

1. PURPOSES (Article 2 of the ARTICLES OF ASSOCIATION OF FONDAZIONE PRADA)

[...] Article 2 - Purposes

2.1 The Foundation is not for profit, indirectly or otherwise, and its purpose is to promote and affirm culture, art and design in Italy and abroad, by studying, preserving, cataloguing, registering and ensuring public display of works held or acquired, with particular (but not exclusive) reference to modern, contemporary (and avant-garde) art, in all its forms and expressions; - organising museum activities, art exhibitions and events, conferences; - funding and disseminating publications and monographs; - spreading awareness and knowledge of authors operating in the specific sector.

2.2 The Foundation will act in the manner and with the initiatives, means and resources that are most suitable to achieving its purposes and it may also, among other things:

a) enter into agreements and/or contracts with the Public Administration, public authorities and private entities or individuals for purposes including but not limited to taking out short or long-term loans to fund initiatives decided by the Foundation, or to purchase real property, including surface rights only;

b) fund the production and distribution of audiovisual content (including through its own website) that combines texts and images pertaining to its institutional activities;

c) promote and organise seminars, events, meetings, conferences, ensuring the publication of associated documentation;

d) organise competitions and grant awards and study grants to authors, critics and researchers in areas associated with its institutional purposes;

e) promote any other initiative that can encourage the development of synergies between the Foundation, the domestic and international cultural world and the public in general;

f) the Foundation may also carry out economic activities directly associated with the aforementioned activities, which are necessary to achieve its purpose, on condition that any operating surplus is allocated to the Foundation's institutional purposes.

2.3 The Foundation may participate in public and private associations, entities and institutions, whose activities directly or indirectly seek to achieve purposes similar to those of the Foundation.

2.4 In the context of and in conformity with its institutional purpose, the Foundation may - in collaboration with other Foundations, institutions and public and private entities - carry out any other activity that can help achieve the aforementioned institutional purpose. [...]

2. SUMMARY OF THE POLICY PLAN

In 2014, Fondazione Prada was incorporated as an Italian non-profit organisation. In May 2015, Fondazione Prada inaugurated its new headquarters in Milan. Designed by the architectural firm OMA led by Rem Koolhaas. The compound has an overall surface of 19.000m² and is the result of the transformation of an industrial complex dating back to 1910s. From 2015 to 2016, the new headquarter hosted a diverse programme of exhibitions and other cultural events, allowing Fondazione Prada to pursue and expand its multidisciplinary vocation. December 2016 saw the inauguration of "Osservatorio": the new exhibition space is dedicated to photography and is located in Galleria Vittorio Emanuele II in Milan.

Over the next two years, Fondazione Prada will continue pursuing its goals as it has in the past by conceiving and producing innovative projects in all areas of contemporary culture: from visual to performing arts, from cinema to architecture.

Fondazione Prada's 2017 cultural programme is rich in variety. It includes artist projects such as "TV 70: Francesco Vezzoli guarda la RAI" and the two final chapters of the series of site-specific installations entitled "Slight Agitation"; transmedia projects such as "The boat is leaking. The captain lied"; art exhibitions inspired by works in the Prada collection such as "Atlas I"; cinema festivals such as "New American Cinema. Torino 1967" and thematic exhibitions curated by emerging art professionals such as "Extinct in the Wild".

In 2018, Fondazione Prada will focus on solo and group exhibitions featuring international artists , an extensive research exhibition about Italian cultural production, as well as its regular film festivals and educational programme.

Fondazione Prada is supposed to finance its contemplated activities with funds it expects to receive from sponsorships and/or donations.

3. BOARD OF DIRECTORS

Miuccia Prada, chairperson and executive director

Astrid Regina Welter, executive director

Giò Marconi, non-executive director

Carlo Mazzi, non-executive director

Massimo Sterpi, non-executive director

Carlo Salvetti, Secretary of the Board of directors

The directors are not remunerated but shall be reimbursed for any expenses or advances pertinent to Fondazione Prada's activities.

4. FINANCIAL INFORMATION

31.12.2016

Statement of Financial Position (Euro)

Non-current assets	429.109
Net Working Capital	(2.158.224)
Other current assets/(liabilities), net	(494.745)
Other non-current assets/(liabilities), net	684.798
Net Invested Capital	(1.539.062)
Net Equity	(390.802)
Net Financial Position	1.929.864
Net Equity and Net Financial Position	1.539.062

Profit or Loss (Euro)

Net revenues	22.565.415
Operating expenses	(19.585.468)
Labour cost	(2.740.270)
Depreciation & Amortization	(116.068)
EBIT	123.609
Financial income/(expenses)	(10.120)
Result before taxation	113.489
Taxes	(61.945)
Net income/(expenses)	51.544