of the most recently established operational departments, Philanthropy and Territory and Cultural Innovation. With regard to the Programmes, or those coordinated sets of actions aimed at a specific objective, managed directly by Compagnia and punctuated by their own precise temporal development, 2017 was characterised by a planning and economic commitment similar to 2016 both regarding the Polo del '900 Programme and the ZeroSei Programme. The Torino and the Alps Programme

is geared towards the final phase of completion. The Housing programme is financed every two years and 2017 did not provide for the allocation of resources.

The detail tables (1.a. and 1.b.) illustrate the activity carried out in the different interventions areas grouped according to sectors.

Size of the Grants

2017 essentially confirms what had already occurred in 2016: two thirds of Compagnia's grants are concentrated in interventions in the € 50,000 – 500,000 and €1 to 10 million range, confirming Compagnia's strategic significance for complex and large-scale actions (Table 1.c.). To underline the increasing importance of this type of intervention, it is worth noting in particular that there is an increase of €11 million in the total weight of projects from 1 to 10 million euro compared to 2016. In 2017, in fact, two projects with a high economic commitment individually exceeded the 10 million euro disbursed. This was the transfer to the Ufficio Pio of Compagnia di San Paolo, the historical instrumental body of Compagnia in the social welfare field, and the 2017 contribution to the formation of the National Fund to Fight against Education Poverty, which in turn, as mentioned, was the catalyst of a large number of projects. Lastly, there was a decrease in interventions under €10,000. In line with 2016, these interventions represent a significant amount for Compagnia in terms of the number of allocations, covering more than 15% of the total of the individual activities supported, but, in economic terms, they do not exceed 1% of the contributions distributed. This result must be read in relation to the streamlining and simplification of the management process, request and resolution procedures, interventions not exceeding €10,000. From this point of view, the specific analyses dedicated to the effects of this simplification

confirmed that it did not provoke an increase in anomalous and "opportunistic" questions.

Approved and Rejected Requests

In 2017 Compagnia accepted about 45% of the received requests in terms of number of submitted projects, and 70% in terms of total distributed grants. These percentages show an important increase compared to 2016 in relation to both projects accepted (+ 9%) and the transferred funds (+ 12%). It is not easy to provide a precise reading of an upswing of this type, since the evaluative standards have remained unchanged: as hoped by Compagnia, this might reflect improved relations with the territory, if Compagnia's most effective ability in clarifying the strategic aims which inspire its action – as well as improving the planning skills of the organisations – have contributed to a higher success rate of its applications. If so, this would mean we had triggered an actual virtuous circle that we hope will mark a comforting success for the system.

The main reason for rejecting the grant of a contribution, besides the obvious limits of available resources, consists in the insufficient comparative evaluation of the request within a call for proposals or the lack of coherence of the proposed initiative with the priorities expressed in Compagnia's planning guidelines (Tables 2.a. and 3.)

Type of Grants

Although they all concern the general category of non-repayable grant, whose nature is purely philanthropic, (whether monetary or in nature) the resources decided upon by Compagnia correspond to different intervention criteria, which ensue from the type of projects and the most efficient methods to support them. In the activity of Compagnia di San Paolo, the support to institutional activity given to Bodies that have an instrumental nature and to



Bodies having qualified competence and territorial reputation is more significant, compared to the practices of other foundations. Nearly 30% of the resources, however, is dedicated to *grant making* activities directed to spontaneous planning, that is, the support to projects mainly submitted by private social organisations, evaluated as deserving a contribution by the Management Committee, and ever more accompanied in their implementation by Compagnia's staff.

As mentioned, the weight of the *instrumental bodies and participated research bodies* is always important (21% of total resources). These are specialised operative organisations endowed with autonomous legal personality and management capacity, bound to Compagnia not only as their founder and main (and in some cases, exclusive) financial backer; as such Compagnia contributes to defining their governance and strategic guidelines. The latter must be consistent with general Compagnia actions. The funding for the institutional support of said organisations is included in the general grants. Beside the institutional support, additional contributions may be allocated during the year, if the instrumental bodies take upon themselves the development of additional planning activities, especially if this happens upon Compagnia's request.

Ufficio Pio (www.ufficiopio.it/) and *Fondazione per la Scuola* (www.fondazione scuola.it/) are institutions historically generated by Compagnia (both founded at the end of the 1500s), while *Fondazione 1563 per l'Arte e la Cultura* (www.fondazione1563.it/) is the result of a re-planning of *Fondazione per l'Arte*. The other bodies, associations or foundations established since the second half of the 90s are directed to advanced scientific research founded by Compagnia in partnership with University of Turin or the *Politecnico di Torino (Istituto Mario Boella)* www.ismb.it/, *Collegio Carlo Alberto*

www.carloalberto.org/, *SiTI* www.siti.polito.it/, the *Italian Institute for Genomic Medicine* www.iigm.it/. The *Links Foundation* was added to this in 2017 (linksfoundation.com), as the first step in rationalising and increasing the activities of technology transfer and management of the intellectual property of participated research bodies and in general of the Piedmontese research system.

In third place in amounts of allocated resources (17% of the allocated funds) are the agreements. These are multi-year agreements with universities or public institutions with which Compagnia establishes joint mid-term objectives – and wholly consistent with the parties' statutory mission, providing financial support for the creation of a constructive partnership.

The other allocation methods are: *support to institutional activity* (wherever the history and overall quality of an organisation's activities, and not the excellence of a single project, are rewarded); *commitment towards organisations in which the Compagnia has a stake or of which it is a partner* (in this case, besides contributing financially, Compagnia can often nominate members of the governing bodies); the participated research bodies listed above are not included in this item); *awarding contributions as a consequence of calls for proposals*; and, last, a significant share of operational *projects or programmes* that, as has been mentioned, are conceived, planned, and carried out by Compagnia, that chooses to take the leadership of a limited number of initiatives that are considered as strategic or exemplary. Indeed, as from 2014, when the Programmes started, the weight of the operational activities and proactive actions carried out by Compagnia's offices substantially increased. These – if we add the categories of the operational projects to the programmes – influence the year 2017 by over 12% of the total (Table 2.b.). It should be added

that the value of the operating contribution that Compagnia's structure adds to its operational projects with its planning and management work remains invisible in this subdivision.

Who Receives the Resources: the Legal Type

Compagnia can only destine its contributions to third-sector or public organisations, thus excluding, in principle, natural persons and profit-making organisations, such as business enterprises (other specific cases are excluded, such as political parties or initiatives whose nature is to proselytize, as specified in the Rules of Compagnia's Institutional Activities).

As already shown in previous years, data confirms that the resources intended for the non-profit sector are the most significant part of the allocations. The conspicuous resources for other foundations (52% of the allocated resources, about 20% in terms of number of interventions) depend both on the presence in that category of some of the Compagnia's Instrumental Bodies, and on specific Italian nature which it legally recognises as foundations (not of banking origin) a majority of operating organisations that are insufficiently provided with assets and systematically turn to fundraising. Finally, it must not be underestimated that numerous cultural institutions, basically public (theatres, museums, opera foundations), have taken on the legal form of foundation during the past decades.

6% grants in favour of Municipalities and 8% in favour of universities account for the commitment with these organisations, primarily in terms of agreements or multi-year protocols (Table 4.)

The Geography of Allocations

From a geographical point of view, the distribution of Compagnia's 2017 allocations to the territory is in line with the previous year. Already in 2016, in

fact, there had been a decrease in allocations to the Metropolitan City of Turin and 2017 confirms this trend (with around 72% of grants distributed in the Turin area compared to 82% in 2015). On this subject, more details in the appropriate chapter of this Report. Also in continuity with 2016 is the commitment to Liguria, in particular the city of Genoa, and to the city of Naples.

Among the most important allocations with coverage at national level is the aforementioned 2017 support to the *National Fund to Fight against Education Poverty*, amounting to 11% of total CSP allocations, which, although not without repercussions on Compagnia's main territory of reference, has a centralised management and involves initiatives throughout Italy.

Lastly, interventions abroad concern, on one side, Europe (European networks) and, on the other, countries in the South of the world (cooperation to development) (Table 5.).

Further notes

The processes that articulate the philanthropic allocations of Compagnia di San Paolo follow a linear structure, but to a deeper analysis they show considerable levels of complexity.

As for the contributions to projects, the inclusion of forms of co-financing has become central to the positive outcome of the proposals. The goal is to encourage the development of synergistic networks between the resources of the territory and promote relationships with Compagnia that over time do not tend to crystallise into more or less marked forms of "dependency". Furthermore, co-financing can be a measure of the approval by the territory of the proposed initiative and, in some limits, a guarantee of quality. If we look at the overall impact of Compagnia's contributions in the costs of



the projects approved in 2017, we find that only 47% of the initiatives have been covered by our support. Looking in detail, it is worth noting how the set of initiatives supported in toto by Compagnia is basically subdivided into two primary categories. The first, a considerable part of the total, is quite naturally made up of the projects whose total cost does not exceed €10,000. The second brings together all the transfers to the instrumental bodies (eg, Ufficio Pio, Collegio Carlo Alberto etc.) whose burden of support falls entirely on Compagnia di San Paolo. The remaining 53% of the projects are almost equally divided between projects that depend more than 80% on Compagnia's support and projects whose requested contribution is less than 80%, in many cases even in situations where less than 50% of the project costs are covered. Among other things, in many recent Compagnia's calls, the ability to autonomously cover at least 30% of the total cost of the project is an absolute prerequisite, contributing in a structural way to increasing the incidence of co-financed projects on the total of the activities supported.

Approximately half of Compagnia's project support action is attributable to a class of projects that could be defined as "integrators of related actions", confirming the ever-increasing attention to large and complex initiatives capable of guaranteeing significant effects on the territory. This particular type of intervention is in fact transversal to institutions, being applicable for projects of a social, philanthropic, cultural, artistic or scientific nature. For example, the activities in the field of art, specifically developed in the "production of artistic works and performances" and "restorations and preservation of historical and artistic heritage", are the second main goal of 2017 projects.

Even during a single year, in this case 2017, it is not to be taken for granted that the collaboration between Compagnia di San Paolo and the beneficiary bodies ends with the support and

subsequent achievement of a single project. Although 82% of the beneficiary bodies received a single contribution during the year, another 18% instead established a more constant relationship with Compagnia, receiving support for the implementation of several projects. The University of Turin and Politecnico are noted for the highest number of annual collaborations with Compagnia, within the framework of the agreements governing mutual relations.

Regarding the age of beneficiary bodies, where available reading the data relating to the year of establishment of those requesting a contribution in 2017, one sees how most of these institutions - 73% - were founded less than 30 years ago. There is also a significant core of newly established institutions: in fact, out of all the beneficiaries of contributions in 2017, 13% have been founded over the last 5 years.

Finally, some brief annotations regarding the processes: for Compagnia di San Paolo, as well as for productions of profit organisations, there is a sort of seasonality which depends on the series of requests from the different types of institutions and on the Management Committee's work methods. The distribution of project approval resolutions does not appear to be constant over the course of the year but has evident peaks in specific months. For example, in 2017 57% of the resolutions were concentrated in 4 months, in order of size in March, July, September and January.

Tables on 2017 institutional activity


Table 1. Analysis of the allocated resources
Table 1.a. By expenditure sector

Resources by sector type	Interventions		Previous Year		Allocated Amount		Previous Year		Multiyear	
	N°	%	N°	%	Euro	%	Euro	%	% n° projects	% amount
Research and Higher Education	97	10,61%	99	9,47%	39,659,251.69	22,35%	39,014,421.69	23,59%	10,31%	13,73%
Art, Cultural Activities and Heritage	285	31,18%	245	23,44%	30,188,188.81	17,01%	29,998,866.14	18,14%	2,16%	4,35%
Health	10	1,09%	13	1,24%	6,000,000.00	3,38%	6,000,000.00	3,63%	0,00%	0,00%
Philanthropy and Territory	63	6,89%	70	6,70%	11,256,577.76	6,34%	8,941,469.09	5,41%	2,56%	2,84%
Social Policies	274	29,98%	363	34,74%	78,559,460.00	44,27%	68,149,660.59	41,19%	5,11%	5,43%
Cultural Innovation	87	9,52%	103	9,86%	6,002,000.00	3,38%	5,710,000.00	3,45%	0,00%	0,00%
"Torino e le Alpi" Programme	9	0,98%	42	4,02%	480,000.00	0,27%	1,286,083.15	0,78%	0,00%	0,00%
"Polo del '900" Programme	24	2,63%	22	2,11%	1,593,000.00	0,90%	1,600,000.00	0,97%	0,00%	0,00%
"ZeroSei" Programme	53	5,80%	54	5,17%	1,800,000.00	1,01%	1,700,000.00	1,03%	7,55%	9,96%
Housing Programme	12	1,32%	34	3,25%	1,900,000.00	1,08%	3,000,000.00	1,81%		
Total	914	100,00%	1,045	100,00%	177,438,478.26	100,00%	165,400,500.66	100,00%		

Table 1.b. Allocations by size class

	Interventions		Allocated amount		Interventions previous year		Allocated in previous year	
	N°	%	Euro	%	N°	%	Euro	%
Up to 10,000.00	151	16,52%	1,154,325.13	0,65%	167	15,98%	1,235,060.00	0,75%
10,000.01 to 50,000.00	377	41,25%	10,868,876.12	6,13%	488	46,70%	12,946,160.23	7,83%
50,000.01 to 500,000.00	337	36,87%	54,282,363.16	30,59%	350	33,49%	55,219,037.04	33,39%
500,000.01 to 1,000,000.00	23	2,52%	16,754,339.79	9,44%	18	1,72%	12,466,833.00	7,54%
1,000,000.01 to 10,000,000.00	24	1,91%	61,741,757.06	34,80%	20	1,91%	50,941,655.39	30,80%
Over 10,000,000.00	2	0,22%	32,636,817.00	18,39%	2	0,19%	32,591,755.00	19,70%
Total	914	100,00%	177,438,478.26	100,00%	1,045	100,00%	165,400,500.66	100,00%

Tabella 2. Allocations: payments

	Grants applicable to the year 2017		Detail of previous financial years' grants		Total grants year 2017		Total grants previous year	
	n° projects	amount	n° projects	amount	n° projects	amount	n° projects	amount
Research and higher education	63	23,862,991.08	127	15,678,267.75	190	39,276,597.55	187	33,782,992.95
Art, cultural activities and heritage	184	13,79,806.68	443	16,500,548.91	627	24,565,569.43	690	35,323,923.87
Health	4	39,250.13	24	3,361,632.17	28	3,400,882.30	35	7,048,094.47
Philanthropy and Territory	43	5,259,219.99	64	5,606,015.15	107	10,845,235.14	99	6,302,779.41
Social Policies	129	46,683,068.32	474	20,690,546.56	603	66,260,318.55	646	64,601,286.57
Cultural Innovation	57	2,090,625.71	135	3,561,971.93	192	5,643,347.64	158	4,465,419.99
"Torino e le Alpi" Programme	10	306,499.38	42	530,985.85	52	834,987.85	63	1,218,554.33
"Polo del '900" Programme	5	482,742.23	34	975,907.34	39	1,452,039.57	63	2,730,575.76
"ZeroSei" Programme	15	681,286.06	80	942,919.17	95	1,603,803.63	112	1,644,029.33
"Housing" Programme	3	431,074.29	46	1,193,985.45	49	1,623,697.06	12	915,265.28
Total	513	93,635,563.87	1,469	69,042,780.28	1,982	162,678,344.15	2,065	158,032,921.96

Table 2.a. By expenditure sector

	RECEIVED REQUESTS				ACCEPTED REQUESTS				RECEIVED REQUESTS
	Projects		Requested amount		Projects		Allocated grants		Average figure
	N°	%	Euro	%	N°	%	Euro	%	Euro
Research and higher education	252	12,47%	62,371,868.48	24,76%	97	10,61%	39,659,251.69	22,35%	247,507.41
Art, cultural activities and heritage	863	42,70%	72,551,021.89	28,81%	285	31,18%	30,188,188.81	17,01%	84,068.39
Health	22	1,09%	8,678,459.70	3,45%	10	1,09%	6,000,000.00	3,38%	394,475.44
Philanthropy and Territory	99	4,90%	12,558,687.84	4,99%	63	6,89%	11,256,577.76	6,34%	126,855.43
Social Policies	490	24,25%	8,603,437.94	32,40%	274	29,98%	78,559,460.00	44,27%	166,537.62
Cultural Innovation	135	6,68%	8,253,963.60	3,28%	87	9,52%	6,002,000.00	3,38%	61,140.47
"Torino e le Alpi" Programme	13	0,64%	852,400.00	0,34%	9	0,98%	480,000.00	0,27%	65,569.23
"Polo del '900" Programme	68	3,36%	3,181,616.00	1,26%	24	2,63%	1,593,000.00	0,90%	46,788.47
"ZeroSei" Programme	51	2,52%	1,173,679.82	0,47%	53	5,80%	1,800,000.00	1,01%	23,013.32
"Housing" Programme	28	1,39%	637,588.56	0,25%	12	1,32%	1,900,000.00	1,08%	22,771.02
Total	2,021	100,00%	251,862,723.83	100,00%	914	100,00%	177,438,478.26	100,00%	124,622.82

Table 2.b. By type of intervention

Projects by type of Fund	Projects		Allocated grants		Previous year's projects		Previous year's allocated grants	
	N°	%	Euro	%	N°	%	Euro	%
Grant making (a)	301	32.93%	52,815,066.10	29.77%	307	29.38%	48,157,109.83	29.12%
SAI (b)	74	8.10%	11,120,000.00	6.27%	68	6.51%	9,750,000.00	5.89%
Participated bodies, membership fees (c)	23	2.52%	12,402,492.00	6.99%	20	1.91%	11,495,578.00	6.95%
Instrumental bodies (d)	9	0.98%	37,885,143.00	21.35%	10	0.96%	34,324,718.03	20.75%
Calls for proposals (e)	260	28.45%	10,147,095.37	5.72%	279	26.70%	12,004,000.00	7.26%
Agreements (f)	72	7.88%	30,176,000.00	17.01%	90	8.61%	23,894,185.65	14.45%
Integrated projects, operational activities	64	7.00%	13,253,358.00	7.47%	111	10.62%	14,949,826.00	9.04%
Programmes (h)	111	12.14%	9,639,323.79	5.43%	160	15.31%	10,825,083.15	6.54%
Total	914	100.00%	177,438,478.26	100.00%	1,045	100.00%	165,400,500.66	100.00%

Table 3. Negative replies

	A	B	C	D	E	F	G	H	I	L	M	N	O	P	Q	TOTALE
Research and higher education	20			2		2	114	1						2	1	142
Art, cultural activities and heritage	50	19	1		9	1	218	131						2	2	433
Health	9				1											10
Philanthropy and Territory	10	1					1									12
Social Policies	66	6			1	1	41							1	1	117
Cultural Innovation	15	6			3	1									1	26
"Torino e le Alpi" Programme		2														2
"Polo del '900" Programme	1				2	1	26	11								41
"ZeroSei" Programme	1															1
"Housing" Programme							9									9
Totale	172	34	1	2	16	6	409	143						5	5	793

A	Non-priority intervention
B	Inconsistency with Planning Guidelines
C	Lack of subjective requirements
D	Not accepted request relevant to the agreement in force with the University of Turin
E	Request referable to a specific call for proposals
F	Inconsistency of the objective requirements with the presentation of the proposals
G	Rejected after comparative evaluation (call for proposals)
H	Request not accepted due to lack of selection requirements for the call for proposals
I	Request rejected by the Management Committee
L	Specialist external refereeing procedure with negative outcome
M	Requested documentation not received
N	The proposing organization has not acquired sufficient co-funding
O	The previous intervention is not complete
P	Relationship with the organization suspended due to its critical/ debt situation
Q	Request presented via unacceptable methods

Table 4. Analysis by legal status and category

Beneficiaries by legal status	Projects		Allocated grants	
	N°	%	Euro	%
Ministry, peripheral bodies	3	0.33%	505,800.00	0.29%
Region	3	0.33%	80,000.00	0.05%
Municipality	88	9.63%	10,616,553.82	5.98%
Hill and Mountain Community	9	0.98%	205,347.00	0.12%
Consortium or ass. of local authorities; park authority	13	1.42%	2,693,910.21	1.52%
Supranational organisations	4	0.44%	1,450,000.00	0.82%
Public research and technological transfer institution	9	0.98%	1,087,000.00	0.61%
Hospital	4	0.44%	697,000.00	0.39%
Local Health Centre	1	0.11%	9,900.00	0.01%
University, Politecnico	44	4.81%	15,277,361.69	8.61%
Non-university inst. or school of every type or degree	14	1.53%	243,890.00	0.14%
Foundation	197	21.55%	97,163,630.85	54.76%
Legally recognised association	124	13.57%	23,006,550.38	12.97%
Association not legally recognised	107	11.71%	5,007,168.25	2.82%
Association for social promotion	34	3.72%	2,097,000.00	1.18%
Voluntary Work Organisation	25	2.74%	1,679,200.00	0.95%
Not-for-profit consortium	3	0.33%	530,000.00	0.30%
Committee	5	0.55%	80,000.00	0.05%
Recognised NGO (by the law 49/87)	2	0.22%	138,900.00	0.08%
Other private, non-profit-making and non-entrepreneurial organisation	87	9.52%	6,552,150.00	3.69%
Religious organisation	79	8.64%	4,785,220.00	2.70%
Social enterprise	6	0.66%	181,000.00	0.10%
Social solidarity cooperative, type A	16	1.75%	638,983.00	0.36%
Social solidarity cooperative, type B	6	0.66%	162,200.00	0.09%
Social solidarity cooperative, mixed type	8	0.88%	1,091,000.00	0.61%
Cooperative operating in the entertainment and info sector	5	0.55%	167,000.00	0.09%
Operational Projects (CSPTO)	18	1.97%	1,291,731.06	0.73%
Total	914	100.00%	177,438,478.26	100.00%

N.B. The division corresponds to the list of the options of choice among the legal status forms present in the digital platform of "Online Requests" in which parties requesting contribution can check their status during the application process, plus the group of the operational projects directly managed by the Compagnia.



Table 5. Analysis by geographical area

	Requests received				Requests received in the previous year			
	Project		Requested amount		Project		Requested amount	
	N°	%	Euro	%	N°	%	Euro	%
Turin	692	34.24%	129,444,619.23	51.39%	1,081	37.73%	159,548,180.46	56.32%
Province of Turin	269	13.31%	17,311,353.36	6.87%	465	16.23%	29,710,251.53	10.49%
Other provinces of Piedmont	464	22.96%	26,994,286.93	10.72%	708	24.71%	33,831,218.29	11.94%
Valle d' Aosta	19	0.94%	1,184,838.48	0.47%	30	1.05%	1,137,643.00	0.40%
Genoa and its province	315	15.59%	38,918,941.72	15.45%	263	9.18%	16,470,453.20	5.81%
Other provinces of Liguria	120	5.94%	5,625,364.02	2.23%	101	3.53%	4,017,611.70	1.42%
Northern Italy excluding Piedmont	56	2.77%	2,180,033.30	0.87%	96	3.35%	4,101,544.71	1.45%
Central Italy	43	2.13%	4,562,279.91	1.81%	47	1.64%	2,391,158.68	0.84%
Naples and Southern regions	26	1.29%	5,634,189.88	2.24%	52	1.82%	9,366,116.70	3.31%
National framework	1	0.05%	19,436,817.00	7.72%	1	0.03%	19,391,755.00	6.85%
ABROAD - E.U.	4	0.20%	125,000.00	0.05%	10	0.35%	1,200,000.00	0.42%
ABROAD - OTHER	12	0.58%	445,000.00	0.18%	11	0.38%	2,127,917.48	0.75%
Total	2,021	100%	251,862,723.83	100%	2,865	100%	283,293,850.75	100%

N.B. By "requests received" we intend those registered during the year, while approved applications are all those approved during the year, regardless of the year they were received.

	Requests accepted				Requests accepted in the previous year			
	Project		Requested amount		Project		Requested amount	
	N°	%	Euro	%	N°	%	Euro	%
	473	51.75%	120,587,496.78	67.96%	537	51.39%	105,502,035.39	63.79%
	113	12.36%	7,822,246.03	4.41%	159	15.22%	14,793,000.61	8.94%
	150	16.41%	6,902,747.00	3.89%	172	16.46%	7,736,675.00	4.68%
	8	0.88%	508,000.00	0.29%	9	0.86%	483,000.00	0.29%
	91	9.96%	9,479,211.69	5.34%	91	8.71%	7,767,766.66	4.70%
	26	2.84%	737,100.00	0.42%	17	1.63%	785,000.00	0.47%
	24	2.63%	721,090.00	0.41%	19	1.82%	572,490.00	0.35%
	12	1.31%	3,333,577.76	1.88%	14	1.34%	930,000.00	0.56%
	8	0.88%	5,925,192.00	3.34%	13	1.24%	5,805,278.00	3.51%
	1	0.11%	19,436,817.00	10.95%	1	0.10%	19,391,755.00	11.72%
	1	0.11%	400,000.00	0.23%	7	0.67%	685,000.00	0.41%
	7	0.77%	1,585,000.00	0.89%	6	0.57%	948,500.00	0.57%
Total	914	100%	177,438,478.26	100%	1,045	100%	165,400,500.66	100%

Table 6. Report on approved allocations and grants made during the financial year

Type	Balance 1/1/2017	Provisions	Reallocations	Total increases
ALLOCATED GRANTS				
- Research sector	60,046,472.49	39,659,251.69	760,000.00	40,419,251.69
- Health sector	21,445,403.46	6,000,000.00	-	6,000,000.00
- Art, Cultural Activities and Heritage sector	39,038,585.83	30,188,188.81	303,550.97	30,491,739.78
- Philanthropy and Territory sector	6,930,024.21	9,000,000.00	2,256,577.76	11,256,577.76
- Social Policies sector	58,390,394.65	54,355,850.00	24,203,610.00	78,559,460.00
- Cultural Innovation sector	5,671,457.61	6,002,000.00	-	6,002,000.00
- Housing Programme	4,430,324.24	1,900,000.00	-	1,900,000.00
- Torino e le Alpi Programme	1,244,392.49	480,000.00	-	480,000.00
- Polo del '900 Programme	1,888,757.43	1,593,000.00	-	1,593,000.00
- ZeroSei Programme	2,023,344.54	1,800,000.00	-	1,800,000.00
Allocated Grants Total	201,109,156.95	150,978,290.50	27,523,738.73	178,502,029.23
FUNDS FOR THE INSTITUTIONAL ACTIVITY				
- Grants stabilisation fund	310,000,000.00	30,000,000.00	-	30,000,000.00
- Fund yet to be decided	39,780,000.00	10,000,000.00	-	10,000,000.00
- Fund receiving from sectors to reallocate	-	-	1,063,550.97	1,063,550.97
- Other funds of which:	68,892,916.17	1,980,409.52	3,324,769.00	5,305,178.52
- Fondazione per il Sud (tied-up)	29,395,555.86	-	-	-
- Fund for the purchase of works of art (tied-up)	8,598,275.52	-	-	-
- a Fund for interventions at 8, Piazza Arbarello (tied-up)	5,281,800.00	-	-	-
- Fund for initiatives in micro-credit (tied-up)	3,401.00	-	-	-
- National fund for Common Initiatives Protocol of agreement Acri-Fondazioni	858,020.39	846,729.24	-	846,729.24
- Prof. Alfredo Cornaglia inheritance fund	24,744,863.40	1,133,680.28	-	1,133,680.28
- Manerba scholarships	11,000	-	-	-
- Other funds	-	-	3,324,769.00	3,324,769.00
Total funds for the institutional activity	418,672,916.17	41,980,409.52	4,388,319.97	46,368,729.49
Fund for voluntary work	15,492,146.09	6,748,188.32	-	6,748,188.32
Protocol of agreement ACRI/Voluntary Work funds,	-	336,540.00	-	336,540.00
Total fund for voluntary work	15,492,146.09	7,084,728.32	-	7,084,728.32

(*) The grants made in 2017 do not correspond to the allocations ("provisions" column), as conditions for grants can occur some time from the relevant resolution. This is even more significant, given the incidence of multi-year interventions.

Availments 2017 resolutions (*)	Availments previous years' resolutions (**)	Reallocations	Total decreases	Balance 31/12/2017
23,862,991.08	15,678,267.75	156,458.03	39,697,716.86	60,768,007.32
39,250.13	3,361,632.17	113,389.33	3,514,271.63	23,931,131.83
13,798,806.68	16,500,548.91	406,471.06	30,705,826.65	38,824,498.96
5,259,219.99	5,606,015.15	-	10,865,235.14	7,321,366.83
46,683,068.32	20,690,546.56	314,943.27	67,688,558.15	69,261,296.50
2,090,625.71	3,561,971.93	11,850.00	5,664,447.64	6,009,009.97
431,074.29	1,193,985.45	3,500.00	1,628,559.74	4,701,764.50
306,499.38	530,985.85	30,670.16	868,155.39	856,237.10
482,742.23	975,907.34	24,771.82	1,483,421.39	1,998,336.04
681,286.06	942,919.17	1,497.30	1,625,702.53	2,197,642.01
93,635,563.87	69,042,780.28	1,063,550.97	163,741,895.12	215,869,291.06
-	-	-	-	340,000,000.00
-	-	8,235,143.00	8,235,143.00	41,544,857.00
-	-	1,063,550.97	1,063,550.97	-
-	3,814,836.08	179,000.00	3,993,836.08	70,204,258.61
-	-	-	-	29,395,555.86
-	-	-	-	8,598,275.52
-	3,422,620.54	-	3,422,620.54	1,859,179.46
-	-	-	-	3,401.00
-	-	179,000.00	179,000.00	1,525,749.63
-	381,215.54	-	381,215.54	25,497,328.14
-	11,000.00	-	11,000.00	-
-	-	-	-	3,324,769.00
-	3,814,836.08	9,477,693.97	13,292,530.05	451,749,115.61
-	5,539,575.06	-	5,539,575.06	16,700,759.35
336,540.00	-	-	336,540.00	-
336,540.00	5,539,575.06	-	5,876,115.06	16,700,759.35

(**) This use occurs with reference to multi-year grants applicable to the same resolution, to grants relevant to allocations for programmes decided upon during previous financial years, or, more in general, to interventions for which implementation occurs after the moment of the relevant resolution.

Operational Departments, Programmes and Instrumental Bodies

What We Have Achieved

Compagnia's composite architecture is based on the integration and interaction of three organisational instruments: the **Operational Departments**, the **Programmes** – specialised task forces focusing on targeted missions – and the **Instrumental Bodies**, especially the “historic” ones, ie those with a longstanding relationship with Compagnia (at times centuries old) and which have evolved as functional institutions. This chapter relates the most prominent aspects of Compagnia's yearly activity in the light of this specific structural subdivision into Departments and Programmes. The Instrumental Bodies, which make their own communications and specific forms of reporting, to which we refer you, are mentioned when relevant.

Therefore, here are Compagnia's main operational divisions/instruments through which its institutional activity is implemented.



The Operational Departments

- Research and Health
- Art, Activities and Cultural Heritage
- Cultural Innovation
- Social Policies
- Philanthropy and Territory

The Programmes

- ZeroSei
- Torino e le Alpi
- Polo del '900
- Housing
- International Affairs

The Instrumental Bodies

- Fondazione Ufficio Pio
(www.ufficiopio.it)
- Fondazione per la Scuola
(www.fondazione scuola.it)
- Fondazione 1563 per l'Arte e la Cultura
(www.fondazione1563.it)
- Fondazione Collegio Carlo Alberto
(www.carloalberto.org)
- Fondazione IIGM
(www.iigm.it)
- Istituto Superiore Mario Boella
(www.ismb.it)
- Istituto SITI
(www.siti.polito.it)
- Fondazione LINKS
(linksfoundation.com)

The Operational Departments



1. Research and Health Department

Distribution of allocations in research and higher education

Field of Interest	2017 Projects		2017 Allocated Grants		2016 Projects		2016 Allocated Grants	
	N.	%	Euro	%	N.	%	Euro	%
Natural and technological sciences	1	1.03%	145,000.00	0.37%	8	8.1%	1,283,000.00	3.3%
Universities	39	40.21%	15,357,361.69	38.72%	37	37.4%	15,466,657.00	39.6%
Instrumental research bodies	6	6.19%	17,318,000.00	43.67%	11	11.1%	16,464,718.03	42.2%
Scientific research and technological innovation	14	14.43%	2,055,000.00	5.18%	9	9.1%	868,246.66	2.2%
Law hub (Polo giuridico)	1	1.03%	10,000.00	0.03%	3	3.0%	25,000.00	0.1%
Economic and social research	20	20.00%	947,890.00	2.32%	16	16.2%	1,144,800.00	2.9%
International Affairs	16	16.49%	3,826,000.00	9.65%	15	15.2%	3,762,000.00	9.6%
Total	97	100.0%	39,659,251.69	100.0%	99	100.0%	39,014,421.69	100.0%

RESEARCH

Improving the links between teaching-research and research-innovation, raising the quality of the system and investing in health sciences and their repercussions are the implementing guidelines that most characterised Compagnia's activities in 2017. The Agreements with the Universities, calls, programmes

and participated research bodies are the main instruments used to achieve these objectives.

Economic and social researchs

The most economically significant commitment in this area is attributable to the Support for Institutional Activities of institutions of recognised





importance engaged in economic and historical-political research. In 2017 a shared study path was launched regarding the activities carried out by the institutions that benefited from this specific type of contribution.

Agreements with Universities

Support to the university system has been strengthened through Agreements signed for the three-year period 2016-2018 with the University of Turin, the University of Eastern Piedmont "Amedeo Avogadro", the *Politecnico di Torino* and the University of Naples "Federico II". These framework agreements have made it possible to finance projects and activities in research, in teaching and advanced training, in management innovation and internationalisation. The positive results obtained by the partner Universities in the VQR (Evaluation of the Quality of Research) - 2011-2014 and in the destination of the Financing Fund of the Departments of Excellence, are proof of the excellence of these universities in the Italian context, as well as their vitality. Thanks to Compagnia's support too, they have invested in large-scale projects that can affect their overall situation, internal processes and performance.

Participated Research Bodies

The Instrumental Research Bodies *Istituto Mario Boella*, *Istituto Superiore sui Sistemi Territoriali per l'Innovazione (SiTI, Higher Institute on Territorial Systems for Innovation)*, the *Foundation Italian Institute for Genomics Medicine (IIGM)*, the *Foundation Leading Innovation and Knowledge for Society (LINKS)* and the *Foundation Collegio Carlo Alberto* made up Compagnia's largest expenditure in 2017 (over €16 million), in favour of research - above all applied.

These institutions are co-founded with the Turin Universities allowing systematic collaboration with the two Universities in the field of research and teaching.

The first two bodies are associations formed in partnership with *Politecnico di Torino*, the former active in the field of information technology and communications and the latter in territorial development. CCA, IIGM and LINKS are foundations: the first, in partnership with the University of Turin, works in the field of economic and social research, the second, with the University and *Politecnico di Torino*, is active in the field of Genomics, Translational and Personalised Medicine. Finally, LINKS is a recently established foundation created to play a role in the development and economic exploitation of knowledge, managing intellectual property rights - as well as the prospects of industrial applicability - of the results of local scientific and technological research. The integration / merger process of ISMB and SiTI was implemented to achieve a confluence of activities in the LINKS Foundation.

In general, the aim was to make the most of the expertise available in participated research bodies, to start a process of reorganisation of governance and above all promote integration in a more meaningful and orderly manner with the universities in terms of competitiveness of research, improving the educational offer and recruiting talents.

Collegio Carlo Alberto was founded in 2004 on the initiative of Compagnia di San Paolo and the University of Turin and is geared to promoting research and teaching in social sciences. In 2017 its headquarters were moved from Moncalieri to an historic building in Piazza Arbarello, Turin. This move puts the College in a position to work better and guarantees a more central role in the cultural dynamics of the city: the College's ability to 'divulge' and orient itself to the public debate, which has always accompanied its scientific mission, can only be enhanced.

Call for Proposals for Genoa's Research Bodies

In 2017 the call for scientific research projects submitted by research bodies in the Genoa area was



closed. In response to 142 requests received at the end of the call for tenders, according to the standard criteria of the scientific evaluation, 23 projects were approved for financing amounting to € 3.6 million (divided between 2017 and 2018 resources). In this edition too many bodies proposed funded projects, among which the IRCCS San Martino-IST and Gaslini, the University of Genoa, the Italian Institute of Technology Foundation, Ospedali Galliera, the Genoese Institutes of CNR, the Genoa section of the National Institute of Nuclear Physics.

International Affairs Programme

Compagnia di San Paolo has long been devoting attention and resources to political and legal European and international themes, with the aim of improving quality of public debate as much as, wherever possible, the planning of public policies, by strengthening local competences.

The International Affairs Programme was set up in 2015 in order to give further impulse to the international activities of a number of bodies engaged in different ways in activities outside national borders, including UN agencies in Turin. Compagnia's aim was to facilitate relationships between Turin organisations and international networks, provide greater opportunities for international projection to high quality parties in Turin, thus actively integrating the city's intellectual environment within the European and international debate. The public reached by the initiatives includes public decision-makers, media operators, economic actors, and experts. The academic world has contributed through research and training, and public opinion has been involved through seminars and conferences. The already active strategic, multi-year partnerships with the International Affairs Institute (IAI) and the German Marshall Fund of the United States (GMF) have been confirmed in this new course. Work has been done to start a third strategic partnership with the European Council on Foreign

Relations (ECFR). The geo-economic and geo-political areas at the core of the Programme were defined according to their relevance in absolute terms for the national and international context and to the actual presence of local competences, such as *Centro Studi sul Federalismo* and *Torino World Affairs Institute*. In this moment of serious difficulty for the European model and the Union, a period of uncertainty and mistrust that Compagnia hopes is the prelude to a revival of the capacity for integration with new institutional solutions and more appropriate forms of policy-making, PIA has focused its support on two main areas of study. The first, related to the role within the European Union, with a focus on the themes of European community institutional evolution, the promotion of European citizenship, the economic governance of the Union, policies for research, innovation and energy. The second strand develops the theme of the external role of the European Union, declined in terms of community institutional evolution (European Union External Action Service), Euro-Mediterranean policies in the current phase of Middle Eastern disorder, transatlantic relationship, international monetary system.

The continuity of the New Med Research Network project has also been assured through the Programme, which supports a network of young researchers from the two shores of the Mediterranean working in the field of security through fellowships, seminars and publications. The initiative was initiated with the involvement of the Ministry of Foreign Affairs and International Cooperation, the OSCE - Organization for Security and Cooperation in Europe and strategic partners IAI and GMF.



2. Art, Cultural Activities and Heritage Department

Distribution of grants in the "Health" sector

Field of interest	2017 Projects		2017 Allocated grants		2016 Projects		2016 Allocated grants	
	N.	%	Euro	%	N.	%	Euro	%
New management and organisation models in health	8	80.00%	4,896,000.00	81.60%	6	46.1%	505,500.00	8.4%
Technological innovation	2	20.00%	1,104,000.00	18.40%	7	53.8%	5,494,500.00	91.6%
Total	10	100.00%	6,000,000.00	100.0%	13	100.00%	6,000,000.00	100.00%

HEALTH

In 2017, Compagnia confirmed its programme of interventions aimed at concentrating and focusing the available resources, both in territorial terms and with reference to the areas of action, within the framework of the Piedmontese regional health system in progress.

We proceeded with a strong selectivity in the approaches, mainly marrying initiatives aimed at introducing greater economic-organisational rationality in the management processes. In this regard, a three-year framework agreement was signed with the Piedmont Region for the implementation of coordinated development programmes in the health sector. Since both the Region and Compagnia, each of them within their mission, agree in recognising the importance of integrated actions to the healthcare service, with objectives of greater equity, accessibility, efficiency and quality improvement of services provided in observance of the economic-financial equilibrium, the formalisation of an Agreement appeared the most effective approach for the development of shared initiatives. In particular, two operational macro-areas of mutual interest have been identified: 1) the consolidation and implementation of the three-year re-entry plan of

the City of Health and Science University Hospital of Turin, intended as fundamental prerequisites in the evolution towards the Health, Research and Innovation Park; 2) the analysis and testing of innovative models of integrated care to support the management of the chronic patients.

Alongside this important spending commitment, the Compagnia has confirmed its focus on projects aimed at introducing innovative health technologies and initiatives aimed at spreading organisational methods based on multidisciplinary models and innovative principles of logistical rationality.

Distribution of grants in Art, cultural activities and heritage sector

Field of interest	2017 Projects		2017 Allocated Grants		2016 Projects		2016 Allocated Grants	
	N.	%	Euro	%	N.	%	Euro	%
Performing Arts	75	26.32%	2,935,500.00	9.72%	72	29.39%	3,072,000.00	10.24%
Participated Cultural Institutions	22	7.72%	9,884,538.81	32.74%	22	8.98%	8,929,566.14	29.77%
Important cultural institutions and great attractors	40	14.04%	7,229,000.00	23.95%	41	16.73%	6,454,500.00	21.52%
Cultural heritage - safeguard, knowledge and enhancement	142	49.82%	7,739,150.00	25.64%	108	44.08%	7,722,800.00	25.74%
Landscape, cultural districts and systems	5	1.75%	400,000.00	1.33%	1	0.41%	2,020,000.00	6.73%
Instrumental Bodies	1	0.35%	2,000,000.00	6.63%	1	0.41%	1,800,000.00	6.00%
Total	285	100.0%	30,188,188.81	100.0%	245	100.00%	29,998,866.14	100.00%

Participated Bodies, Great Attractors, Important Cultural Institutions: a Stable Relationship

Again in 2017 one of the main goals pursued by Compagnia is the commitment aimed at consolidating the role of the great museum attractors, hubs and most qualified cultural institutions so that they become a growth engine for the territory. Among the great attractors, Compagnia di San Paolo has chosen to dedicate important resources to establishing and enhancing the new museum

network of the Residences of the Royal House of Savoy. Compagnia endorses the model of the Savoy Residences as a system, with respect to both the relationship of each one with its territory and the network they define. The potential of such a system is evident, but it requires development.

For decades, Compagnia has supported important restoration sites in the Residences and is also one of the members of the Consortium for the cultural enhancement of La Venaria Reale, which in 2017

became the Consortium of Savoy Royal Residences, the mission being the integrated cultural promotion of the system. Among the different central lines of development of this circuit, Compagnia has confirmed its interest in the enhancement of landscapes through the recovery and care of historical parks and gardens, which shows a significant example in the work made on the Fountain of Hercules at the Reggia di Venaria.

We also continued to invest in training professionals who are required by a technical and cultural management of the various assets; support for the Course for Gardeners of Art offered by the Consortium of Residences should be taken as part of this context, as well as specialisation and research into the preventive conservation of the large monumental complexes carried out by Venaria Reale Conservation and Restoration Centre.

Furthermore, the system of the Savoy Royal Residences has been the subject of specific analyses with respect to social impact finance, in order to stimulate investment proposals in the cultural heritage, founded on realistic opportunities for future financial returns, thus raising the interest of institutional investors as well as of a few sovereign wealth funds. To sum up into one single category these activities, aimed at favoring an encounter between the great Italian cultural heritage and institutional investors (including - and possibly overwhelmingly - foreign) that are interesting for both parties, through adequate and innovative financial planning instruments, Compagnia has adopted the definition of Cultural Arbitrage, which has recently started being used more and more in the debate.

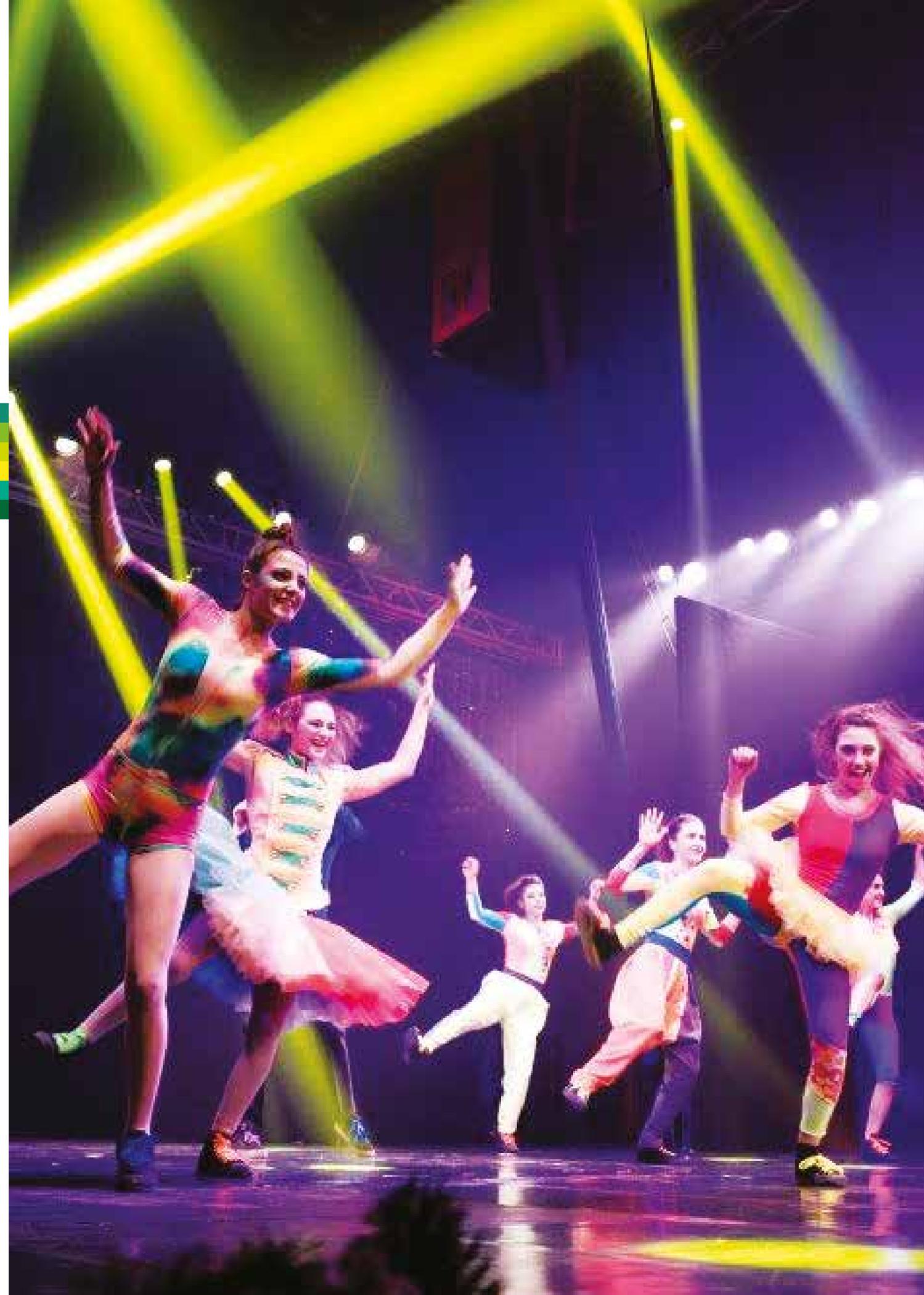
Next to the system of the Savoy Royal Residences, support has been confirmed to the centres of attraction of Turin's metropolitan area, such as the Centro Regionale per la Danza (Regional Centre for Dance) at Lavanderia a Vapore at Collegno, in the province of Turin, and the complex projects to promote

reading. In this we have looked for synergies and economies between Turin's Circolo dei Lettori (Readers' Circle) and the International Book Fair, supporting a redefinition of their operational model in the endeavor to overcome the critical period they are going through.

Critical issues and evolution are also the key words to define the panorama of the cultural bodies participated by Compagnia, which in 2017 had common problems ascribable to the economic difficulties of public institutions. Unfortunately, the phase of deep institutional restructuring, recently met by some of participated bodies, did not prove able to automatically generate operational shifts that improve the structures' efficiency and the sustainability of their activities, as witnessed by the urgent budget needs that required a significant additional commitment from Compagnia during the year.

Considering that the limit of funds Compagnia allocated to participated cultural organisations was over €10 million, the trends for change shown in 2017 must be faced with an effort to increase efficiency significantly, to extend the panel of financial backers, and to exert more discipline in financial matters. The role and responsibility of the public institutions is crucial. Next to the stable relationship with the participated cultural bodies, it must be pointed out that actions have been developed in agreement with the Cultural Innovation Department in order to open an interchange about specific cross-subjects that have an operative bend, such as the investigation into digital resources in managing the cultural heritage.

Moreover, a capacity building process was started for organisations that receive Support to Institutional Activity and are considered stable references of the cultural scenario in the territories of Piedmont, Liguria, and the Aosta Valley, in the firm belief that direct investment in these organisations may bring benefits to the whole socio-cultural context of which they are part. Nineteen organisations have benefited from training





units intended to enhance their competencies. During 2017, also jointly with Compagnia's other Departments and Specialist Units, we thus started looking closely into audience development, fund raising/sustainability, and the methods for gathering and managing data that during the year produced some interesting, unprecedented developments. These cannot be taken for granted in institutions that have not always proven quick enough to adapt to stimuli and changed conditions of context of reference. On the subject of data collection, in particular, the work carried out has contributed to spreading in the institutions involved an increasing awareness of the importance of developing a culture of monitoring and evaluation of activities within themselves. Furthermore, defining a homogeneous information set, collected in a coherent manner, is essential for the evaluation and planning activities of Compagnia itself.

Cultural heritage: safeguard, knowledge and enhancement

Again in 2017 the commitment to regenerating and enhancing the Turin's historic centre - considered in terms of cultural district - was continued to offer the community a vital and attractive cultural context, with restoration campaigns involving Baroque buildings and Royal Museums, and actions aimed at networking goods, in terms of management and enhancement, including the communication project Edifici Sacri, dedicated to enhancing the churches of Via Garibaldi.

In Genoa work was done on the Commenda di Prè and the *Basilica di Carignano*, where Compagnia supports the restoration of the dome by Galeazzo Alessi. These initiatives aim to substantiate a vision of urban cultural district where architecture can blend with museums and cultural institutions. In Genoa Compagnia also supported the museographical planning of the new MEI, Museo Nazionale dell'Emigrazione Italiana (National Museum of Italian Emigration), which will go hand in hand with Galata - Museo del Mare (Sea Museum), under the care of Mu.MA. Compagnia also

contributed to two exhibitions characterised by high scientific quality: the exhibition dedicated to Piola at Palazzo Lomellino and the one dedicated to Sinibaldo Scorza at the Palazzo della Meridiana.

Regarding the regional territory of Piedmont and Liguria, next to important, long-term restoration works such the Abbey of St. Fruttuoso, near Camogli (Genoa), and the end of the restoration of Santuario del Valinotto, in the town of Carignano (Turin), Compagnia supported interventions for the enhancement of the cultural heritage, selected through the Call for Proposals Luoghi della Cultura. In order to accurately define the limits of the Call for Proposals, Compagnia adopted the definition of "places of culture" (luoghi della cultura) as a reference, indicated in the Cultural Heritage and Landscape Code of the Ministry of the Cultural Heritage and Activities and Tourism: archives, libraries, museums, architectural and archeological heritage, historical parks and gardens, but also places that communities acknowledge as cultural spaces, even though they are not typically so.

In line with the support to thematically circumscribed areas of restoration, a call for proposals was announced, dedicated to movables belonging to lay confraternities (*Beni Mobili delle Confraternite Laicali*), to promote the knowledge and enhancement of the artistic heritage originated in Liguria and Piedmont during the centuries by these particular forms of community life. These confraternities mostly originated in the Baroque period and, between charity and religious celebrations, they have marked popular social interaction and religiosity in many local communities.

During the year, the regenerative reflection concerning Compagnia's role in the educational sector in creating a shared model finally took shape. The model maintains the value of projects for education to cultural practices (Mus-e Torino, Mus-e Genova, Cantatutti, Più Leggo Più Cresco of the Project Ludori), but has also highlighted the aspects on which it will be essential to invest in order



to evolve towards innovative proposals characterised by a greater autonomous sustainability. To reach such objectives, Compagnia intends to fulfill the plan to activate joint monitoring paths, aimed also at guiding organisations towards self-evaluation of their own work.

Landscape, cultural districts and systems

2017 saw the selection results of the two-year call for proposals *La valorizzazione a rete delle risorse culturali urbane e territoriali* (the enhancement via the network of urban and territorial cultural resources), which was addressed for the first time both to the surfacing of the identity of the urban historical and artistic heritage and to the initiatives for the territorial development based on enhancing "diffused" cultural heritage and, above all, the landscape. The call envisaged the presentation of projects of cultural heritage networks, on wide territorial contexts or on urban contexts, with particular emphasis on the specific differences between these two different types of planning and lastly defining some types of intervention: initiatives that focus on urban contexts; initiatives that enhance the "production landscapes"; initiatives centred on the natural and anthropised landscape; communication and enhancement initiatives founded on "serial" heritage networks; initiatives for the management and implementation of the territories' social capital; territorial marketing initiatives.

The Performing Arts

In 2017 Compagnia started strengthening the system of live shows that, in addition to supporting the most qualified organisations in the territory, has stimulated processes for enhancing skills, investing in talents, and creating networks and shared pathways for growth. The dedicated selection instruments have been refined and better connected, starting with the 2017 Call for proposals for the Performing Arts, which introduced significant innovations regarding both vision and method. In particular, with the 2018 edition issued at the end of 2017, a three-year cycle was started with

the main purpose of ensuring the sustainability of the projects involved. The three-year cycle adopts a progressive selection approach that allows only the organisations selected in the first year to participate in the subsequent calls in the two following years.

Fondazione 1563 per l'Arte e la Cultura

The Fondazione 1563 keeps and enhances Compagnia's centuries old historical archives and manages a multiyear scientific research programme on Baroque history and culture. Further to the international conference *Fortune del Barocco in Italia*, held in 2016, an intense editorial work was carried out in order to publish the relevant series of books, *Quaderni di Ricerca*. In July 2017 the first volume, *La riscoperta del Seicento. I libri fondativi* came out, dedicated to critical review by scholars from different origins and generations of sixteen texts that during the past century have strongly marked the critical discovery or re-discovery of the Italian seventeenth century arts. The call for proposals concerning scholarships for high studies on Baroque, addressed to young Italian and foreign scholars specialised in all of the humanities, reached its fifth edition in 2017 and was dedicated to portraiture: *Il Ritratto. Formule d'obbligo, fortuna di modelli, affermazione di nuovi orientamenti nella narrazione identitaria e nella cultura di rappresentazione di figure, di luoghi, di contesti (1680-1750)*.

A new front end was designed for the portal dedicated to the Historical Archives, and implemented, allowing access to eight archives, four libraries, and eight biographical collections, for a total of 400,000 pages of digital heritage available on the Internet. Furthermore, the first issue of the new series of books of the Historical Archives (*Quaderni dell'Archivio Storico*) was published: *L'umiltà e le rose. Storia di una Compagnia femminile a Torino tra età moderna e contemporanea*. It is about the history of the Compagnia dell'Umiltà, a confraternity that had been active in Turin for many centuries. Finally, the Foundation has adhered to the *Notte degli Archivi (Archives at Night)*.



3. Cultural Innovation Department

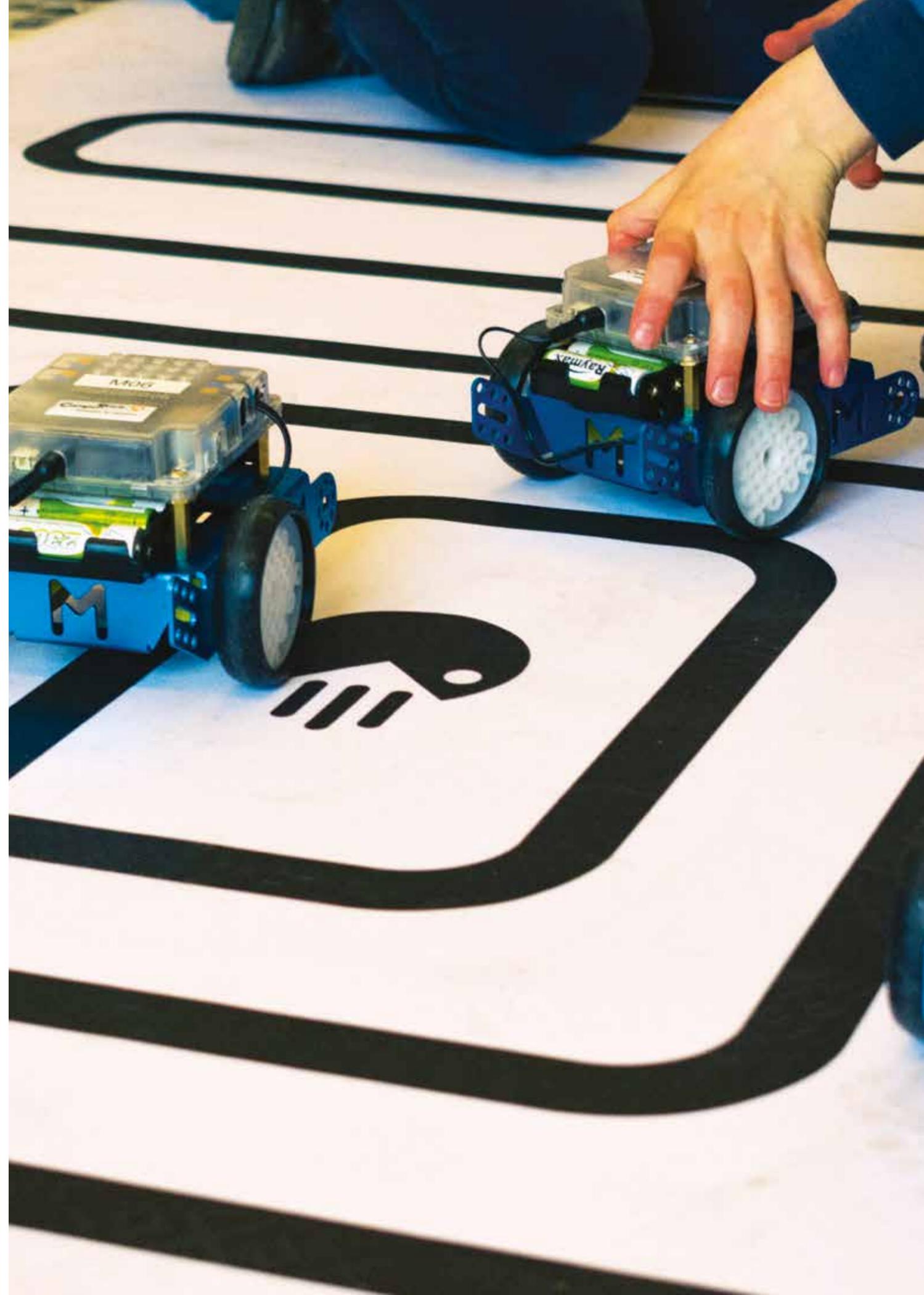
Distribution of grants in the “Cultural Innovation” sector

Field of interest	2017 Projects		2017 Allocated Grants		2016 Projects		2016 Allocated Grants	
	N.	%	Euro	%	N.	%	Euro	%
Contemporary languages	22	25.29%	1,937,000.00	32.27%	28	27.18%	1,790,000.00	31.35%
Cultural inclusion and participation	17	19.54%	1,365,000.00	22.74%	30	29.13%	1,351,000.00	23.66%
Science and society	23	26.44%	1,542,000.00	25.69%	20	19.42%	1,329,000.00	23.27%
Cultural enterprises and creative careers	25	28.74%	1,158,000.00	19.29%	25	24.27%	1,240,000.00	21.72%
Total	87	100.0%	6,002,000.00	100.0%	103	100.00%	5,710,000.00	100.00%

Support for research and production of contemporary culture

Compagnia worked for and with the system of culture and research into contemporary expression by strengthening the dialogue with the most established players in the field, favouring a more functional mutual integration and identifying how to achieve greater continuity and impact of initiatives throughout the year, particularly for Turin’s Contemporary Art month in November. The network of residences for creativity was enriched with experiences from a wide and varied range of disciplines. To enhance and make the most of the experience of the previous *Ora!* Call

for proposals, during the course of the year a capacity building programme was initiated on issues of project management for the winning projects and the research into participating organisations came to an end yielding interesting conclusions as to today’s most active players in collective culture. Within the participants, some additional projects very much consistent with some of the Compagnia’s current lines of action were identified and supported (new technologies applied to cultural production, urban space as context in which to experience cultural actions, city imaging and contemporary storytelling, the value of networks and partnerships, supporting cutting edge research promoted by independent players).





Culture and technology, science and culture

The theme of the relationship between new technologies and cultural production, at the centre of a research and mapping exercise, over the year saw a functional experimental development which, working together the *Istituto Superiore Mario Boella*, has started to implement the UFO project – Urban Fly Opera, which will end in 2018. Through a partnership with the *Digital Innovation Observatory* in cultural heritage and activities of the Politecnico di Milano, work began on technological resources and digital skills of museums, involving and supporting a number of Turin organisations in collaboration with the Art, Cultural Activities and Heritage Department.

The relationship between scientific knowledge and culture, and the theme of communicating science, represent a commitment well established and are today at the heart of the Piedmont Science System partnership that Compagnia promotes and supports together with the key institutions of the sector. 2017 was unusual in that respect. The year saw the completion of the planning process culminating in the inauguration in the autumn of the “Infinite curiosity” exhibition, an opportunity for scientific, institutional and operational cooperation between the different bodies, each of which, according to their specificity and expertise has made a contribution to the operation that has achieved success and attention and made it possible to identify strengths and weaknesses of the system itself to work on in the future. Still in the context of the relationship between science and society, there have been sundry opportunities to identify, support and accompany more innovative projects, also with a view to the development of new professional opportunities in the field.

Work on the cultural demand

One of the key elements of the work in terms of cultural innovation is represented by the action taken in respect of the participation and

development of the demand. These initiatives, grouped under the collective definition Open, came to fruition in 2017 in an act of empowerment for the cultural organisations receiving Support to Institutional Activity by Compagnia. They were offered a training course on audience development and the possibility to activate specific projects whose results can contribute to permanent innovation processes in the organisations concerned. The theme was central to some advocacy initiatives in the context of institutional relations, from the local level (such as organising a public event of an operational nature and promoting a specific dialogue within the *Piedmont Cultural Observatory*), as well as internationally, (through participation in the newly formed *EFC Art and Culture* and partnership in a European project on the subject, currently under evaluation).

Within the path outlined by the Department's planning documentation, study and research phases have been initiated to evaluate possible intervention strategies in the two areas of cultural welfare identified, namely culture and health and culture and migration.

Polo del '900: end of the programme and the beginning of ordinary life

2017 was the final year of the Polo del '900 programme in Turin. In a context still *in progress*, in which the newly formed Foundation has moved towards autonomy and management of the facility, Compagnia, from being strongly active in the conduct of operations has gradually reduced its level of operational involvement in line with expectations. The activities of 2017, as well as the conclusion of some actions not yet closed, included the activation of startup improvement projects, which are designed to ensure economic and functional sustainability of the Polo. More work has been carried out in the



San Daniele and San Celso palaces, including the inauguration of the Foundation's offices and the IT platform has been further developed stating from early 2018. Compagnia's focus has been on preserving the plurality of different kinds of contribution to the genesis of Polo, favouring the consolidation of the results achieved, limiting as much as possible – especially at this still experimental stage – the “return forces” which are a natural accompaniment to processes of change, and finally enabling processes of project dissemination in other contexts, including through the promotion of a specific call. Compagnia's action lines have mainly been based on the relationship between culture and forms of civic innovation, which will be the primary legacy of programmes on which CSP will collaborate in the future with the Polo del '900 Foundation.

Enterprises and professions for cultural innovation

The theme of cultural enterprise and attention to training and fostering the rise of professional figures in culture was a constant feature of CSP projects in 2017, being more or less fundamental in many of the actions described above. Calls, grants, supports to institutional activities, operational projects, strategic partnerships in various fields have given Compagnia the opportunity to implement and promote training programmes, capacity building, creation of networks between professionals and market access opportunities. In some specific areas, Compagnia took responsibility for promoting coordination and development actions with key operators, as in the case of the AV sector in Piedmont, or else contributed in terms of expertise and relations with institutional networks, for example in connection with the focus on design promoted by the City of Turin, where it was an active contributor to the programme of *World Design Organisation 2017* held in Turin in the autumn, enhancing its strategic commitment in the sector. In relation to issues of journalism, information and

communication some support was given to training and consolidation of specific professional profiles.

More generally, 2017 saw the strengthening of relations between Compagnia and other partners in terms of cultural enterprise (*Hangar Piedmont Cultural Observatory of Piedmont, ACRI – Funder35*) and new avenues opened up in the light of the opportunities arising from the strategic plan and the possibility of cooperation with the specialist units of our institution.



4. Social Policies Department

Distribution of grants in the "Social Policies" sector

Field of interest	2017 Projects		2017 Allocated Grants		2016 Projects		2016 Allocated Grants	
	N.	%	Euro	%	N.	%	Euro	%
Pathways to active inclusion	44	15.90%	11,682,123.79	14.83%	-	-	-	-
Care welfare, independent living and right to health	43	15.69%	4,971,224.21	6.33%	-	-	-	-
Proximity and solidarity networks to fight against poverty	27	9.85%	1,524,200.00	1.94%	-	-	-	-
Instrumental Bodies	4	1.46%	18,810,143.00	23.94%	3	0.83%	16,508,000.00	24.22%
Agreements with local administrations	10	3.65%	1,848,038.82	2.35%	17	4.68%	2,055,773.94	3.02%
Children and adolescents' wellbeing and education	87	31.75%	32,359,278.18	41.19%	115	31.68%	26,213,840.65	38.47%
Youth empowerment and integration	35	12.77%	2,652,602.00	3.38%	46	12.67%	3,909,112.00	5.74%
International cooperation and education to global citizenship	24	8.76%	4,711,850	6%	8	2.20%	760,000.00	1.12%
Pathways to social autonomy and employment policies	-	-	-	-	82	22.59%	12,085,434.00	17.73%
New forms of welfare (and home-care)	-	-	-	-	56	15.43%	5,593,500.00	8.21%
Promotion of proximity networks and fighting the new forms of poverty	-	-	-	-	36	9.92%	1,024,000.00	1.50%
Total	274	100%	78,559,460,00	100%	363	100,00%	68,149,660,59	100,00%

* Empty spaces are due to changes in some fields between 2016 and 2017.





Again in 2017 the Compagnia continued its strong commitment to those at risk or in situations of economic, social and cultural vulnerability both through integration and innovation projects made with the third sector and public institutions and working directly together with the *Ufficio Pio*, its instrumental supporting people and families in situations of social and economic hardship. The experience gained over the years shows that the most effective practical intervention to counter these fragile situations is not through fighting individual symptoms of deprivation, but rather requires structured support paths leading towards a gradual autonomy, in a project of “accompanied reconstruction” of a person’s life, building on individual experience and skills in each case. In 2017 the Compagnia’s policies continued to serve as experimental laboratories for processes and concrete actions of solidarity and activation of community resources for effective and sustainable welfare avoiding the benefit traps.

Care, independent living and right to health of the most vulnerable people: networks and communities at the heart of virtuous processes

Building synergies between public and private social players, territorial integration of assistance and attention to social inclusion are the main elements of the innovative responses to care needs, protection of the right to health, and promotion of independent living, in particular for the most vulnerable. This was the context for the *InTreCCCi – 2017 Home Care Community* call for proposals. Initiatives continued in support of the elderly in District 2 in Turin and in Piossasco in the metropolitan area.

In the field of mental health promotion, the network of Turin’s area actors part of the second-level association *il Bandolo* continued its commitment through actions of psycho-social rehabilitation, awareness and fighting stigma. Within the *Pluralità di*

cure (Plurality of care) project access to health service and care of migrants with mental health problems was favoured.

A network approach deeply characterised the activities carried out as part of *Dafne*, the second-level association that includes institutions and organisations involved in supporting victims of crime. The *Progetto Approdo* continued to care for women victims of violence.

2017 also saw Compagnia redefine and update its approach to criminal sentences in and out of prison, with the aim of promoting and strengthening the basic skills for the social and work reintegration of ex-prisoners, within the broader perspective of protecting the rights of persons held in prison. Compagnia reaffirmed its commitment to the so-called prison economy, namely the manufacturing presence in the prison itself of social enterprises who provide work to inmates. The initiative is aimed at growing social cooperatives active in this field in Piedmont through a shared path of self-assessment and help with the construction of development plans. The path of empowerment of these organisations has become a starting point for similar operations beyond the world of prison involving large sectors of social cooperation.

Networks - a proximity resource

Through proximity networks, a version adapted to contemporary social dynamics of good neighbourliness, Compagnia committed itself to fighting against various forms of poverty. In 2017 was launched the third edition of *Fatto per Bene* call for proposals through which support was given to 16 local interventions to fight against poverty through activation of similar networks. Significant specific interventions - especially through networking- ongoing in the municipalities of Turin and Genoa were consolidated and further developed. In these cities it is essential and challenging at the same



time to develop forms of solidarity where people live, managed through a cooperative and sharing approach.

Work and housing: integrated models for inclusion

The need for integrated and multidimensional approaches in order to enable and support the progressive autonomy of vulnerable people has become increasingly relevant. Employment and housing security certainty are the two central dimensions to be addressed in order to promote the active inclusion of vulnerable people.

On the work front, in 2017 the *Article +1* initiative became fully operational. Projects supported by this call in the metropolitan area of Turin will hopefully increase employment opportunities for young people between fifteen and twenty-nine with little or no work experience and low levels of employability, through activating socio-educational paths and building social networks of information and support capable of giving greater employment opportunities. In the early months of programme operation the partners in the initiative took on 1,064 young people and activated 160 contracts and 192 traineeships. Still in the field of job placement promotion, the *Training for Professional Mobility* project, now in its seventh year, has supported the activation of approaches to fighting against adult unemployment (over the age of 29) through hosting, skills enhancement and paths and strategies to promote inclusion in the labour market. In 2017 490 individual cases were dealt with, resulting in 62 job placements.

In terms of housing, Compagnia continued its activities laid out in the *Housing Programme*, which implements projects which are often innovative for adequate housing supply to disadvantaged individuals and households in the housing market, in many cases coming up against the so-called ‘grey’ or borderline poverty i.e. not extreme but nonetheless critical in terms of individual and family survival. The need is for solutions to manage temporary housing emergencies or to propose new

housing models. By combining architectural and urban aspects with economic-financial and social ones, the *Housing Programme* contributes to the creating and spreading a new living culture made up of participation, sociality, territorial integration and environmental sustainability. In particular, action connected with Turin’s Temporary Residences continued with 51 housing units, whose sustainability is aided by a social mix between vulnerable people and city users; the social mix is also the hallmark of the *Condominio Solidale di via Gessi*, also in Turin, co-housing between elderly people and mothers with young children or single people on pathways to social autonomy and the initiative *Coabitazione Giovanile Solidale*, which includes 7 projects of “social caretaking” carried out by young volunteers in public housing buildings (ATC buildings). Still on the theme of housing *Stesso Piano* continues, a social real estate brokerage service aimed at young people, with special lease conditions for private apartments to be rented in co-habitation.

Capacity building and monitoring actions were carried out in 2017 of the institutions benefiting from the support of the Call for social housing projects and *Abitare una casa, Vivere un luogo (Inhabiting a House, Living a Place)*, with special attention to projects aimed at ‘special’ targets (young people, elderly people, migrants and refugees, people with mental health problems).

Compagnia also reaffirmed its commitment to the realisation of rent-controlled apartments to be leased to low-income people and families unable to apply for public housing buildings. This support took the form of participation through assets to two ethical funds (*FASP Fund for sustainable living in Piedmont and FHSL Liguria Social Housing Fund*).

New generations: opportunities for education, participation and inclusion

In 2017 the *Zerosei* programme continued, promoting the well-being and harmonious development of



children aged 0-6 in Turin and Piedmont through inclusive multi-sectoral interventions in collaboration with public institutions and non-profit organisations. As part of these actions the ability to experiment with new, sustainable solutions is particularly favoured. Some initiatives are now on their third run (*Oltre i Campi ZeroSei*, *AltroTempo ZeroSei*, *Porta Palazzo ZeroSei*) and are focused on models of economic sustainability. Others (*Spazio ZeroSei*) were consolidated, both through the spin off derived from the Consortium "Xhè? Zerotredici" called "Xhè? Impresa Sociale (Social enterprise)" and through the development of these initiatives at the national level within the framework of projects financed by the Fund to fight against underage educational poverty. 2017 was of great importance for other actions (*Bimbingamba ZeroSei*, *Opportunità ZeroSei*, *Impresa ZeroSei*) for the implementation of what was begun in the previous year, while for the *Infanzia Prima*, *Orizzonti ZeroSei* and *Progetto Intesys* collecting possible evidence for repercussions and innovations was started. In addition, paths to support parenthood experimented in *Opportunità ZeroSei* were consolidated, suggesting the adoption of the conditional money transfer model as the main mode to support families in difficulties followed by the *Ufficio Pio. Nati per Leggere Piemonte* was further consolidated through a closer relationship with the national coordinating committee of the project and the development of a protocol of agreement with the Piedmont region, involving all the competent departments, and with the USR Piemonte (Piedmont Education Board). The results of the programme so far are being evaluated by the Collegio Carlo Alberto.

2017 saw the promotion of the third edition of the *Kit Stiamo Tutti Bene*, dedicated to the first cycle of compulsory education, with an invitation for proposals for extracurricular activities by winners of the previous edition, in order to facilitate the continuation of projects already implemented. The implementation of *Kit Extra Strong* projects in Turin continued, again aimed at extracurricular activities.

Compagnia further strengthened its commitment to get young people more involved in their communities, with the goal of replicating in other territories the actions most profitable. In particular, the second edition of *Bando giovani* was launched, for new initiatives that contribute to improving life of young people through activities for young people aged 14 to 25 from Piedmont, Liguria and Val d'Aosta.

YEPP - Youth Empowerment Partnership Programme continued its activities for projects managed by young people themselves: this project is aimed at implementing interventions in 15 territories in Piedmont, Liguria and South Italy, with over 90 municipalities involved.

2017 has been an important year for the project *Nomis - new opportunities for foreign children*, the network of organisations in Turin metropolitan area dedicated to children and young people of foreign origin (unaccompanied, reunited, second generation), through a range of activities at different levels of intensity and threshold: prevention and care, rehabilitation, promotion of equal opportunities, support of pathways to growth, autonomy and inclusion with particular attention to young people with greater difficulties, at risk or with previous experience of deviant behaviour. The institutions involved in the network engaged in an analysis of the experience and achievements in over 10 years of joint work, capitalising on practices and instruments used and developing updated responses to new emerging needs.

2017 saw the above-mentioned *National Fund to Fight Against Underage Educational Poverty* become fully operational, launched by the Italian Government, from Italian foundations of banking origin, and the so-called Forum of the Third Sector. Compagnia, as well as providing the fund with significant resources, also supported numerous Piedmontese and Ligurian organisations interested in participating in the two calls on the themes of Childhood and Adolescence. The results achieved as part of the Childhood call by



organisations working in Piedmont and Liguria, and the territorial return on Compagnia's resources, were evaluated positively.

New challenges for schools: growth, inclusion, innovation

The project *Provaci ancora, Sam! (Play it again, Sam!)*, aimed at promoting educational success and fighting early school leaving in schools in Turin, in the school year 2017/18 began the last year of its three-year testing. The initiative involved at primary prevention level 38 schools and 129 classes totalling about 2,800 students, and at secondary level, about 160 vulnerable boys and girls, potential early school leavers.

Launched in 2015 with a path of shared planning with two middle schools in Turin, the Enrico Fermi and Giovanni Pascoli, the project *Torino fa scuola* has realised two design competitions for architects for architectural and functional regeneration of the two schools and consequent realisation of innovative learning environments. The communication of the winners of the two competitions, which received a massive response from all over Italy with a total of 275 participating groups, was followed by a development phase of the subsequent design levels, which will lead to the setting up of two building sites in 2018.

Compagnia also partnered the *Fondazione per la Scuola (Foundation for School)* with the initiative *Riconessioni (Reconnections)*, an extensive innovation programme for schools in Turin and its metropolitan area, intended to complete the digital connectivity of schools and at the same time to study and experiment didactics and school organisation projects built around digital resources.

Migrants and refugees: supporting inclusion beyond the emergency

Compagnia's commitment in the field of migration was marked by the launch of a project, *MOI - an*

opportunity for Migrant Inclusion, an initiative that sees Compagnia actively involved with the municipality and the Metropolitan Area of Turin, Prefecture, the Piedmont region and the Diocese of Turin. MOI aims to deal with the housing emergency and employment crisis of squatters, individuals and foreign families of varying legal status, using the buildings of the former-MOI (ex-Olympic village), promoting housing and employment inclusion paths to overcome the current situation of human and urban degradation. After an initial feasibility study, the project gave some 45 people training programme and job placement. November 2017 saw the freeing up of some of the underground spaces, transferring about 100 persons in houses made available by the Diocese and by some cooperatives in collaboration with the City of Turin. 2017 saw about 150 people being helped with housing and employment. The work, however, is far from being concluded.

We kept up the initiative *Never Alone* for unaccompanied foreign minors, made jointly with other 8 Italian foundations within the network of *EPIM*, the *European Programme on Integration and Migration*, through which Compagnia also supports other activities, including inclusion activities for migrants in the host communities.

Support continued for the eco-system of actors who are locally engaged in assistance to migrants. In addition, there was continued involvement in joint initiatives with other Italian foundations to support primary emergency situations (rescue at sea, humanitarian corridors, legal aid).

Processes of cooperation between Italy and Africa: promoting rights, ties and innovation

Compagnia has been working for a decade with other Italian foundations on projects in several African countries, in cooperation with the third sector, public institutions and local authorities, civil society organisations, migrant associations. 2017 was the



fourth year of funding for *Foundations for Africa Burkina Faso*, promoting the right to food and sustainable development in many rural areas of Burkina Faso.

2017 also saw the experimental phase of the project *innovation for development*, promoted by Compagnia in collaboration with the Fondazione Cariplo and Fondazione CRT, to bring the world of technological and non-technological innovation closer to that of international cooperation, for example through the use of big data to design and evaluate development activities.

We kept the initiative *JAFOWA-Joint Action for Farmers Organisations in West Africa*- realised by Compagnia and other Italian, European and American foundations to strengthen farmers' organisations in 3 countries in West Africa (Senegal, Burkina Faso and Ghana).

Based on the results of the initiative *Prima le mamme e i bambini (Before mothers and babies)*, the assisted birth project realised in the preceding five years by CUAMM- Collegio Universitario Aspiranti Medici Missionari in 4 African countries, a new initiative has been launched to promote appropriate standards of nutrition for mothers and children in 7 African countries (Tanzania, Uganda, Angola, Mozambique, Sierra Leone, Ethiopia, South Sudan).

Social Instrumental Bodies

The Ufficio Pio and Fondazione per la Scuola continue to be strategic partners in designing and implementing Compagnia's social policies; the first- given its mission- more directly, also as actuator of projects undertaken by Compagnia; the second, more indirectly but no less important, for the many issues where social promotion and school education meet and interact.





5. Philanthropy and Territory Department

Distribution of grants in the “Philanthropy and Territory” sector

Field of interest	2017 Projects		2017 Allocated Grants		2016 Projects		2016 Allocated Grants	
	N.	%	Euro	%	N.	%	Euro	%
Innovation and social entrepreneurship	3	4.76%	345,000.00	3.06%	11	15.71%	1,294,000.00	14.47%
Research and local policies	29	46.03%	3,098,000.00	27.52%	24	34.29%	2,250,000.00	25.16%
Public space and sociality	17	26.98%	1,108,251.37	9.85%	27	38.57%	1,270,400.00	14.21%
Promotion of philanthropy and community foundations	14	22.22%	6,705,326.39	59.57%	8	11.43%	4,127,069.09	46.16%
Total	63	100.00%	11,256,577.76	100.00%	70	100.00%	8,941,469.09	100.00%

Spontaneous resources for a widespread philanthropy

Despite the crisis, or perhaps precisely because of the crisis and the resilience and creativity of the territories who want to react against it, the experience of community foundations continues to generate interest and a following. Compagnia has been a partner in dialogue, as well as economic supporter of the series of experiences taking root in Northwest Italy, albeit in different ways. The action is twofold: to accompany

existing foundations to a (never fully reached) maturity, should they conform to the classic model or are interesting variations on the theme; to enter into dialogue with those local communities that express the energy and the desire to build a foundation as an instrument for animation and community development. The foundations that Compagnia supported in 2017 were six in total, while two new sites were set up, one in Northern Piedmont and another in the South. Compagnia does not offer a standard model, but highlights the importance of two dimensions, neither





of which alone confers the identity of “community” to a local foundation: efficient (and effective) fund-raising efforts and open interaction and participation with the community of reference, which, in our view, is mainly a territory, but can also be a differently defined human environment: a hospital system or maybe a university. Around these principles, community foundations, with results commensurate with the position in the life cycle of each, have played a recognised role in the territories thanks also to Compagnia.

Compagnia supported the *Assifero* project concerning the publication of the first “Guide to community Foundations in Italy”.

Since the precise experiences need support networks, learning and representation, in 2017 Compagnia supported actions promoting the culture of giving, nationally and locally, as well as occasions for capacity building.

Social innovation towards an attractive ecosystem

2017 saw in Turin the emergence of the shared aspiration to strengthen the ecosystem of social innovation and impact culture. This took shape with the creation of an environment of policy from below, the *Turin Social Pact*, intended to generate mutual learning actions, coordination, representation and attractiveness. In addition to being a promoter and part of that process, Compagnia has continued to support the main specialists in the field, some only recently established, of the impact/social enterprise scene in Turin. Compagnia's help responded to the policy of “consolidating by doing”, in the sense of having funded projects which at the same time enabled the various entities, *Rinascimenti Sociali*, *Socialfare*, *Open Incet*, *Impact Hub Turin*, *Italian Foundation for social innovation - Nesta Italy* (a major new player), *Ashoka* etc., to develop and strengthen its structure and to provide socialisation, training, joint planning, acceleration services to social enterprise and social innovation

and impact practices. In conjunction with the finance department of CSP, this promotion served to trigger the Compagnia's first experiments in specialised finance for social start-ups in their early phases.

Research on the territory and associated policies

In particular by making financial contributions to institutional management, Compagnia has confirmed its support to various non-academic research centres devoted to the analysis of territorial transformations at the socio-economic, spatial, environmental and migratory levels. We quote the *Rota Report* on the Turin metropolitan area, which each year provides an overview of the evolution of local socio-economic framework and its dynamics. The activity of bodies such as the *Urban Center* and the *Fondazione Contrada Torino* is essential to document and discuss the urban transformation, this time from a spatial point of view.

The *FIERI*, *Medi* and *Altreitalie* centres are supported, as they are specialised in studies of human migration and mobility, an issue of increasing importance that affects multiple policies. The issue of integration/inclusion of immigrants is also central to the work of these research and processing centres.

From the point of view of access to employment-oriented social research, funding was given to the Increase Association's two-year project on the topic of *NEETs* (not in employment, education or training) in the Turin metropolitan area. Still ongoing is Compagnia's involvement in the project *Secondo Welfare*, which has not only created a framework of interpretation for the part of the welfare system that is not mainly public, but also collected a considerable amount of examples and good practices, organised and made available to the operators in the sector.

Support for *Asvapp* has meant boosting the activities of the main independent centre for public policy evaluation of Northwest Italy, fostering their

application assessment methodologies including those for projects funded or managed independently by the foundations. Compagnia itself has drawn largely on the technical and scientific competence of this centre of expertise.

Finally collaboration with the *German Marshall Fund of the United States* has been extended in relation to exchanges and relationships, both among scholars and administrators and social leaders, on issues of regeneration and urban development, in a comparative perspective.

A circular and productive sociality

Attention to participatory dynamics and processes of activation and sharing of local cooperation practices was paid to different levels and areas. Compagnia's working hypothesis is that the mobilisation of citizens and civil society, organised on the basis of shared local interests would generate at the same time the development of a new sociality; the intersection of so many networks can build better habits in the proximity and counter the increasing poverty and marginalisation through occasions of inclusion.

Some initial attention was devoted to the theme of urban green spaces as a public good. As part of the first edition of the campaign *Cittadino Albero. Spazio Pubblico, spazio verde e spazio sociale* 11 initiatives were selected in Piedmont and Liguria to which 6 more initiatives were added as part of the Housing programme call *Abitare una casa, vivere un luogo*. The establishment of the network of urban gardens in Turin was also promoted (the network *OrMe - Orti Metropolitani*). Citizens and local authorities were awarded prizes for co-design and co-responsibility in the maintenance of public green spaces.

The networking dimension has also been a characteristic of the commitment in Turin, for the promotion of a ‘*tavolo del riuso*’ recycling group

involving the various players (associations, social cooperatives, volunteer organisations) active on the territory.

Also in relation to social networks, 2017 saw the conclusion of the process which led to the establishment of *Rete delle Case del Quartiere*, a second level set-up which brought together the eight “case del quartiere”. These have been in use for many years in Turin and Compagnia has continued to support them as part of the Framework Agreement with the Municipality of Turin for establishing social, educational and cultural development programmes. The “*Case del Quartiere*”, which have generated interest both in Italy and abroad, are self-managing set-ups with various grassroots organisations of the district, coordinating with local policies and at the same time open to community initiatives.

In 2016, with a view to stimulating a more mature reflection on models which require social enterprise and good will as well as resources and legal backing, Compagnia supported a project in Piedmont for *Labsus*, a centre for processing and experimenting advanced forms of subsidiarity and shared administration. This project was extended into 2017.

Institutional Activity



Institutional activities in other forms

Multiplicative factors

The 2017-20 strategic plan of Compagnia di San Paolo has adopted an important operational innovation, providing the enucleation of activities carried out to date within the operational departments and constituting them in specialist units to the advantage both to Compagnia operations and the bodies directly related to it, such as the "historical" instrumental bodies and participated research bodies, both to the local organisations.

Under the name of multiplicative factors, five specialised units began to take shape and provide services in 2017. Their goal is to help bodies, in cases where they find the need or opportunity, to improve their management and design practices or to adopt organisational or funding models not considered previously. The multiplicative factors, as the name indicates, have therefore been designed to amplify the impact of Compagnia interventions by means of efficiency and effectiveness, and are financed by the budget of the institutional activity. Therefore, their service to third parties can be considered as a contribution "in kind". They are the following:

→ *Impact finance*: examines and if necessary sets in place the financing conditions of the projects / activities through impact investments rather than just grants;

- *Fund-raising*: experiments and aids organisations in acquiring new fundraising techniques, transferring specific expertise to the various instruments;
- *Organisational innovation and capacity building*: helps organizations assess their organisational model and offers opportunities to redesign governance, processes, the "production cycle" and the development of the necessary skills;
- *Data & knowledge management*: assists organisations in enhancing the data it produces, receives and elaborates in its day to day activity;
- *Strategic project communication*: helps organisations to see communication as an action lever that produces added value in terms of position, reputation and strategy.



Financial Management



Financial Management 2017

Portfolio Mix

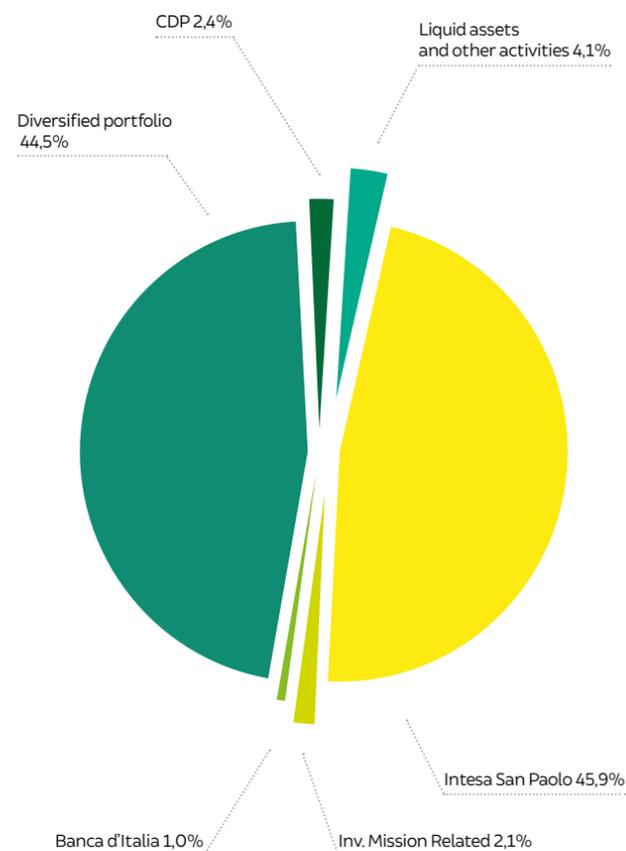
At the end of 2017, the total market value of the financial assets portfolio held by Compagnia di San Paolo amounted to € 7.3 billion.

With respect to its structure, on 31/12/2017 the stake in Intesa Sanpaolo (considering both the directly held stake and the managed stake) was about 45,9% of the total financial assets and showed a drop compared to the 52.9% of the previous year.

The “diversified” part of the portfolio, invested in investment funds managed by Fondaco Sgr, formed about 44.5% of the total. The diversified portfolio is mainly composed of two funds of funds managed by Fondaco Sgr: the first, a traditional multi-asset fund and, the second, a fund dedicated to alternative assets.

At the end of 2017 investment in Fondaco Multi Asset Income fund represented 29.5% of the total portfolio, Fondaco Growth fund was 14.4% of the total portfolio while Fondaco Euro Cash fund made up the remaining 0.6% of the total portfolio.

The total allocation was completed with about 9.6%, represented by the mission-related investment portfolio, by liquidity, and by other stakes and assets.



The Results of 2017

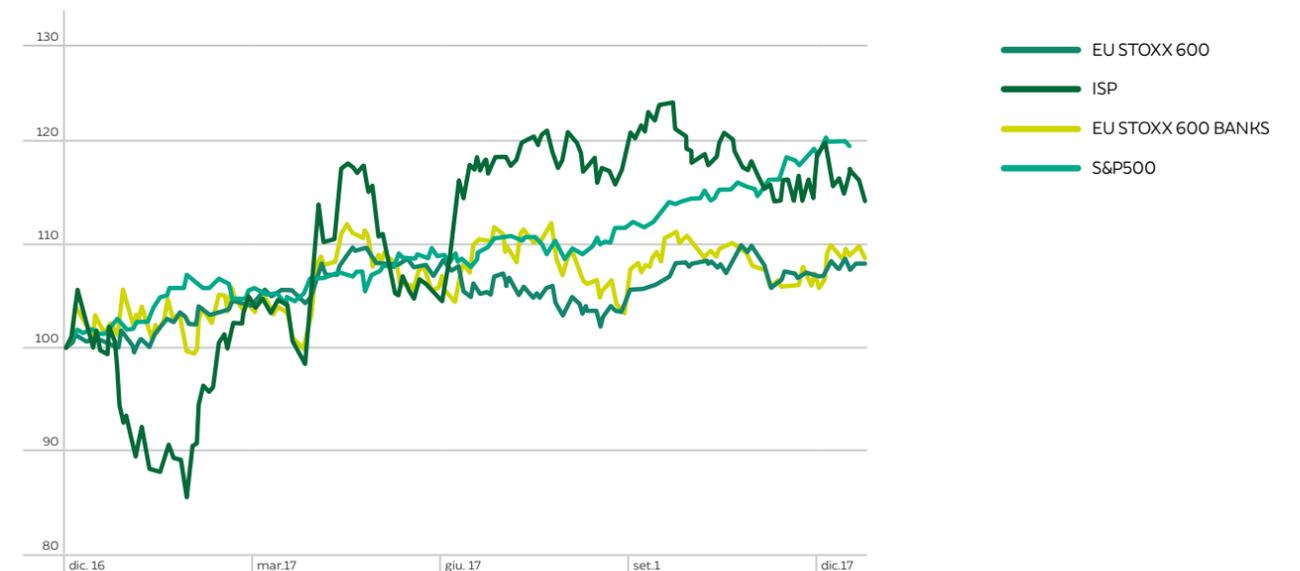
2017 was a positive year for the global economy. Developed countries recovered, partly thanks to the contribution of the Eurozone and the United States; GDP also increased for emerging economies.

The European Central Bank maintained an accommodating and patient role, leaving rates unchanged. In terms of government bonds purchases, the ECB took a cautious approach to tapering during the year, which translated into a reduction in monthly purchases from € 80 billion to € 60 billion starting in April. The purchase programme was then halved to 30 billion monthly from January 2018, extending it for a further nine months. President Draghi reiterated that benchmark interest rates will stay unchanged at current levels over a long period of time, well beyond the purchase horizon. The Federal Reserve implemented restrictive monetary policies, hiking interest rates three times during the year. The last one, carried out in December, brought rates to 1.50%, as widely expected by the market. In Japan, the BOJ continued its ultra-expansive monetary policy, given the still too low levels of inflation.

At the end of the year the European index Euro Stoxx 600 showed a price variation of about +7.7% while the S&P500 closed the year at +19.4%. The European financial sector – and specifically the banking sector – after a very positive first semester, practically cancelled its earnings during the third trimester and then recovered at the end of the year, closing with a positive variation of +8.1%.

Intesa Sanpaolo also performed well at +14.2% (considering only the price variation of the shares). Regarding Compagnia's portfolio, the stake in Intesa Sanpaolo resulted in a total return of 21.8%, thanks to the joint effects of stock appreciation and dividends. 2017 closed with good results for the diversified portfolio, invested in funds managed by Fondaco Sgr, which obtained a net yield of +2.2%, against zero results shown by the reference benchmark. Indeed, the two main Funds invested by the Foundation performed well: +2.6% for Fondo Multi Asset Income, and +1.7% for Fondo Growth, zero performance for Fondo Fondaco Euro Cash. The total final yield of Compagnia's portfolio was positive by 12%, particularly thanks to stock price trends of the Transferee.

2017 Performance Rebased (31/12/2016=100)



Allocations and the territory



Allocations and the territory

An in-depth look



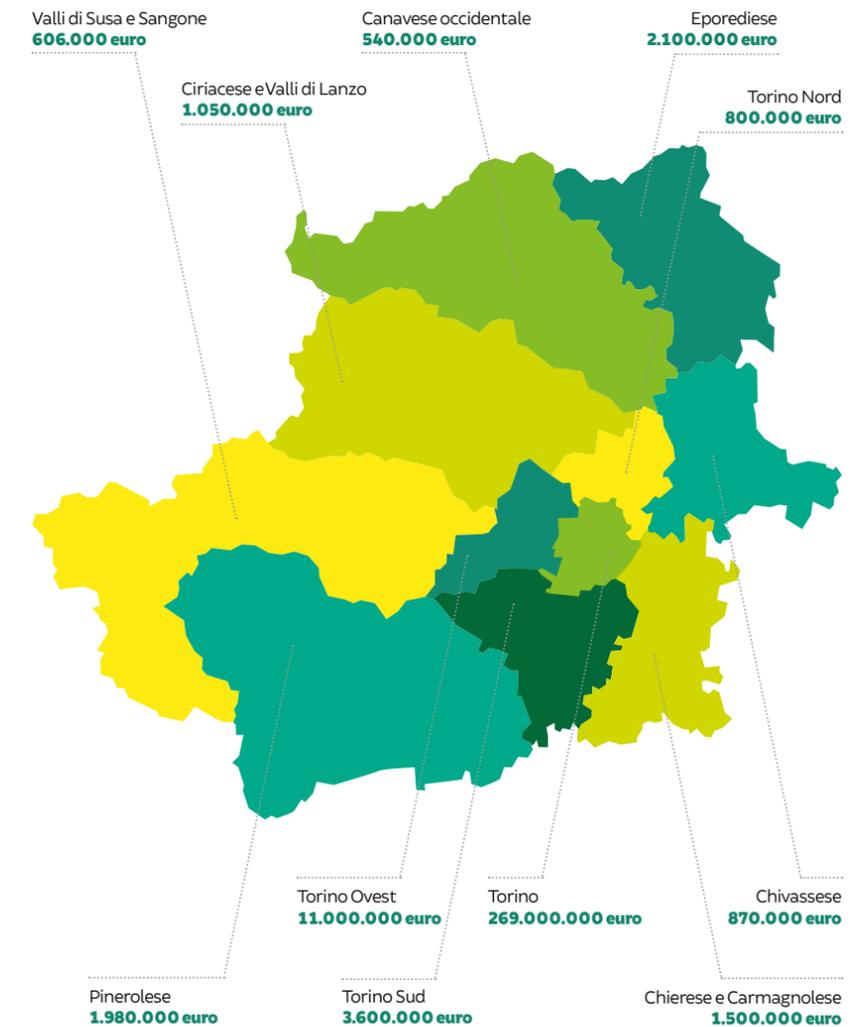
The geography of Compagnia di San Paolo interventions in the Metropolitan City of Turin

The Metropolitan City of Turin is made up of 11 homogeneous zones (4 of the metropolitan area of Turin and 7 external areas) which a total of 316 municipalities are part of: these characteristics make it the largest metropolitan city in Italy.

The study of Compagnia di San Paolo's action in the Metropolitan City therefore aims to provide a picture of how economic resources are actually distributed by Compagnia di San Paolo in the territory of the Metropolitan City of Turin. The debate on a "Turin-centric" Compagnia, paying particular attention to the needs of the City of Turin and less to other territories, is always on. A certain way of looking at the data can perhaps help mitigate this assessment. The first step was retrieving the data supplied by Compagnia databases and their link to socio-demographic data sources related to the reference area. By "grant data" we mean amounts that, from our systems, have already been paid to beneficiaries, whether organisations that have implemented projects or providers of services, special projects etc. In any case, these resources have actually been introduced by Compagnia di San Paolo into the economy of metropolitan parties. The geographical location of grants, the second criterion of the method adopted for this study, was obtained using the information

related to the beneficiary organisation's headquarters. We are aware that this approach, which is the only one that is systematically possible, presents a series of critical issues. The first relates to the possible discrepancy between the headquarters of the beneficiary organisation and the territory where the project is actually implemented: apart from a few significant exceptions, described below, the risk of over-sizing the contribution in certain areas has always been consciously taken (e.g. it is considered more likely that a Turin-based organisation has carried out a project in other municipalities rather than vice versa). The second critical issue, defined as the "social-organisational irradiance factor", refers to the nature of those entities whose beneficiary population is not exclusively the one residing in the municipality where the organisation is based, but also in external areas. We refer, for example, to universities, hospitals, supra-municipal state bodies, international bodies as well as to the same instrumental bodies of Compagnia di San Paolo. It is obvious that because of their mission, these bodies serve a wider territory than that of their headquarters. This factor was handled by identifying a series of entities with extraterritorial potential and assigning a value of allocations to the municipality of the entity equalling 50% of the total value granted. This percentage is in itself highly random: it derives however from the observation that, in any case, even though the Municipality of Turin (where these bodies

Raw grant without correction factors

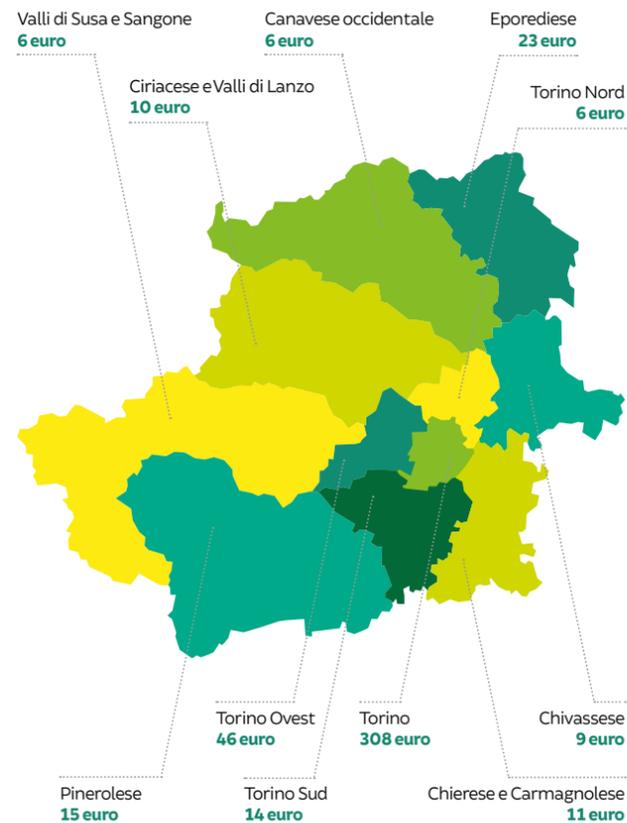


are mainly based) today has less than one fifth of the regional population (also a non-exhaustive reference), the greatest interactions occur at short range. The lower the percentage chosen (legitimate choice), the less concentrated the distribution of allocations. In fact, this "downward" correction has almost exclusively affected the municipality of Turin. The remaining 50% was assigned to the other areas according to two distribution hypotheses: the "aggregative" hypothesis provided for the distribution of 25% of this residual to the other areas, while the "diffusive" hypothesis provides for allocating 40% of this amount. The residue has been redistributed to the other areas based on the reference population. Finally, a third critical area refers to all those allocations whose beneficiary body is Compagnia di San Paolo itself, whose headquarters are therefore in Turin: this is noticed regarding projects

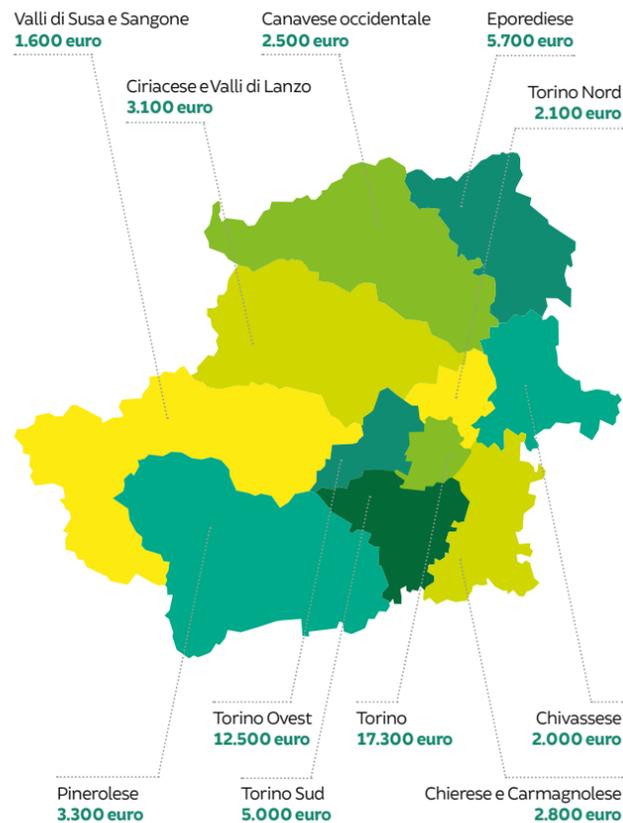
managed directly by Compagnia (e.g. intervention on ex-Moi, restructuring Polo del '900) or for allocations on national funds, among which, in particular the national fund to fight against underage educational poverty. In this case, only those values clearly attributable to the territory of the municipality of Turin were taken into consideration, while other data, including contributions to the fund to fight against underage educational poverty, were excluded from the analysis. In the latter case, in fact, although the outcomes of the first call regarding minors published by the fund are available, the actual distribution of grants to the beneficiaries of the territory of Turin is not yet ascertainable. However, keep in mind that the latter cases involve smaller amounts, which are not decisive in influencing the results of the analyses. The third and last criterion concerns the indicators



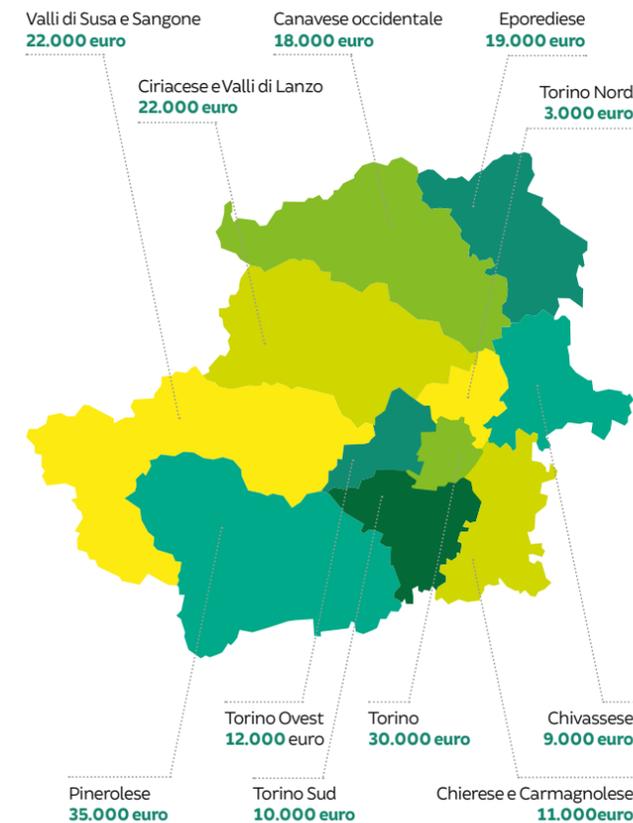
Raw grant per capita



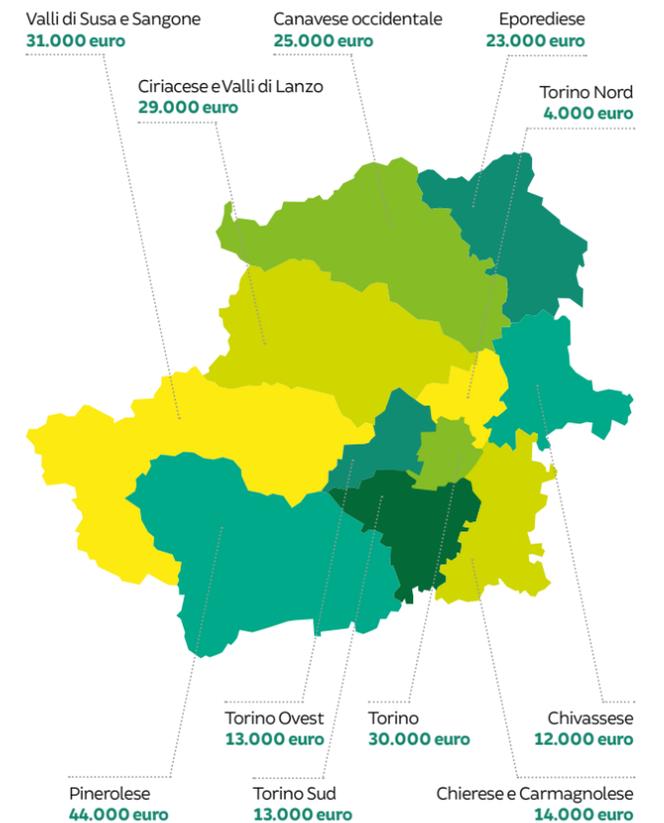
Raw grant per non-profit organisation



Average grant per population per km² with redistribution estimated at 25%



Average grant per population per km² with redistribution estimated at 40%



adopted to measure the action of Compagnia di San Paolo in the territory. Analyses of indices such as raw grant by geographical area, per capita and by non-profit organisation have a specific interest but need to be treated also from other points of view. An analysis based exclusively on the absolute value of the amount granted, in fact, does not exhaust the information potential of the available data; on the contrary, it risks giving misleading results. In this sense, the indicator of population density and density of non-profit organisations for each of the 11 territorial areas of the metropolitan city of Turin has proved particularly interesting because it is a possible proxy for the generation of social and institutional demand. Obviously, the hypothesis is that the density of social factors is a good predictor of Compagnia's grant decisions (in turn determined by demand). Therefore,

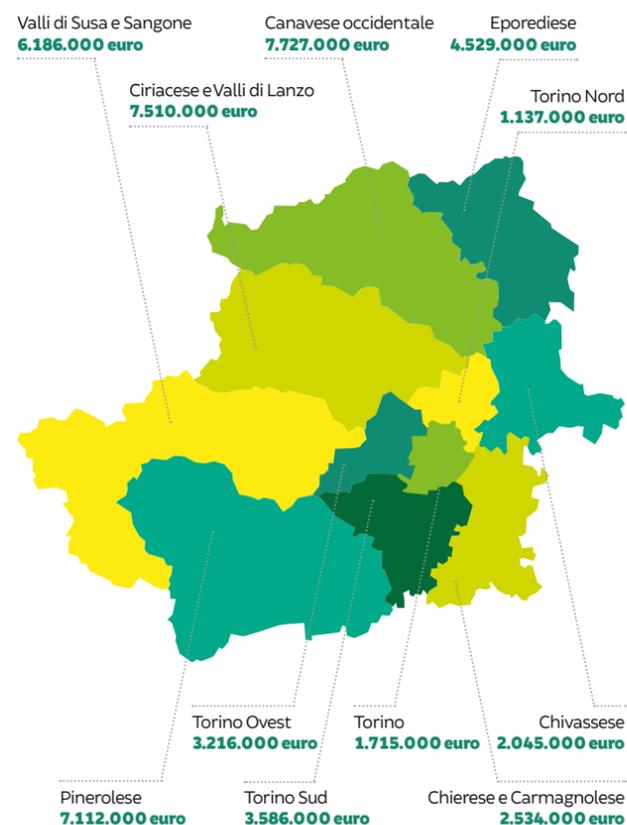
alongside the elementary indicators for grant by area, average grant per capita and average grant per non-profit organisation, 2 new indicators have been added: the estimate of the average grant per inhabitant per km² and the estimate of the average grant per non-profit organisation per km². Moreover, considering that the differences in Compagnia's actions between territories cannot be summarised solely in economic terms, two further indicators have been integrated: the percentage of projects approved out of the total requests and the percentage estimate of non-profit organisations supported by area compared to the potential catchment area. Following are the first 3 maps that summarise the raw data of how much is distributed in the territory: distribution of the total grant, average per capita amount and per non-profit organisation.

In financial terms, the amount distributed within the municipality of Turin represents over 90% of Compagnia's allocations during the period considered in the metropolitan city. Even a rough calculation of the amount per capita per area shows Turin citizens to be privileged beneficiaries, with an average of 308 euros per capita; the same goes for the average value distributed per non-profit organisation, equal to over €17,000 in the municipality of Turin, despite the large concentration of organisations in this municipality. Following the application of correction factors, the use of population density indicators and the presence of non-profit organisations in the territories, the situation changes considerably: remember that the density value was identified as a good proxy of the capacity of one specific territory to apply to Compagnia. The following two maps show the estimate

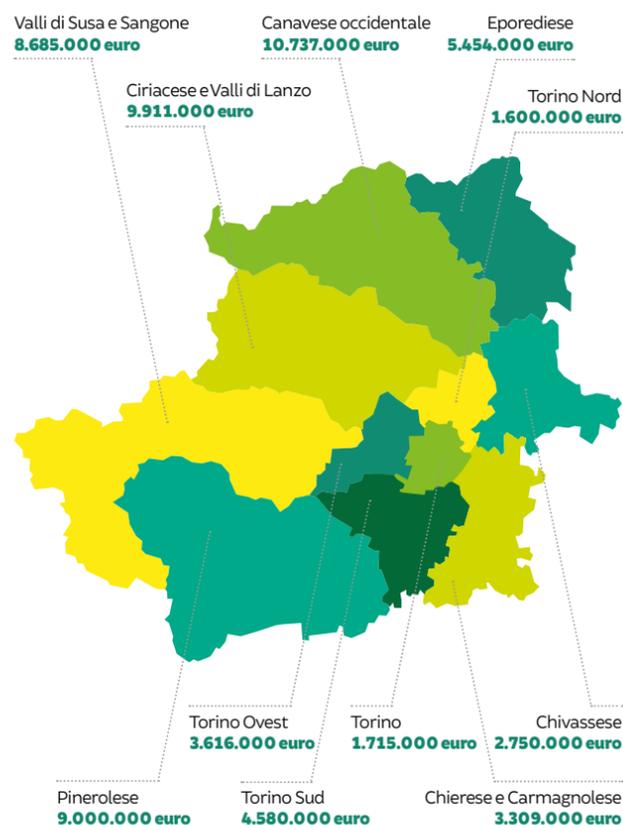
of the amount distributed by Compagnia, corrected according to population density in the two scenarios imagined: diffusive and aggregative. The Pinerolo area, the municipality of Turin and the area of the Valleys of Susa and Sangone are those with the highest amount estimated per population per km² in both scenarios. Conversely, Northern Turin is the metropolitan sector that benefits less from Compagnia's contributions with amounts significantly lower than those of the other areas, followed by the area of Chivasso. The differences are clearly affected by the different housing densities but do not exceed approximately €20,000. The role of population density indicator is well explained by the comparison between the territory of Pinerolo and Northern Turin: two areas with a numerically similar population (around 133,000 inhabitants) but distributed in two extremely different



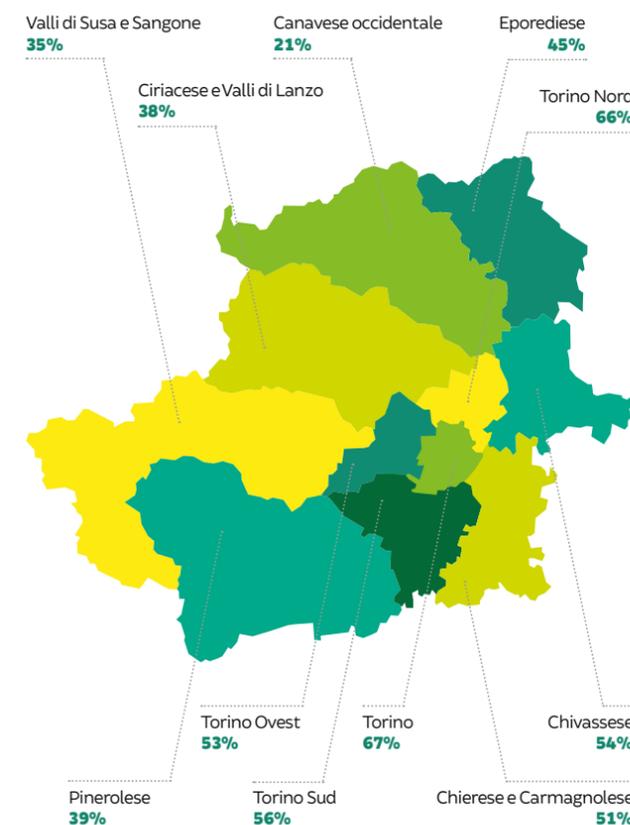
Average grant per non-profit org. per km² with redistribution estimated at 25%



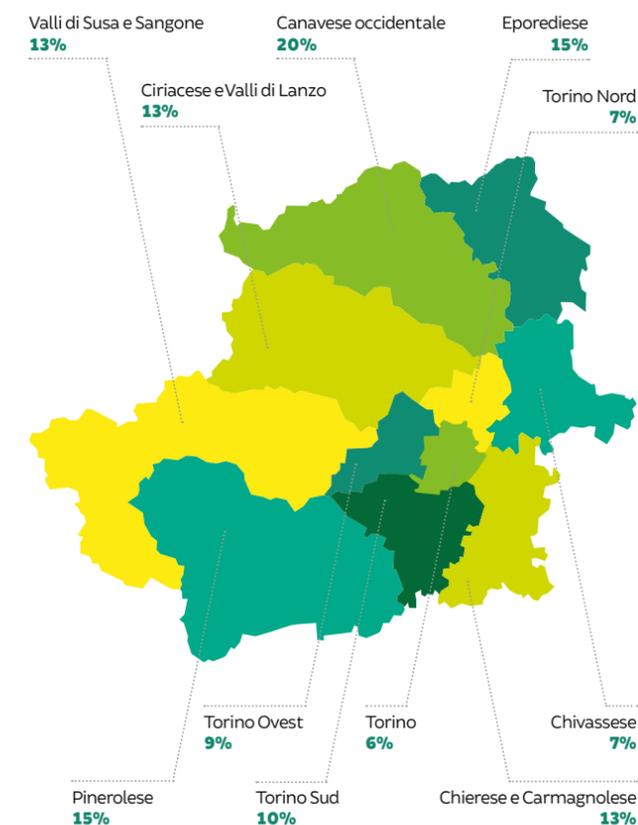
Average grant per non-profit org. per km² with redistribution estimated at 40%



% of projects approved



% of beneficiary non-profit org. per org. area



territories (175 km² Northern Turin and 1,302 km² Pinerolo area) which involves a population density and a potential “need for different philanthropic intervention” (765 inhabitants per km² in the Northern Turin area and 102 inhabitants per km² in the Pinerolo area). The two maps below replicate the two previous data, but applied to the density of non-profit organisations: in this case the high density of non-profit organisations within the municipality of Turin places this territory in a situation of potential competitive disadvantage compared to other territories together with the Northern Turin area. The areas of the Western Canavese, Pinerolese and Ciriace-Valli di Lanzo areas are those with the highest amount per non-profit organisation per km². Finally, two indicators that can add further thought to the work of Compagnia di San Paolo in a vaster

area: the two maps summarise the percentage data of projects approved and beneficiary organisations compared to the range of organisation per area. The map shows that the Municipality of Turin and surrounding areas (including in this case the areas of Chieri / Carmagnola and Chivasso) show a much higher percentage of project approvals than the more external territorial areas. On average, more than 1 project out of 2 in the area considered gets approved. The situation of Northern Turin reverses with respect to previous data, resulting in one of the areas with the highest rate of project approval. The Western Canavese, on the other hand, is the area with the lowest percentage of approved projects. The latest figure regarding the percentage of beneficiary non-profit organisations is affected by the very wide differences among the range of non-profit

organisations in the areas. The low percentage of the Municipality of Turin and the high percentage of the Western Canavese can be explained precisely for this reason. Excluding the municipality of Turin, Northern Turin and Chivasso are the areas with the lowest level of organisation involvement in the available catchment area. We can reflect on some interesting points. First of all, from the methodological point of view, the concept of “action” of Compagnia di San Paolo on the territory can be explained and studied using several indicators which outline different types of phenomena, each of which may be of interest. The comparison between territories cannot be summarised solely by the allocation of monetary amounts, but also by the ability to support projects and the activation of a large population of non-profit organisations. Some methodological measures,

including attention to supra-territorial bodies and the use of housing density and non-profit organisations as factors of standardisation have been chosen to make a representation more reliable: these could otherwise end up producing a partially misleading vision of a strongly “Turin-centric” Compagnia. In particular, these density indicators are important for studying Compagnia’s activities: high urban density is in fact related to specific cultural, social and health phenomena and can in some way represent the “need” or “opportunity” of support and philanthropic interventions. The analyses show how the municipality of Turin still represents one of the territories that benefits most from Compagnia’s actions, but within a more homogeneous framework with a condition very similar to those of external areas such as the Pinerolo area and the Valleys of Susa and Sangone. However,



the situation in these areas seems quite similar, with just tens of thousands of euros making the difference. The area of Northern Turin partly differs from this picture, showing more marked signs of weakness. The evidence relating to the percentage of project approval and non-profit organisations involved, which confirms this substantial uniformity, suggests that studying Compagnia's action means analysing not only its "ability / willingness to give", but also - if not more importantly - the ability / willingness of the territory to ask "pro".



corso Vittorio Emanuele II, 75
10128 Torino - Italia
T +39 011 55969.11
F +39 011 55969.76
comunicazione@compagniadisanpaolo.it

www.compagniadisanpaolo.it