

LEGACY BOOK

Being good ancestors



AIDAF

ITALIAN FAMILY BUSINESS

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INTRODUCTION

*“Be a good ancestor.
Plant trees whose shade you’ll never see.”*

- The Whakapapa Principle, a fundamental value in Maori Culture

The concept of Legacy embodies the essence of the family enterprise. It articulates a long-term vision, consistently contemplating future generations, caring for the planet that hosts us, and nurturing the individuals who enable the enterprise to thrive.

However, this inclination alone is insufficient to speak of Legacy and to cultivate a positive one. It requires intentional planning and action, exerting the significant effort to envision ourselves as architects of a future in which we may not be present — a future that is challenging to visualize. *How will ecosystems change? How will technologies evolve, affecting our potential impact on nature and living beings? How will society and culture transform in the coming decades? We are heading towards radical, rapid, and uncertain transformations.*

In this ambiguous scenario, everything begins with vision. The persistent work of imagining the future we desire makes us aware of the power we can wield in creating it. Perhaps this is precisely the entrepreneur’s “superpower.” However, imagination also requires tools and methodology: understanding our current position, measuring the distance to the desired future, defining objectives and indicators, monitoring progress, correcting the course, and regularly repeating this process.

This document emerges from the intention to define a direction and method necessary for charting a course, ferrying us and future generations toward that future, creating value today for the family, society, and the planet in an increasingly conscious manner.

With the hope that this can become an increasingly widespread and shared model, not only for affiliated companies but also for all enterprises — whether family — owned or not, spanning various sectors and sizes, existing or potentially emerging.

*Giovanna Gregori
Executive Director*



THE TREE

It is estimated that over 80% (by weight) of all life on Earth is composed of plants. Among the characteristics identified by scholars in the model that has allowed plants to establish such a profound presence on the planet, decentralization stands out. The survival strategy adopted by plants involves a complete distribution of functions.

“The plant model does not involve a brain, serving as a central command, nor singular or paired organs under its control [...] Their organization is the very hallmark of their modernity: possessing a modular, cooperative, distributed architecture without central command centers, capable of withstanding catastrophic and repeated predations with remarkable resilience.”

**Stefano Mancuso, *Plant Revolution.*
*Plants have already invented our Future.*¹**

Clearly, no living being or creation of human ingenuity can be entirely compared to the development of the plant model. At the same time, however, as seen in the branding representation that AIDAF has chosen, we believe that the tree, a symbol of great strength, is the right key to discuss Legacy. Starting from the roots, which, although not visible beneath the surface, are never immobile, and delve into the soil in search of nourishment; ascending along the trunk, which carries within it the longevity and promise of continuous, strong, and almost unstoppable growth. Then expanding along the branches, which with tenacity and consistency lead to the primal and regenerative force of sunlight, representing direction. It is the orientation to which the leaves respond, while offering their entire surface to gather solar energy and CO₂, initiating an incredible transformation process that sends its reprocessed nutrients back to the roots through the sap. The tree fixes carbon dioxide in the soil and releases oxygen into the air: it is the fundamental entity that transforms disorder into order. All other living beings can only exist because trees generate and maintain the fundamental balances of the ecosystem.

If leaves or fruits fall to the ground, they transform into new trees or enrich the soil for those who inhabit it. The dense canopy creates shade, provides shelter, and transforms into a home.

This is the inspiration and desire with which we want to narrate AIDAF and its ecosystem today. Our ambition is to become a regenerative force. Our legacy will be to leave this ecosystem, both social and environmental, better than how we found it.



THE ROOTS — AIDAF'S FOUNDING VALUES

Since its foundation 25 years ago, AIDAF has been promoting the dissemination of family entrepreneurial culture and an ethical approach to business. It is dedicated to constructing an environment based on strong shared values, where like-minded individuals and members from at least two generations, operating in family-controlled organizations of various sectors and sizes, interact. The characteristics of associated businesses - being family-oriented entails peculiarities with respect to traditional companies - have facilitated the identification of common goals and the development of a culture rich in shared meaning. Similar to the roots of a tree, always in search of nourishment to adapt and evolve, the values upon which our association has grown have led to the growth of a unique organism, one in continuous evolution, aiming for longevity.



01

The Roots – AIDAF's Founding Values

TRUST, THE CATALYST FOR GROWTH

Over the years, we have actively committed to creating an essential condition of mutual trust, which we consider the foundation for strong and constructive relationships. Each individual can show their vulnerabilities, share doubts and problems, and openly engage with others facing similar challenges. Elements such as the selection of new members, the modest size of the association, and virtuous governance have contributed positively: AIDAF is now perceived by its members as a reliable community, a kind of “home salon” where they can discuss complex issues related to the family-business relationship without fear. This inclination toward mutual trust is one of the most powerful forms of motivation and inspiration for us²: it enhances listening and communication, promotes collaboration over competition, creating conditions to share ideas and information, and valuing the uniqueness of different experiences. This, in turn, fosters enthusiasm, energy, passion, creativity, and joy in relationships, unleashing the potential for cooperation and exponentially accelerating dynamics between organizations and projects.

Today more than ever, we must be capable of establishing, extending, and restoring trust as an effective mode of engagement. It serves as an antidote to the widespread crisis of trust in society³, where businesses are perceived as prepared and ethical, while governments are seen as lacking in ethics and competence. Businesses are under pressure to fill the void left by politics. Therefore, we aim to consistently uphold and nurture a “discipline” of trust, inspiring our affiliated companies to embrace this principle, understanding it as a valuable asset with tangible benefits. It contributes to creating the right conditions for enduring prosperity for individuals, organizations, and society as a whole.

FERTILE SOIL TO GROW POSITIVE DISCUSSION AND EXCHANGE

“In AIDAF, there’s no need to explain your problem – everyone speaks your language. You are understood, and your understanding is immediate.”

“AIDAF is different from other associations. I joined the NextGen group with a strong desire to prove my abilities, to break free from the label I felt had been attached to me. I interacted with people who were experiencing the same challenges. We supported each other, and it was both enriching and beneficial.”

Fueled by an atmosphere of trust and made possible by the shared conditions and needs, exchange and discussion are two values upon which AIDAF builds its existence.

By participating in the association’s life, it is always possible to engage with other entrepreneurs or family members who have already experienced, or are currently facing, similar situations, offering a unique and specific personal perspective. In contrast to other associations, where one can interact with both entrepreneurs and managers, the restriction of participation to solely members of the family in AIDAF allows for the development of more direct relationships that evolve around shared issues, proving fruitful and enduring over time.

“AIDAF provides the opportunity to engage with peers, taking differences into account, finding solace regarding important issues, and sharing vulnerabilities.”

Reciprocity and bi-directionality are the key characteristics of the exchange among the members, where mutual enrichment arises from horizontally shared ideas and experiences, without the presence of a designated expert. All participants are experts and, at the same time, in need of experience. Difficulties and complexities are collectively addressed by everyone. This approach allows individuals to recognize themselves in others’ experiences, making them feel less alone.

These unique features facilitate the creation of a learning environment based on fundamental issues such as generational transition, the longevity of the enterprise, and the relationship between ownership and management.



SHOWING THE WAY

“AIDAF is like a vast agora, a plaza for self-improvement.”

“One of the purposes is to inspire those who have fallen behind, ensuring that members can help each other through the strengths they possess.”

Beyond the exchange, comparison, and peer discussions, it is our practices that bring out one of AIDAF's main distinctive elements. Businesses of different sizes, and consequently with different possibilities for growth and evolution, find themselves in the same room, eager to share their experiences, how they have tackled the challenges they have encountered, and the paths they have identified.

Setting an example, showing the way: we are guided by the principle of interdependence, inherently embedded in the values upon which AIDAF is built. Interdependence is the fundamental principle that governs the functioning of all forms of life on Earth: an intimate connection and mutual dependence, responsibility towards one another. No organism can thrive at the expense of others, but only by generating benefit for all.

In this dimension, AIDAF entrepreneurs and family members support each other on topics where they can be considered authoritative, exchanging best practices to ensure the longevity and success of their own businesses while simultaneously supporting other affiliated businesses and families.

REGENERATION AND THE CREATION OF VALUE

In defining the legacy we aim to leave through our current commitments, the concept of regeneration is central. In this document, it is understood as a process that systematically enhances the context in which we operate and of which we are a part.

Any organization, in its operations, utilizes value and creates value.

Value is not only economic but also social, environmental, cultural, and spiritual. To be regenerative, leaving future generations with a company better than the one we found, the created value must exceed the value used to operate. Traditionally, a company measures economic and financial value, but given the current social and environmental scenario, it becomes essential to learn to consider value from a systemic perspective, in all its shapes. A company that creates economic value at the expense of other dimensions of value is not destined to thrive in the long term, is not future-proof, and vice versa. Regeneration is a complex concept under thorough scientific study, yet it is also a simple guiding principle that can inspire and shape all actions.

Creating value according to a regenerative approach is the guiding star, marking the direction to move in. The impact areas, also outlined in the statute integration conducted in 2022, are the paths to traverse — our “branches” enabling progress in the indicated direction. The regenerative governance model is a concrete and methodical tool that defines the paths to follow in moving towards the right direction. The following statement complements AIDAF’s purpose and becomes a reference for value creation for both the association and the businesses that are part of it.

**AIDAF exists to support family businesses
in expressing their full potential by generating
more value than they have utilized, for both present
and future generations.**

From Generation to Re-Generation

It is interesting to note how a fundamental concept for AIDAF and for family businesses, that of Generation, has such a pronounced overlap with that of Re-Generation. Almost evoking the imperative for each generation to create the best conditions for the next one to be able to generate in turn: Re-Generate. This regenerative ambition further strengthens AIDAF's commitment to accompanying businesses through generational transitions, expanding this concept to a broader, systemic, and interdependent application of it. This perspective aligns with the powerful definition from the Brundtland Commission in 1987:

“Sustainable development is a development that meets the needs of the present without compromising the ability of future generations to meet their own needs.”

The 5 areas of impact underlined in the statute

Circular economy, Climate neutrality, Ecological transition, Welfare and Well-being, Culture and Common Good, these indicate the operational methods through which to pursue our ambition.

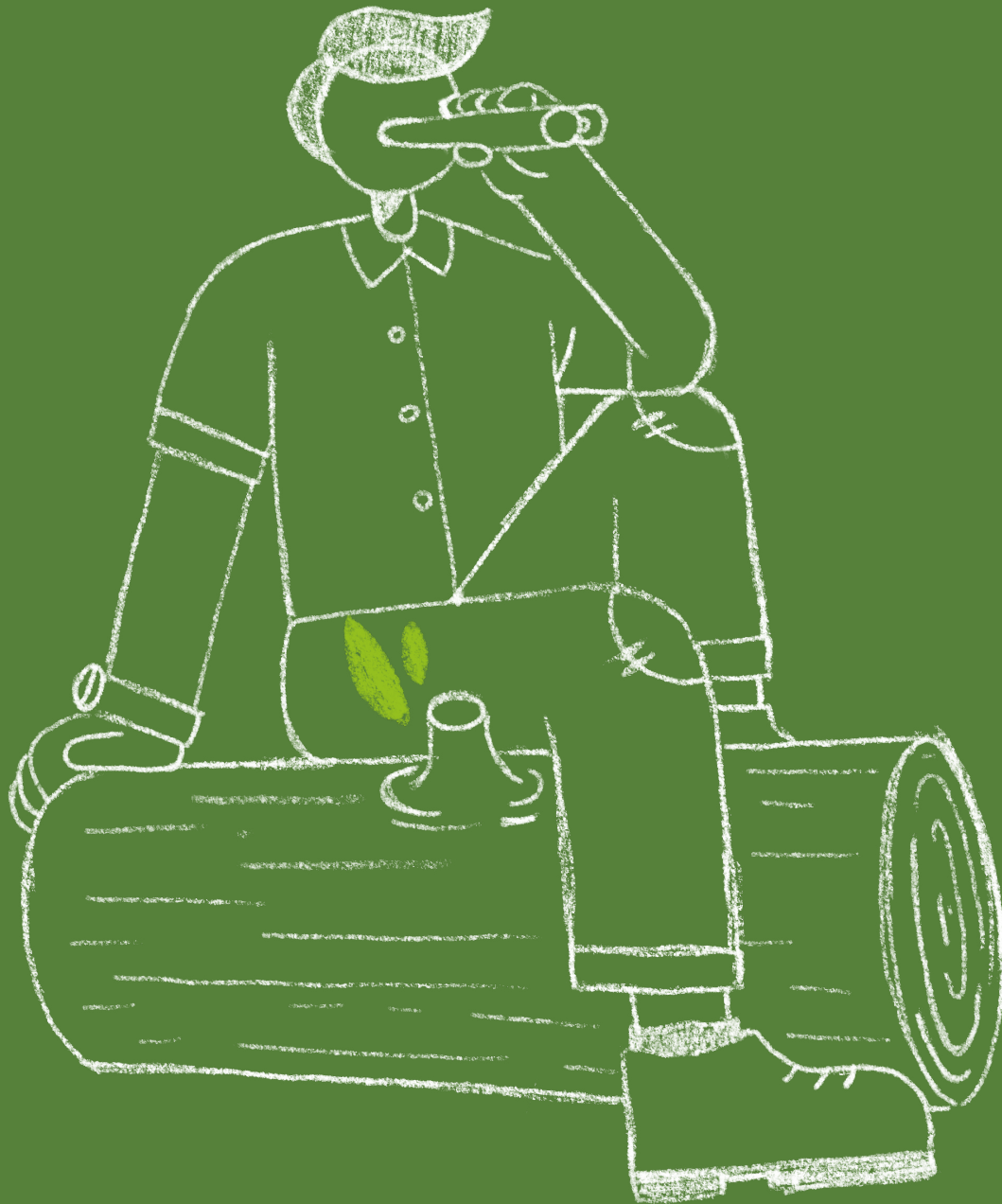
Legacy Governance

Each of these impact areas will be overseen through a governance model established through a gradual process, taking the complexity of the themes and the need to actively involve member companies into account. In the initial phase, a Legacy-focused working group will be established, consisting of volunteer members and coordinated by a representative. This group will be responsible for raising awareness among AIDAF companies on the theme and gathering concerns and needs. Based on this preliminary work, the group will develop a more detailed governance proposal, including objectives and KPIs, to be submitted to the Board of Directors and implemented gradually as awareness and participation in these issues grow among the members. The younger generations, through the Youth Committee, will play an important role in conveying the relevance of Legacy for the future of family businesses.

THE TRUNK — AIDAF'S SOUL

The trunk is the central and supporting element of the tree. Rising from the ground, it supports the branches and the canopy; it transports minerals and water from the roots to the leaves and organic substances in the opposite direction, stores reserves, and protects the plant's sap.

Our trunk is composed of the two essential components of AIDAF: the business and the family, two entities strongly intertwined with each other, resulting in a uniquely strengthened synergy.



02

The Trunk – AIDAF's Soul

BUSINESS AND FAMILY

Every business begins as a family affair. Each economic activity born from an individual is created with the goal of outlasting its founder, whether led by family members, workers and their families, local representatives, or other stakeholders.

Longevity, the aspiration of every business, becomes central for family enterprises, essential for the enduring existence of the family within this space. Thus, the ability to have a long-term vision is innate and permeates the governance and all actions of this type of business.

The family business is a stakeholder company by its very nature, a business model where all stakeholders, not just shareholders, are placed at the center of the strategy and decisions. This model, the only one that can guide us toward a prosperous and regenerative future, needs to be consistently nurtured and considered a central aspect in the decisions and activities of the business.

Its fundamental characteristics represent a valuable heritage and a significant opportunity for the family business: to position itself as a model of sustainable business, a regenerative force in the economy, and a source of inspiration for the entire Italian entrepreneurial landscape.

In this journey of Legacy, many challenges confront us as family businesses. Some distinctive features emerge from these challenges:

- **Governance Models**

The model of including family members within the company is not the only governance model used in family businesses; indeed, one of AIDAF's objectives is to highlight behaviors and practices that serve as guidance and promote a seamless and effective integration of family members, even through lesser-known or more creative methods. Depending on the chosen governance model, we have the opportunity to align today's vision and choices with the future we wish to build and leave for the next generations.

- **Family and Multi-Family Involvement**

Family businesses have complex structures, where often multiple members participate in the business life in various capacities and with different degrees of relationship to the founders or those in leadership. In certain cases, they are characterized by multifamily organizations, founded and collaboratively sustained by two or more friendly families. These peculiarities generate shared and intricate governance models, further complicated by the need to include external members in leadership and management. Therefore, actions such as acquisitions and capital opening could be reconsidered from the perspective of multi-family ownership being an option.

- **Generational Transition**

Generational shifts pose one of the greatest risks for family businesses, but they also present their most significant opportunity for transformation and rebirth. This is one of the most detailed and discussed themes by AIDAF, thanks in part to the intensive work of study, research, and training conducted by the AIDAF-EY Chair at Bocconi University in Milan. Generational continuity and discontinuity, coupled with identity — an individual identity beyond the family and the business — stand as crucial elements for defining one's own Legacy.

- **Long-Term Vision**

Having a long-term vision is inherent to the nature of family businesses and translates into long-term investment policies and strategies. Only through a long-term vision can we truly consider the needs of the generations we have yet to encounter.

- **Emotional Connections**

When discussing family, one cannot ignore the existence of a sentimental and emotional bond. Therefore, the family business has the responsibility to take into consideration, and integrate, even the most intangible and emotional aspects that characterize the relationships among its members.

- **Antifragility**

This physical characteristic is the aptitude of living systems to modify and improve in the face of external stimuli, stress factors, instability, and disorder. It goes beyond the concepts of robustness or resilience, which express the ability to return to their original functioning after stressful or traumatic events. Antifragility is a necessary condition for organisms to transform and evolve in the face of profound, unexpected, and exponential changes, such as those characterizing the development of our society. Family businesses, by nature, know how to react, adapt, and renew. If managed correctly, they can achieve a level of antifragility superior to other types of enterprises. Such a characteristic needs to be investigated and valued, to increase awareness and serve as an example for other forms of business.



- **Connection to the local community and territory**

Family businesses are deeply connected to the territory in which they originate and operate, whether it's their place of origin or a location that has welcomed them over time. Guided by a strong sense of responsibility, the desire to generate lasting value and positive impacts for the local communities in which they reside is ingrained in their nature. The challenge today is to achieve a new awareness, shifting from conceiving a territory solely as a place of origin or presence to a more global vision: the territory encompasses all the places impacted by the existence of businesses and, therefore, must be safeguarded and enhanced.

- **Care**

The family business is one of the institutions most capable of “taking care” and by its very nature, it is called to do so. We believe it is fundamental to invest in social responsibility, environmental sustainability, and local development through actions that create value and wealth. These actions extend beyond providing job opportunities and encompass beauty, attention, investments, and donations. Initiatives that allow the community to have a better quality of life without forgetting the care of the people working within the company, whom we consider an “extended family”. It is in this context that family businesses have the opportunity, along with the inclination, to generate value and well-being for people, revitalizing relationships and creating a safe environment for growth and deep connection.

GENERATIONAL TRANSITION AND THE NEXTGEN

“It should be kept in mind that, at least in a company bearing our name, you will not be mere ‘heirs’ called to manage the legacy left by the founder with honor. Instead, you will be ‘refounders’: each generation renews the company, certainly based on what has been passed down, but by revitalizing it to adapt to its own time, or even by completely changing it.”

Alberto Falck
Letter to his Children, 1999

“Before AIDAF existed, half of the family businesses were failing in their generational transition.”

“Actions are inherited, leadership is not. An entrepreneur is an ‘animal’ that is ‘hungry’, making decisions every day and fearing a return to a time when hunger was real. For the children, from the 2nd or 3^d generation onward, it’s different, there is less hunger.”

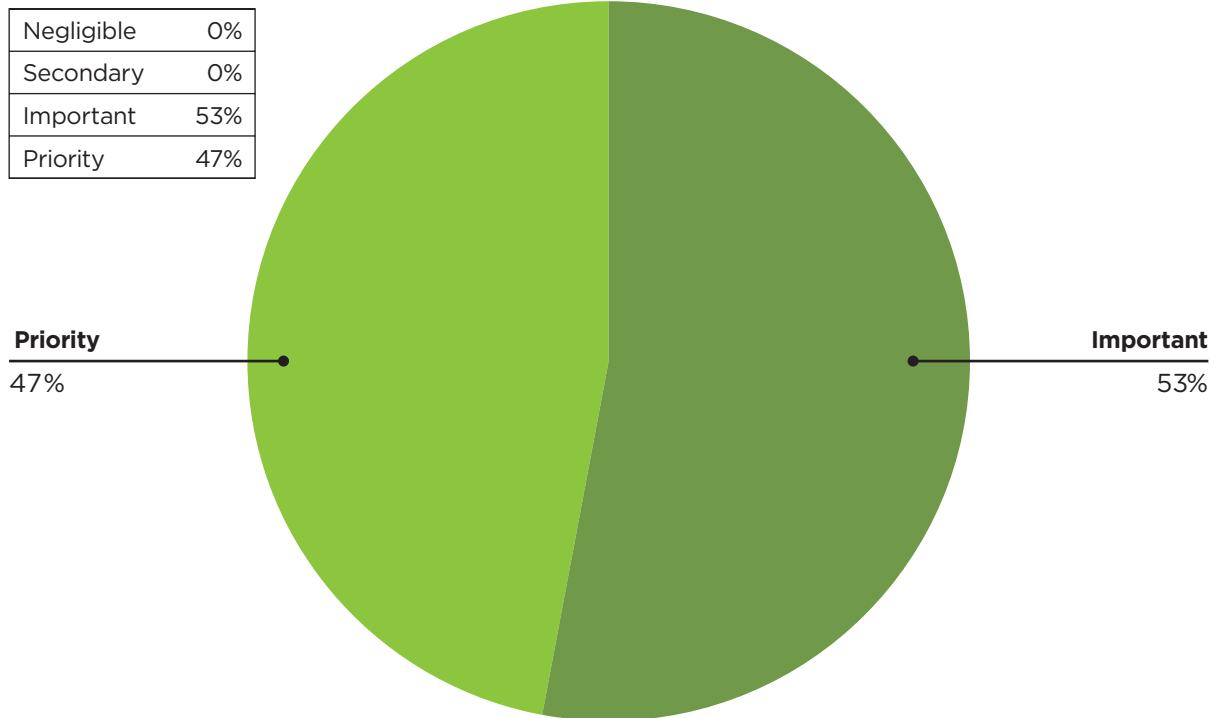
Generational transition represents one of the main challenges for the continuity and growth of family businesses. It is a delicate and complex moment involving legal, managerial, psychological, and interpersonal aspects involving multiple family members, thus affecting the survival of the business itself. Since our foundation, we have purposefully worked on this pivotal theme to actively promote a family entrepreneurial culture that includes conscious planning of “succession”. Identifying the most suitable person to lead the business in the future – without generating tensions and conflicts among other family members – and understanding the right time to transfer responsibilities, neither too early nor too late, are crucial knots. The goal is to ensure that the previous generation can impart and transfer all the knowledge from past experience, the identity, and foundational values of the business, while simultaneously being open to listening to the succeeding generation. Furthermore, the previous generations must take care of the future ones, making them stronger, giving them the opportunity to get involved and express themselves with objective responsibility⁴.

To us, the generational transition should not be a clean break but rather a continuous dialogue between generations. The *Letter to his Children* from our founder, Alberto Falck, embodies this vision of the generational transition as a bidirectional process. It is an invitation to passionately take the lead in the family business; a call to commitment, humility, and necessary perseverance; an encouragement to maintain cohesion and collaboration within the family; a guide to act and innovate with integrity and social responsibility.

We aim to inspire our members and involve more family members to encourage dialogue so that in family businesses, we no longer speak of transition but of generational continuity within a harmonious process that never ceases to project into the future.

Therefore, our Board of Directors appoints, every four years, a Youth Committee, composed of members aged between 18 and 40. The Committee is tasked with giving voice to the new generations, actively involving them in the association's life. Among its members, a President is appointed, who participates in Board meetings. On one hand, we aim to create opportunities for discussion and grow young individuals' awareness of their role, preparing them to take on entrepreneurial responsibilities with commitment and integrity. On the other hand, the Committee plays a proactive role in all issues related to generational transition in family businesses, bringing visibility to the "NextGen" perspective. The real challenge is indeed to look far beyond the horizon of the present. We intend to accompany our member businesses in this necessary imaginative effort to consider the interests and prosperity not only of the current young generation but also, and especially, those yet to be born. It is a crucial shift in perspective, presupposing the responsibility to act today, taking into account the consequences for generations to come.

In response to the question about the relevance of Circular Economy, Climate Neutrality, Ecological Transition, Employee Welfare, Well-being of other stakeholders, Culture, Common Good, Community, and Territories in the transition to the NextGen, 53% of the voters expressed them as “Important,” while 47% marked them as “Priorities.” None considered them “Negligible” or “Secondary.”



Graph no. 1. Perception of the relevance of material themes for the NextGen.

THE BRANCHES AND LEAVES — AIDAF'S STRATEGIC DIRECTIONS

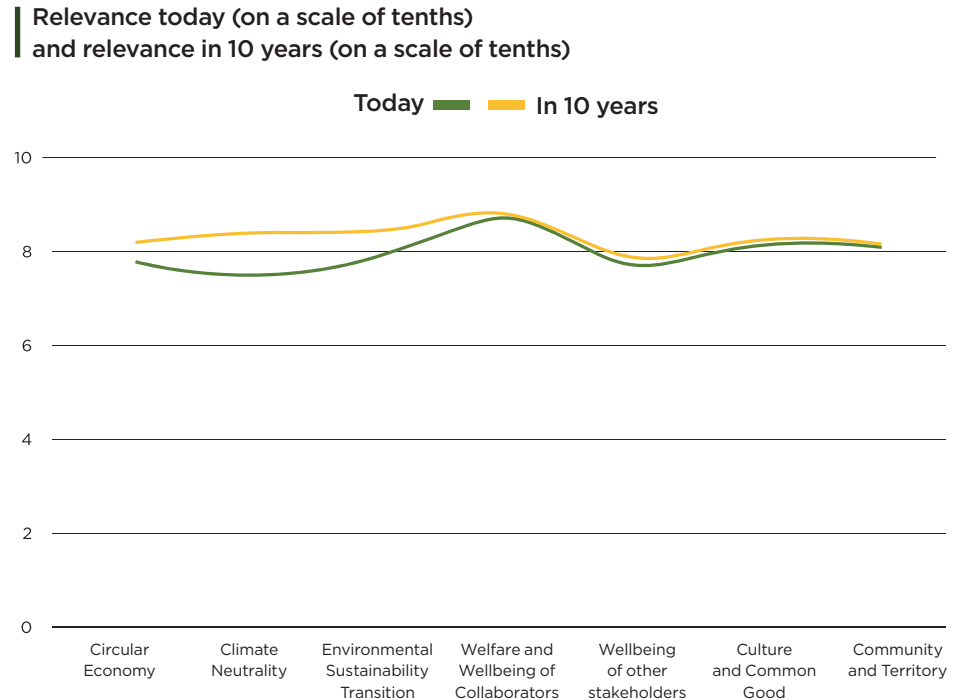
Drawn towards the light, the branches move, extend, and intertwine, indicating the necessary directions for survival. They represent the guidelines that AIDAF has identified as fundamental to accompany member businesses towards sustainable development. We can call them impact areas, which will be populated by the actions that businesses will take in that direction. Each action corresponds to a little leaf, born from the plant's will and necessary for its survival.

Thanks to the questionnaire shared with member businesses, we have been able to explore the relevance of the themes incorporated into AIDAF's statute, questioning their importance both today and in the future.



03

The Branches and Leaves – AIDAF’s Strategic Directions

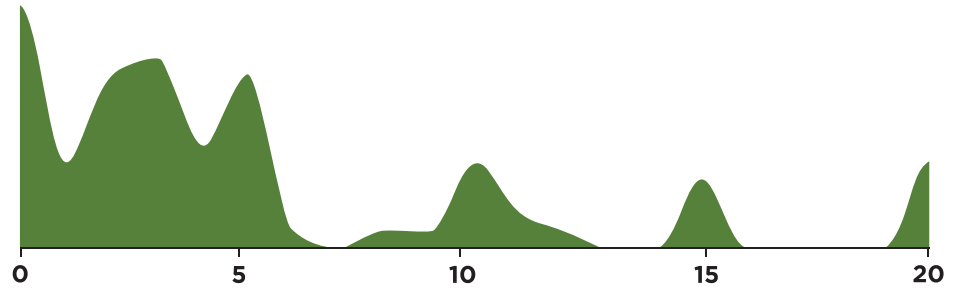


Graph no. 2. Dark green represents the current relevance; light green represents the relevance in 10 years.

Eighty-six percent (**86%**) of the questionnaire participants currently have a strategy in place regarding the elements identified as relevant. When asked, “For how many years has your company had a defined strategy related to the topics identified as most relevant?”, **18%** indicate that it’s a strategy that is very recent (less than

one year old), while for most companies, the strategy was developed between 2 to 5 years ago. Five percent (5%) of respondents have had their strategy in place for 15 years, while 6.8% declare that their strategy has existed for 20 years.

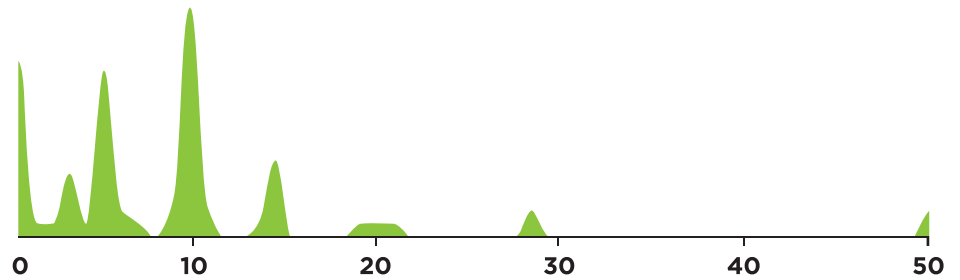
How long has your company had a defined strategy in relation to the themes identified as most relevant?



Graph no. 3. Number of years the strategy has been defined as relevant.

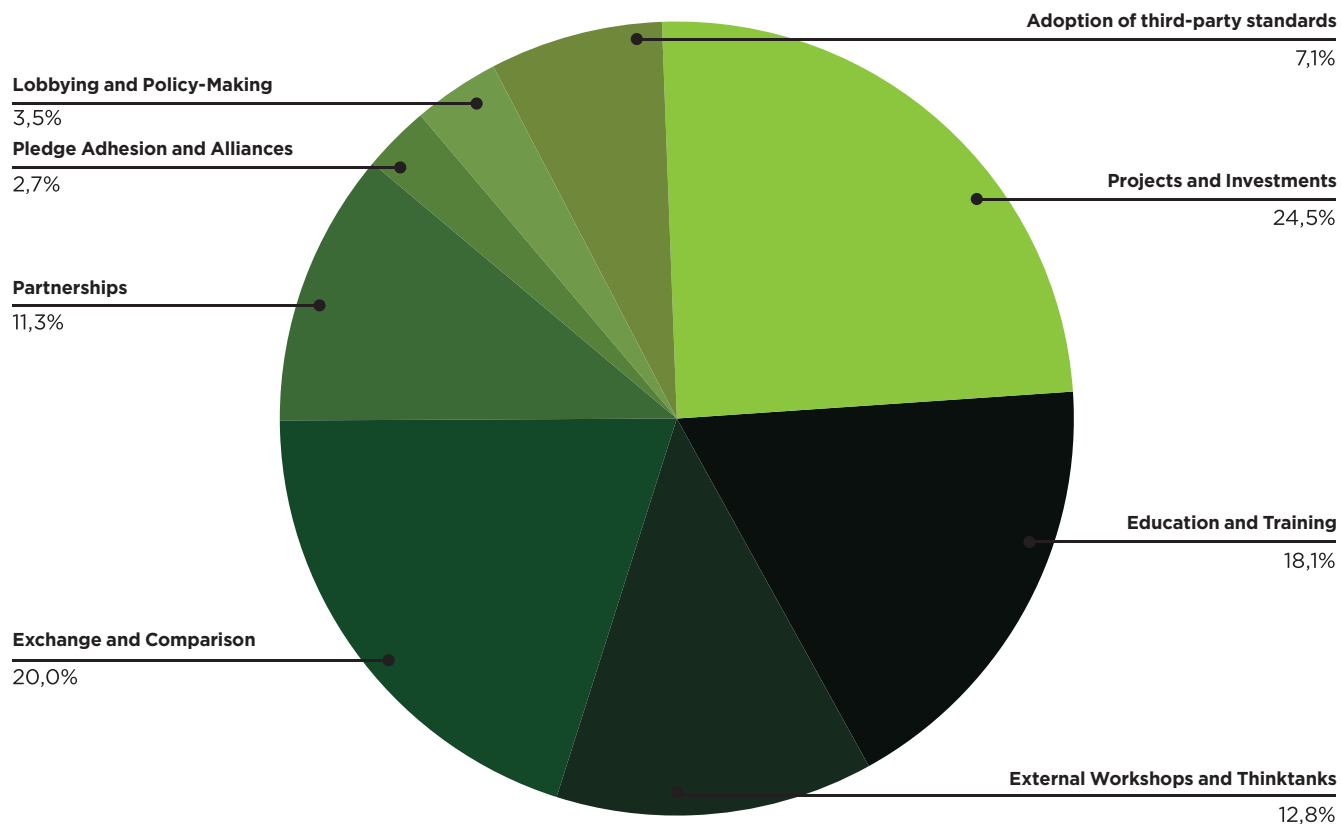
For 17% of participants, the future horizon of their strategy is 5 years, for 24% it's 10 years, and for 6.6%, it ranges from 20 to 50 years.

What is the future horizon of your strategy (in years)?



Graph no. 4. Estimate of the future horizon where the strategy will be implemented.

From the strategy, the main actions taken in order to address the relevant themes are:



Graph no. 5. Distribution of main actions taken in relation to the themes identified as most relevant.

CIRCULAR ECONOMY

“We are a transforming country; that’s why we generate a lot of waste. We are good at circular economy, and we could be even better. However, waste is still poorly traced; we need official and regulated marketplaces. Not necessarily a stock exchange but a mapping system integrated into information systems that allows us to move from unofficial and unregulated agreements to official and systematized ones.”

DEFINITION

In the current economy, we extract resources from the planet, create products that, once used, are discarded as waste: the process is linear. In a circular economy, on the contrary, waste production is avoided from the start by maximizing the use of already circulating resources through rethinking, reducing, reusing, and recycling. The goal is to create a continuous cycle of production, consumption, and regeneration. This encourages innovation, stimulates collaborations between companies and new supply chains, thus generating economic opportunities and new jobs.

Earth is a closed system for matter — nothing is created, nothing is destroyed, everything is transformed⁵ — and open for solar energy. This means that the resources we have, from those extracted from the Earth’s crust to water and including plant biomass, are finite. One doesn’t need to delve too deeply into this scientific assumption to understand that the only possible economic model in a closed system is one based on continuous cycles of use and transformation of products and materials, i.e., the circular economy. This model finds its maximum application within systems characterized by variety and differences in market sectors — it is precisely in diversity that it can highlight new transformation opportunities compared to the linear logics that have guided our economy until now — but homogeneous in terms of vision and objectives.

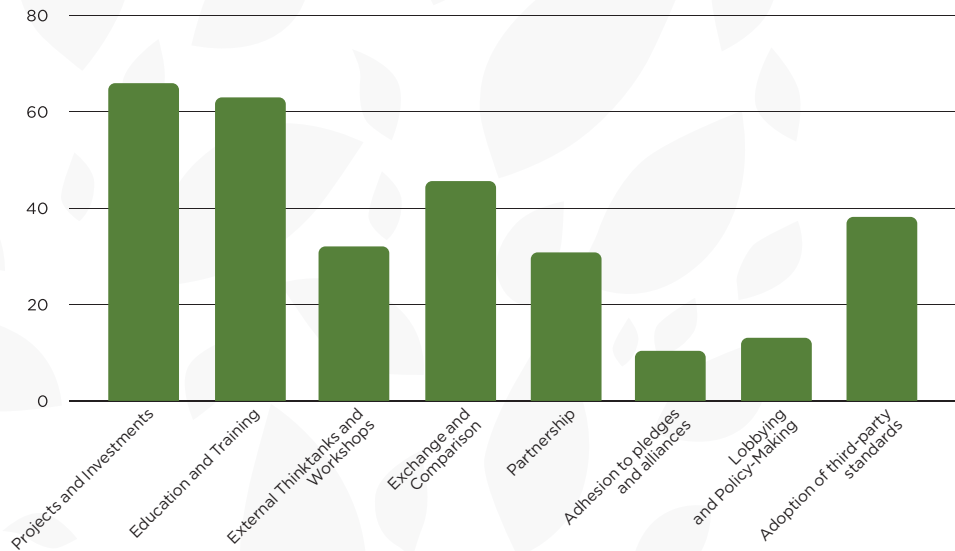
AIDAF, therefore, represents a significant “playing field” for the circular economy, where experimentation among member companies, exploration of collaborations and symbioses, and identification of new market opportunities can be fostered. To achieve this, a dual action is needed: first, a focus on training activities leading to greater awareness of the opportunities that can be seized, analyzing challenges and operations necessary for this purpose. Second, it is essential to map the activities, peculiarities, and areas of application of circular economy practices within individual companies to identify potential synergies.

On a scale from 1 to 10, circular economy currently holds an importance rating of **7.5** for member companies. In the future, the significance of the topic is expected to grow significantly, reaching a value of **8.3** out of 10. Despite its acknowledged importance for individual companies, circular economy does not appear to be among the top priorities for AIDAF to address and is thus ranked **5th** among the various topics discussed.

Circular economy



Graph no. 6. The relevance of the Circular Economy, now and in 10 years.



Graph no. 7. Main actions on which member companies have focused in terms of circular economy.

“The role of AIDAF is complex, and generalizing can be risky, but examples and comparisons can be helpful, especially when accompanied by case studies. It is necessary to invest in training by offering webinars or meetings, creating opportunities to discuss content that will be further explored by those interested or who see the opportunity.”

COMMITMENTS

We commit to spreading the culture of the circular economy among our member companies through meetings, publications, and training sessions.

We aim to encourage our members to experiment with circular economy practices, involving external companies as well, and to internally report case studies and projects that can become a shared knowledge base for new circular applications.

We commit to making AIDAF a place not only to experiment with industrial symbiosis or synergies among member companies but also to design the basis of structured systems. We believe it is necessary and fundamental to work in synergy with research institutions, institutions, companies, and experts, so that the results that can emerge internally are shared and disseminated throughout the Italian business fabric.

We intend to increasingly promote and support innovation and research in this field, suggesting to our member companies ways of providing economic support, availability of resources, and sharing of expertise.

Finally, we commit to collecting key information and measuring, reporting, and transparently recounting the progress of AIDAF member companies towards the adoption of circular models in an aggregated form.

CLIMATE NEUTRALITY

DEFINITION

Climate Neutrality

Achieving a global balance between greenhouse gas emissions produced by an activity or business and those sequestered or offset. The greenhouse gases (GHG) regulated by the Kyoto Protocol are CO₂, CH₄, N₂O, HFC, PFC, SF₆.

Carbon Neutrality

Achieving a global balance between carbon dioxide emissions produced by an activity or business and those sequestered or offset.

Net Zero

Reducing greenhouse gas emissions at the source through improvement interventions. Residual emissions are neutralized through verified mechanisms to zero the difference between emissions produced and sequestered.

Climate change is impacting our planet through extreme conditions such as droughts, excessive heat waves, intense rainfall, floods, and increasingly frequent landslides, both in Italy and worldwide. In recent months and years, we have experienced firsthand how these phenomena significantly affect the activities of our businesses with important consequences, such as exacerbating supply chain risks throughout the value creation process. In Italy, currently, the largest sector for greenhouse gas emissions is the industrial one, followed by real estate development, transportation, and the agricultural sector, the main generator of methane emissions⁶.

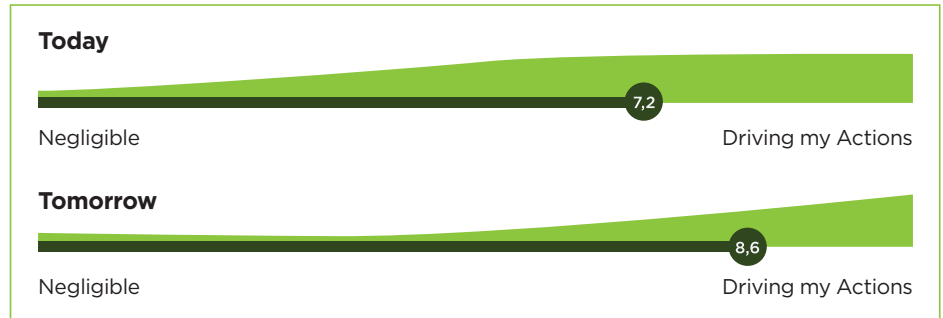
In this context, AIDAF considers it essential to mobilize and align with European regulations and objectives of climate neutrality and national objectives of ecological transition established for 2050. Achieving the “zero emissions” target is crucial to contain global warming within the 1.5°C threshold, thus ensuring the possibility for future generations to thrive. We welcome the principle of decoupling defined by the European strategy, namely creating an inversely proportional relationship between economic growth and the trend of greenhouse gas emissions.

“What struck me about AIDAF is being the first among business associations to focus on these issues from the beginning of my personal experience. Over the years, I have noticed a constant attention to these issues: in conferences, workshops, and even in business visits. Very often, companies pointed to them as crucial themes for their activities.”

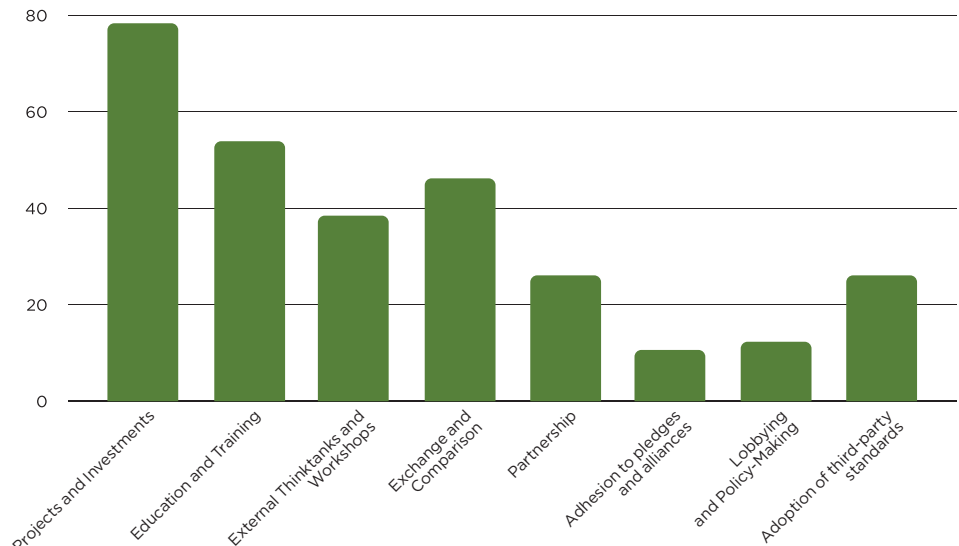
In response to the question of how relevant the climate neutrality theme is for their business today, on a scale of 1 to 10, questionnaire participants voted **7.2**. The perception of the relevance of the same theme increased over 10 years, reaching a value of **8.6**. In response to the question “On which of these topics should AIDAF focus more of its actions on?”, climate neutrality ranked **4th** in total votes.

“Climate neutrality is perhaps the last step we will take as AIDAF, the most difficult, but not any less fundamental for that reason.”

Climate Neutrality



Graph no. 8. Relevance of Climate Neutrality, today and in 10 years.



Graph no. 9. Main actions member companies focused on in terms of climate neutrality.



COMMITMENTS

All actions aimed at achieving Net Zero through the reduction of greenhouse gas emissions at the source have the potential to drive improvement for businesses in their ability to create economic, environmental, and social value. Therefore, we assist our members in taking initiative and a leading role when addressing the challenges and opportunities these transitions present.

To ensure that the Italian family business sector is at the forefront in this area, we consider collaboration and interdependence essential. We support our members in developing networks and partnerships, sharing and promoting best practices to initiate this path of evolution towards a collective destination.

Given the complexity of the issue and the need for each individual company to find its own way to address it, we commit to promoting common awareness among our member companies. Emphasizing the importance of measurement as a starting point for initiating change and providing useful tools to companies for their individual journeys, we aim to include the voice of the NextGen actively in future development directions, making them direct witnesses.

We also understand the importance of pursuing climate neutrality in a fair, inclusive, and sustainable manner. This involves ensuring a just transition for people and places, not overlooking any region or geographic area where our member companies operate. On the contrary, we promote a widespread territorial culture on the issue.

Finally, we commit to collecting key information and measuring, reporting, and transparently communicating the progress of AIDAF member companies towards existing climate neutrality objectives.

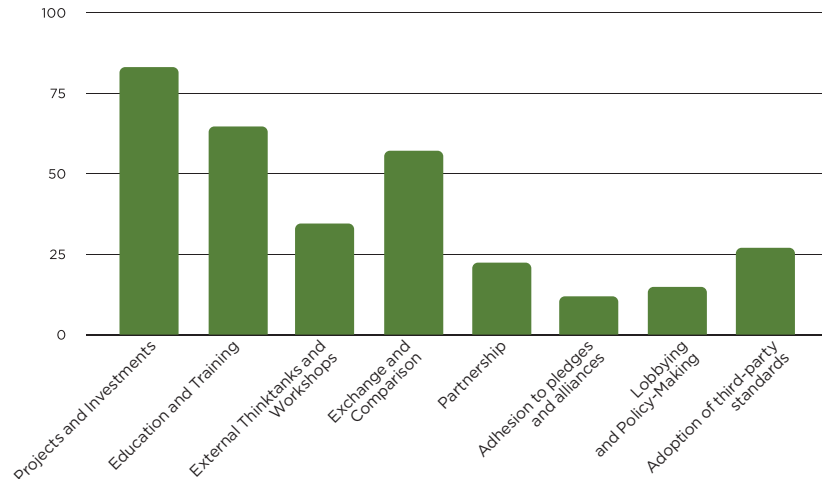
TRANSITIONING TO MORE ENVIRONMENTALLY SUSTAINABLE PRACTICES

Transitioning to more environmentally sustainable practices is a challenge that requires a radical rethink of production and consumption models, an indispensable priority for life to remain possible on this planet. As an association representing the core of Italian entrepreneurial excellence, AIDAF aims to guide its member companies through this delicate transition, leveraging the distinctive features that characterize family businesses: a long-term vision, a strong involvement in local communities, and a focus on people. These factors enable them to better address the complex challenges that lie ahead.

Transitioning to more environmentally sustainable practices



Graph no. 10. Relevance of Environmental Sustainability Transitions today, and in 10 years.



Graph no. 11. The main actions member businesses focused on in terms of their Environmental Sustainability Transition.

In response to the question regarding the current relevance of environmentally sustainable transitions for their businesses on a scale of 1 to 10, survey participants voted **7.9**. The perception of the theme's relevance increases over 10 years to a value of **8.7**. When asked, "On which of these topics should AIDAF focus its action more?" transitioning to environmental sustainability ranks **2nd** in the total votes.

COMMITMENTS

In the challenge of transitioning to environmental sustainability, we aim to guide our affiliated companies towards adopting more environmentally and socially sustainable production and consumption models, making it a cornerstone of their competitiveness.

We support the creation and dissemination of a sustainability culture that cuts across all business processes: from the selection of eco-friendly materials to the virtuous management of waste materials, from energy-efficient sourcing to the creation of products and services with a lower environmental impact. For the fabric of Italian family businesses, environmental sustainability represents a powerful driver of innovation and development: an opportunity to improve processes, create new professional roles, and generate shared value for their local communities and environment.

We trust in the innovative spirit of our companies to transform environmental challenges into lasting competitive advantages, to collectively draft a new *Letter to our Children* that places social, environmental, and economic sustainability at the heart of their legacy and the education of future generations.

Finally, we commit to gathering key information and measuring, reporting, and transparently narrating the progress of AIDAF-affiliated companies toward ecological transition in an aggregated form.

PERSONAL WELL-BEING

“The greatest challenge for businesses is understanding the dynamics of internal well-being, a blend of psychological and human elements. A profound concept, connected to qualities such as empathy, alchemy, and the ability to understand people.”

“Family businesses have a natural inclination to care for and take responsibility for the people working within the company. They become a sort of extended family in a broader sense.”

“The primary advantage of family businesses is a close relationship with their collaborators.”

“Often, family businesses have managers who have been with the company from the beginning of their professional journey, and the company has nurtured, cultivated, and grown with them.”

The history of welfare has deep roots in addressing the social and economic challenges that emerged during the industrial revolution. We believe that today it should go beyond a set of policies, programs, and initiatives aimed at improving the quality of life, satisfaction, and support of collaborators. Companies are founded on the connections between people, and without them, they could not exist and prosper. Therefore, they have the responsibility to take care of them in a holistic sense. Their well-being extends beyond material aspects and should also include attention to their emotional, social, and professional dimensions so that they can express their full potential and create value within the organization where they operate. Family businesses, by nature founded on interaction, interconnection, and the emotional bond among their members, possess this attitude inherently, as if collaborators were an extension of the family nucleus itself.

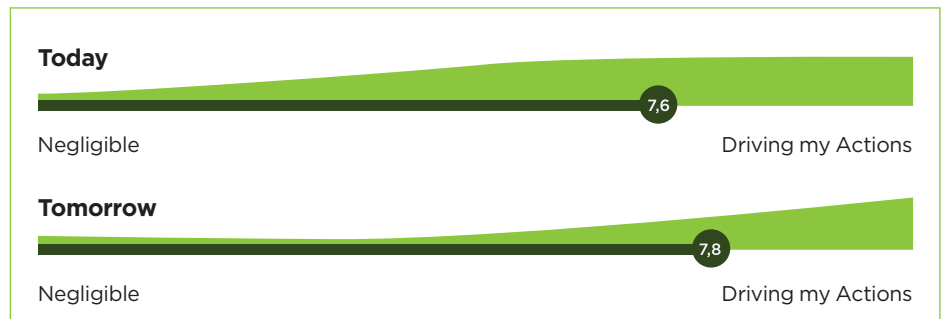
In 2022, we established *Women in Family Business*, the association's chapter dedicated to promoting greater female participation and representation in corporate leadership, supporting equality of opportunities and valuing the contribution of women to the growth and success of family businesses. *Women in Family Business* unites female leaders in entrepreneurial and managerial roles within family businesses, operating on three levels: within the family, in schools, and within the company. These leaders serve as positive role models, sharing their experiences to guide and inspire new generations. Additionally, they support businesses in defining goals related to female leadership, helping to identify strategies and monitor and evaluate corporate policies that overcome the challenges they face from time to time, the association also aims to promote a culture of gender diversity and broad-spectrum equal opportunities, using advocacy processes and institutional relationships.

In response to the question of how relevant personal well-being is to their businesses on a scale of 1 to 10, survey participants voted **9.1** regarding collaborators and **7.6** regarding other stakeholders. The perception of the relevance of the same theme in 10 years increases, reaching a value of **9.2** for collaborators and **7.8** for other stakeholders. When asked, “On which of these topics should AIDAF focus its action more?” the well-being of collaborators was placed in the 1st position by **26%** of voters, securing the **1st** position in the overall votes, while the well-being of other stakeholders ranked **7th**.

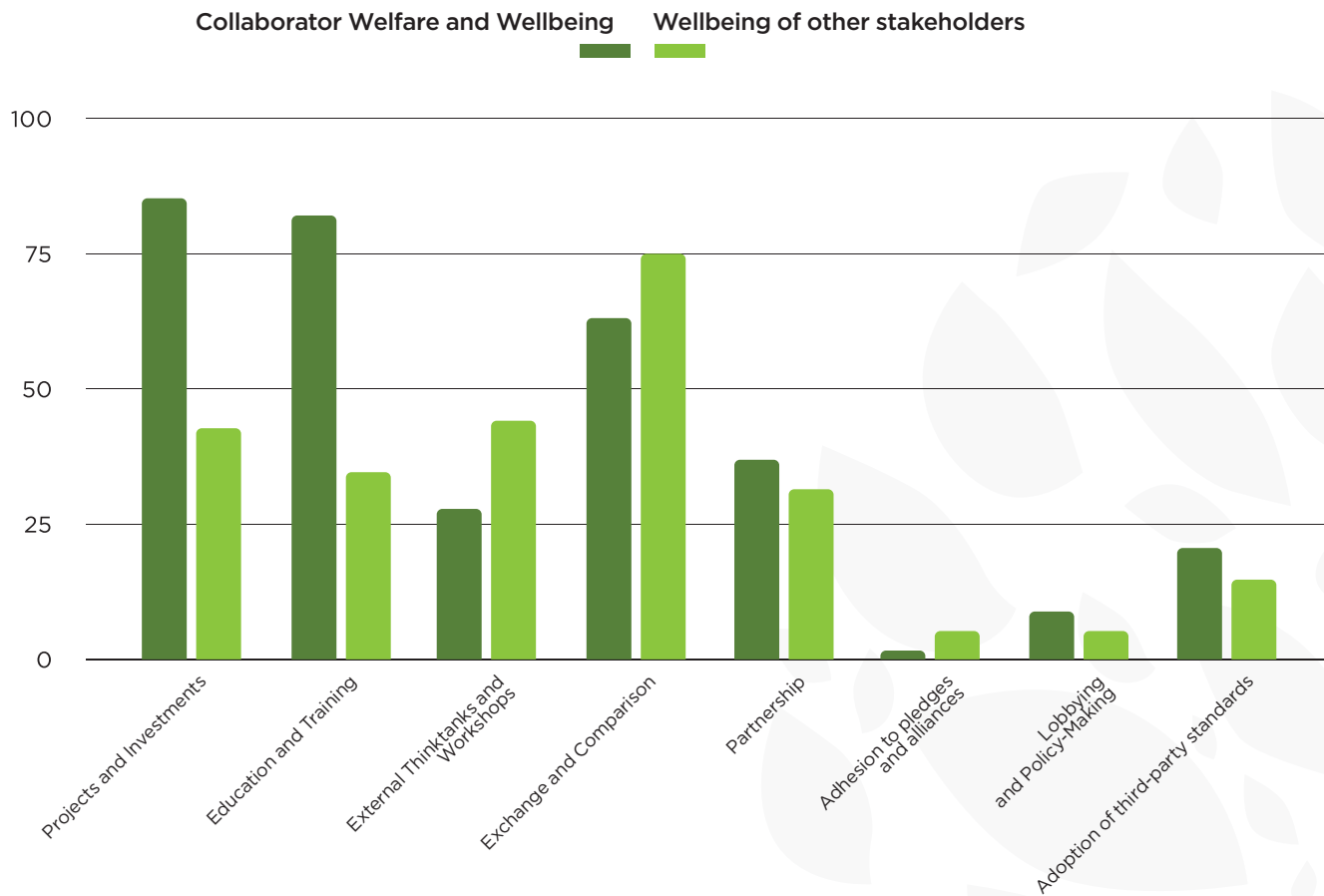
Welfare and Wellbeing of Collaborators



Wellbeing of other stakeholders



Graph no. 12. Relevance of collaborator and other stakeholder wellbeing now, and in 10 years.



Graph no. 13. Dark Green indicates collaborator wellbeing, light green indicates stakeholder wellbeing.



COMMITMENTS

The well-being of individuals operating within the family business is crucial, and we aim to guide our affiliated companies in developing and strengthening this inclination through a profound exercise of empathy. Understanding and anticipating the human needs of collaborators is essential. Nurturing mutual and active listening between the company and individuals through the sharing of experiences, values, and responsibilities can enhance overall quality of life for everyone involved.

Over the years at AIDAF, we have fostered the right conditions for mutual trust among members.

We aspire to inspire our associates to replicate this model by promoting a collaborative and flexible work environment, where individuals feel free to open up, share doubts and vulnerabilities, and engage in constructive dialogue. This fosters listening and collaboration, unleashing energy and accelerating organizational dynamics that contribute to the growth of both the company and individuals. In this context, we recognize the importance of understanding and promoting diversity as a source of strength and competitiveness for the company, rather than a cause of division or weakness. We aim to accompany our affiliates in this cultural evolution.

Lastly, we commit to collecting key information and measuring, reporting, and transparently narrating the progress of AIDAF-affiliated companies in relation to personal well-being.

CULTURE AND COMMON GOOD

“Strive to operate not only for legitimate profit but also for the common good.”

Culture is our voice, representing our identity. When we consider who we want to hear us, understand our culture, and contribute in a bidirectional manner, our collaborators, other businesses shaping the Italian economic fabric, society, and institutions come to mind.

It is essential for us to choose the right words for these stakeholders, listen attentively, and engage them in this journey that we are undertaking and believe to be necessary, laying the foundations for a collective legacy together.

“My father appointed me to the Board of Directors, saying: this way you will learn. It came with a lot of responsibility... bringing young people onto the Board is a powerful lever. We (between 30 and 40) are a generation that has experienced a rapidly changing world. My father’s generation grew up with the idea that work makes man noble. Today, there is more than just that.”

The internal voice within the company: governance models

As Alberto Falck stated in his *Letter to his Children*, “each generation rebuilds the company, certainly based on what has been transmitted to it but renewing it to adapt it to its own time, or even completely changing it”; the need to provide the new generations with roles and tools suitable for bringing about radical change within the company becomes evident.

Younger generations present an opportunity for innovation and cross-pollination because they can interpret society and its constant changes with profoundly different lenses with respect to those used by previous generations, as well as in comparison to those that will come. Their presence in governing bodies allows, on the one hand, the facilitation of external cross-pollination and, on the other hand, the stimulation of profound individual growth, making them more responsible and aware, key elements in terms of legacy.

The voice within the entrepreneurial fabric: thought leadership

Through our affiliated companies, we represent approximately 16% of Italy’s GDP, a significant component of our country’s economy. Within our association, like in the entire entrepreneurial fabric, there are varying levels of awareness of urgency and tools needed to respond, crucial for accompanying the transition towards regenerative economic paradigms. Many challenges and obstacles lie ahead, and to address them, there is a need for the dissemination of a culture directed and transmitted by those who are more competent, experienced, or have access to forms of support and guidance. Among our affiliated companies, many best practices shine from those who have acted first or, better, actions that can become examples and be made available to those who are ready, willing, and in need of stimuli and teachings.

“According to the discipline of organizational theory, for culture to extend beyond those who promote it and constitute a continuous learning process, it must be grounded in rules that lead to practices and habits, ultimately transforming into culture, and therefore motivation to respect and defend it. For instance, consider the queue to buy tickets. Initially, it is necessary to establish guidelines that set the rule and, over time, promote the meaning and benefits of queuing. If this habit truly permeates our cultural substrate, cutting the line causes feelings of discomforting for observers, and emulation is unlikely to occur.”

At AIDAF not only do we feel the need to help each other: our goal is not to leave any company behind; on the contrary, we want to systematize the awareness we are internally achieving, making it a useful guiding tool for the entire Italian entrepreneurial fabric.

The voice within society: being a social actor

Today, more than ever, businesses are recognized as social actors, called upon to take action. According to the annual Edelman Trust Barometer⁷, a survey on trust and credibility conducted by the American consultants globally, only businesses are acknowledged as an ethical institution, whose choices are directed towards the common good, and competent, capable of making the right decisions. In Italy, the data aligns with this trend: businesses represent the most trusted institution, although neither of the two values, ethics, and competence, position positively. The report highlights expectations for greater commitment from the business world, especially regarding pressing social issues such as employee working conditions, the effects of climate change, and discrimination. Companies are called upon to address societal challenges by proposing solutions, collaborating with governments and non-governmental organizations, and utilizing their resources to contribute to building a fair, resilient, and prosperous society.

Harmonized voices: policy-making

Now more than ever, we recognize the need to nurture and reshape our approach to caring for and promoting the common good according to current needs.

To do so, we increasingly believe in articulating our voices in unison, making their power, solidity, and influence felt.

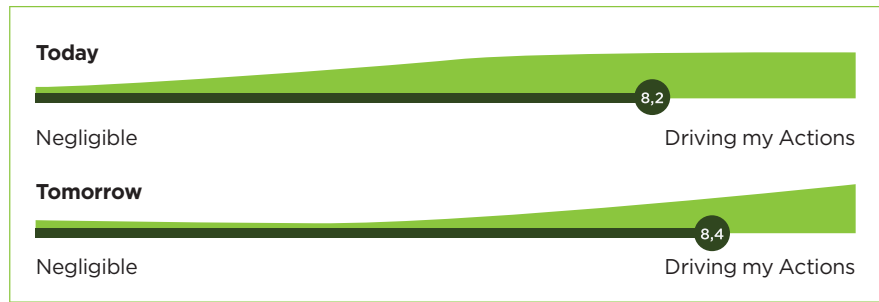
In line with the findings of the Edelman Trust Barometer and the inherent DNA of AIDAF, policy-making activities are seen as the necessary tool for creating a long-term legacy that permeates culture and is safeguarded by the regulatory and legislative system.

In response to the question of how relevant the theme “culture and common good” is for their company today on a scale from 1 to 10, survey participants voted **8.2**.

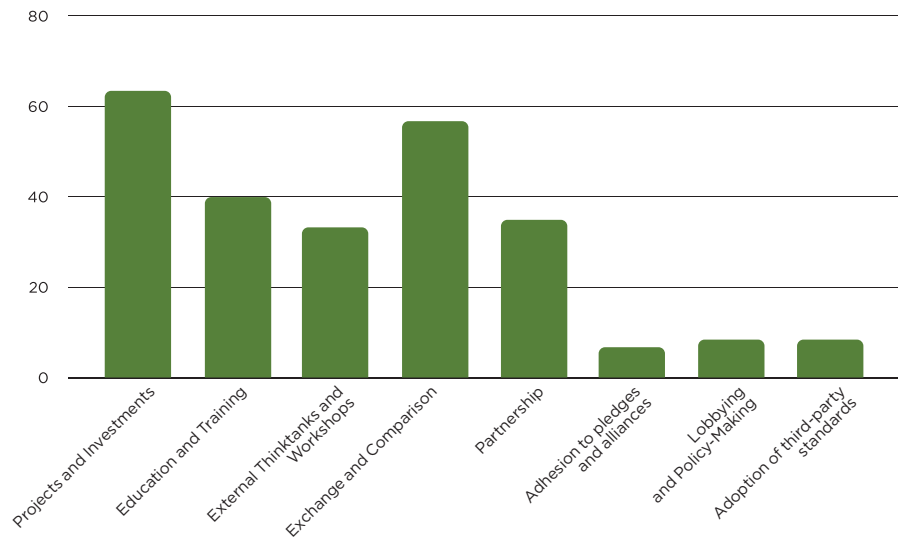
The perception of the relevance of the same theme in 10 years experiences a slight increase, reaching **8.4**.

When asked, “On which of these topics should AIDAF concentrate its action more?” the theme, already well-addressed by AIDAF in past years, is ranked as the **6th** priority.

Culture and Common Good



Graph no. 14. Relevance of culture and common good today.



Graph no. 15. Main actions that member businesses focuses on in relation to culture and the common good.

From the family pact⁸, one of the first battles regarding succession law, to the Golfo-Mosca law⁹ on gender quotas in the boards of publicly traded companies, and to the recent proposal for a bill on board diversity promoted by AIDAF and placed before Parliament with bipartisan support, AIDAF has consistently supported policy initiatives capable of advancing both businesses and their societal impact.

Culture plays a fundamental role in the journey we are undertaking, serving as a key element in understanding and disseminating the family business model as a sustainable one. It is an extremely complex factor, made up of numerous components and addressing various stakeholders.

COMMITMENTS

Committed to the common good, we pledge to disseminate practices within our affiliated companies based on strong cultural principles, derived from the foundational values that have always guided our association. These practices aim to be increasingly aware of today's challenges.

We aspire to support the entry of young individuals into corporate governance bodies, fostering additional activities of support, exchange, and training that facilitate a path of continuous learning and the harmonious integration of NextGen representatives.

Our objective is to actively collaborate with Italian and international businesses to spread the urgency we all feel regarding a shift in economic paradigms. We aim to share challenges and solutions, making the internal journey we are undertaking a guiding tool for the entire Italian entrepreneurial fabric.

We commit to contributing to an informed and impartial public debate, collaborating with research entities, academics, and experts to provide tools for developing critical thinking and addressing challenges with proactive strength.

We have plans to pursue these commitments, considering them fundamental to ensure the continuous growth of businesses. This includes developing legislative proposals that extend beyond the boundaries of affiliated or family businesses, guiding the Italian entrepreneurial fabric toward a regenerative economy capable of thriving today and facing the significant changes on the horizon.

By being “future-proof”, we aim to leave no business behind. Finally, we commit to collecting key information and measuring, reporting, and transparently narrating the progress of AIDAF-affiliated companies on objectives related to culture and the common good.

COMMUNITY AND TERRITORY

“The role of businesses today is not only to create a good product but, above all, to make the territory in which they operate a better place.”

“Business is plural. The most visionary entrepreneurs are those who understand that it is inseparable from their community and invest heavily in social policies.”

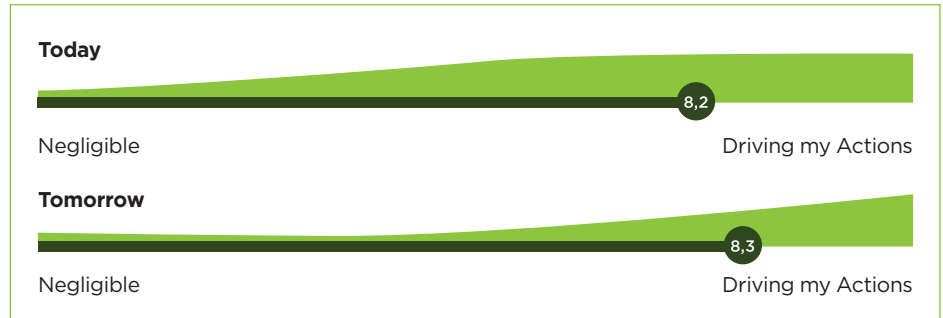
Many entrepreneurs start in their hometowns and educate themselves elsewhere, often in metropolises or abroad. After diligently laying the foundations for accomplishing their dreams, they return to invest where it all began, in the communities that have nurtured their person, family, and aspirations. Community and territory play a central role in the birth and growth of family businesses, representing two of their primary stakeholders. We believe that the nuanced meaning of these terms encompasses the relationships, dynamics, and distinctive characteristics defining the ecosystem in which the family business roots itself and interacts daily. This includes not only local institutions and organizations but also natural resources, artistic and cultural heritage, the economic and regulatory context, as well as the people living and working in the geographical area where the business operates – along with all their traditions, cultures, and needs.

We believe that businesses should listen and recognize the needs of local communities, aiming for mutual benefit. While generating wealth, jobs, and growth opportunities for the territory, on the one hand, it, in turn, provides human resources, raw materials, support, and consensus, creating a vital ecosystem from which the business draws sustenance and to which it returns prosperity in a relationship of interdependence.

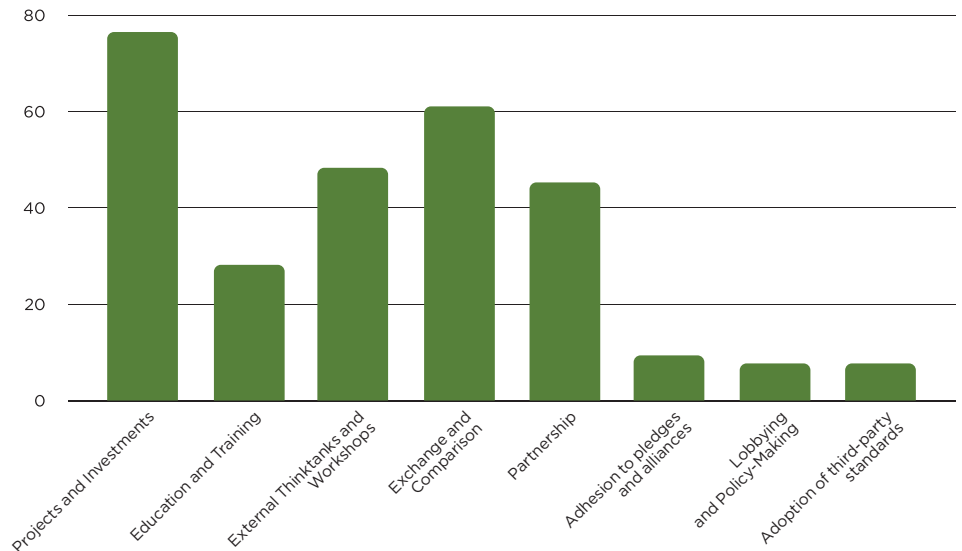
In many family businesses, this modus operandi is inherent. Emerging from a cohesive nucleus, they initially expand locally; the business then becomes plural: animated by people who exist and reside in the territory, it deeply engages with its context. Employees, residents, and citizens of the surrounding area are the first stakeholders with whom the extended family maintains a special proximity-based relationship, strongly rooted in their sense of responsibility. It is natural, therefore, that many family businesses have foundations or entities dedicated to social utility, proudly contributing to the prosperity of the places they have benefited from, in an act of sharing and regeneration.

In response to the question of how relevant the theme of “community and territories” is for their company today on a scale from 1 to 10, survey participants voted **8.2**. The perception of the relevance of the same theme in 10 years shows a slight increase, reaching a value of **8.3**. When asked, “On which of these topics should AIDAF concentrate its action more?” this theme secured the **3rd** position in the overall votes.

| Community and Territory



Graph no. 16. Circular Economy's Relevance Today.



Graph no. 17. Main actions member companies worked on in relation to their surrounding community and territory.

COMMITMENTS

We aim to inspire our affiliated businesses to bring their sense of responsibility and attachment not only to their places of origin but wherever they are present: where their legal and operational headquarters are located, where their value creation supply chain is concentrated or dispersed, and where their main stakeholders operate.

In the era of globalization, where most businesses have ventured beyond a specific border into a virtual “no man’s land”, free from moral concerns and legal constraints¹⁰, we hope that our companies can build a close relationship with the social, economic, and cultural fabric of all countries and territories touched by their activities. The goal is to nurture the local community in order to nurture the global one.

Finally, we commit to collecting key information and measuring, reporting, and transparently narrating the progress of AIDAF-affiliated companies regarding set objectives for communities and territories.



THE CROWN — AIDAF'S IMPACT

In conclusion, the crown symbolizes the universe of consequences resulting from the actions of family businesses. A crown that should cast shadows, countering the heat islands increasingly dominating our discussions, providing shelter for various forms of life, welcoming their habitats, allowing fungi to grow, and, as always, contributing to the balance of our ecosystem.



04

The Crown — AIDAF's Impact

“The definition of shade is that of a relative darkness and coolness produced by the shelter of direct sunlight. In most places in Africa, trees are the primary source of shade, capable of providing refuge not only from blinding light but also from the heat. The opportunity to sit under a tree is not merely welcomed; it is essential. Shade is not regulated; it is incidental, communal, and generally free. No one remembers who planted the trees or to whom they might ‘belong.’ Shelter from the sun is a public resource, one of the few truly democratic spaces that remain.”

Lesley Lokko
*Curator of the 18th International Architecture Exhibition
organized by the Venice Biennale*

THE LEGACY

“Positively influencing the long-term future is a fundamental moral priority of our time.”

William MacAskill
*What We Owe The Future*¹¹

At the heart of this document lies the concept of Legacy. By ‘Legacy,’ we mean the consequences, of any kind, that our present choices have on the future. It is estimated that approximately 108 billion human beings have lived on Earth before us.

The current 8 billion, representing less than 8% of all our predecessors, wield an immeasurably greater impact on the future due to the potential of current technologies and the size of the living population. In other words, a woman or man from 150,000 years ago could have had a minimal impact on the future compared to an individual today. Collectively, the 8 billion living will generate immense consequences for the thousands of billions who will come after us throughout history. This perspective, potentially inducing a sense of vertigo, is actually useful in framing the role that family businesses can or must play in contributing to the creation of a prosperous future of which to be proud. The key question to ask, now more than ever, is: *How can we be good ancestors?*

It is crucial to place the intentional social and environmental value we want to generate at the center of debates and decision-making processes, rather than solely considering economic value. For the present, not only for the future. Not just for the company itself but also for the extended ecosystem the company belongs to. The recipients of this Legacy are present and future generations, even in other places, people we do not yet know and will never know, anywhere on Earth.

Let us consider the value we want to create as the foundations upon which each generation can build a new story, a new enterprise, a new vision of Legacy to leave in turn.

Legacy is a concept that we feel particularly connected to: as family businesses, we have a long-term vision, especially oriented towards future generations. We firmly believe that it is one of the strongest and most powerful elements of our existence, one we can draw inspiration from to guide us in our daily choices. Despite being familiar to us, Legacy remains a profound, rich, and multifaceted concept, challenging to capture in a singular interpretation.

For this reason, in the following pages, we have chosen to capture the nuances of meaning that emerged in the conversations that gave rise to this document-book. These are not structured definitions in response to a specific question, such as '*what does Legacy mean to you*', but they encapsulate the essence of what we presently experience as a commitment to building a prosperous and better tomorrow.

Each of these definitions provides us with a fresh perspective and, perhaps, a new interpretation of our own lives.





“Legacy is feeling a strong sense of personal responsibility in intentionally transmitting positive values from one’s own family to one’s community and collaborators, with the aim of laying solid foundations for consciously building a better future.

Many family businesses uphold these good practices almost unconsciously. AIDAF can help bring awareness to them, articulate them, multiply them, addressing these themes in an innovative and contemporary way, making them available to everyone.”

Cristina Bombassei, President

“Legacy is about passing the torch — being able to assess oneself and identifying the right moment to hand over the reins, neither too early nor too late. To pinpoint the opportune moment, we must ensure we listen: it is not guaranteed that the next generations will be satisfied with what we are preparing for them. Those entering the company inherit a heritage and can choose to do something completely different with it, as Alberto Falck used to say. We need to work with those who will experience the future.”

Alessandro Garrone, Vice President

“Legacy means having an impact on the entire community one is part of and the world one inhabits. Therefore, as AIDAF, we are aware of our responsibility both to our members and more broadly for the issues on which we can make an impact on national, European, and global levels.”

Alessia Maria Mosca, President of the Scientific Committee

“Nurturing the imagination of young people through stories, creating knowledge through dialogue: this is the path to leave a mark and pass it on to future generations.”

Ludovica Busnach, Adviser

“Legacy means being sustainable over time. To achieve this, we must start by being sustainable today, primarily from an economic perspective and, concurrently, from a social and environmental standpoint.”

Guido Corbetta, Member of the Scientific Committee
and Holder of the AIDAF-EY Chair of Family Business Strategy
at Bocconi University, in memory of Alberto Falck

“Legacy is about values, ensuring that these remain alive and foundational for new generations. AIDAF can assist businesses in articulating and creating awareness around these values.”

Katia Da Ros, Adviser

“I envision a Legacy algorithm: if all member companies metabolize the values and concepts of regeneration that guide us, these will turn into actions, and consequently, the algorithm will become robust, influencing industry, markets, and politics.”

Massimo Dal Checco, Adviser

“Promoting education with a future-oriented perspective is generating Legacy. Taking care of today’s students means shaping the citizens and entrepreneurs of tomorrow, who, in turn, can pass on values to those who come after them.”

Carmine Esposito, Adviser

“AIDAF itself can be considered Legacy. I believe the reason why my uncle, along with others, founded AIDAF was precisely to leave a legacy to ‘extended’ children. To point out practices, innovative ones, that, in his view, would serve to ensure the longevity of the businesses.”

Irene Falck, Adviser

“Legacy is value, vision. More than an innate characteristic, it is something created very intentionally.”

Giorgina Gallo, Independent Adviser

“Legacy is the care of family, in an extended sense, without boundaries: from blood ties to one’s collaborators within the business.”

Giovanna Gregori, Executive Director

“Legacy encompasses both the business vision and the desire to transmit your value structure to subsequent generations, a true strength for the continuity and prosperity of the business. It is a systemic act of responsibility towards the company, the people who work there, and the territories in which it operates, capable of generating broader positive impacts beyond its own perimeter.”

Giuseppe Lavazza, Adviser

“Legacy is closely tied to the value one wants to create in a community. My father immediately decided to bring business to the region where he was born, in the hills of Prosecco. I have always admired him for the way he approached this, like an entrepreneur working with other entrepreneurs, like a primary care physician, to nurture and keep his surroundings healthy.”

Margherita Marchi, Adviser

“Legacy is a requirement for business continuity, and it’s essential to understand how it can take shape beyond the entrepreneurial spirit, as it is not a given that it is directly traceable to the family DNA.”

Diego Mingarelli, Adviser

“Our company was founded by a seasoned entrepreneur; my great-grandfather was nearly 70 years old when he created IRSAP. He did it with the idea of leaving a job for his children. Today, the Legacy we can leave behind goes beyond ownership, and extends to reaching out to future generations, to all the collaborators working in the company and those living in the community, not just those who share our blood.”

Marco Rossi, Adviser and NextGen President

“Faced with increasingly complex scenarios, such as artificial intelligence, Legacy should be about aiming to preserve the human touch, the ‘human spirit’ that should distinguish an entrepreneur. Only this can help in not losing sight of the value that a business generates, which goes beyond profit.”

Florindo Rubbettino, Adviser

“Being born into a family business means being the custodian of a passing good. This leads to developing a greater sense of responsibility because you know that you will have to pass it on, transmit it — enhanced — to those who come after you. Leaving a Legacy is intentionally transitioning from an ‘I’ to a ‘we,’ from individual ego to a new form of collective thinking.”

Caterina Sella, Treasurer

THE NEXT LEGACY BOOK

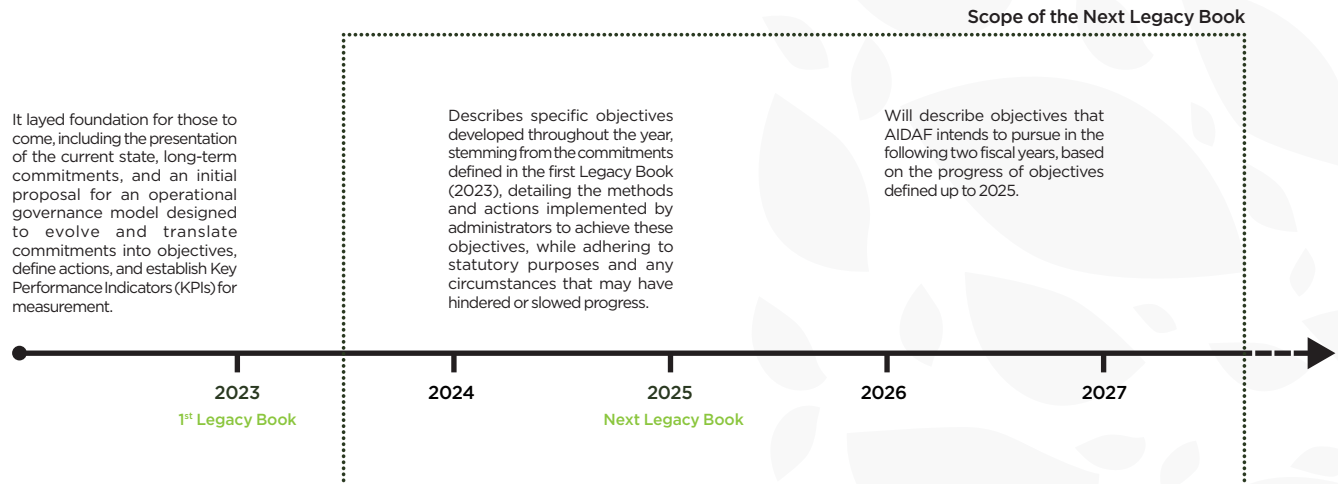
The editorial schedule for AIDAF's Legacy Books will follow a biennial cadence. The upcoming publication will inherit the work accomplished by the current Board of Directors: building upon the outlined directions and commitments in this document, priority actions and indicators will be defined in the coming months to monitor progress and ensure commitment fulfillment.

In the next Legacy Book, the achieved results will be publicly monitored and recounted, increasingly incorporating quantitative measurements and regularly updating data on the progress towards objectives. Every two years, a new Legacy Book will evolve into an instrument of progress, recounting the created value over its given time span, inspiring the definition of new goals and the means to achieve them, and so forth in subsequent cycles.

This iterative process of strategic planning and continuous improvement will enable AIDAF and its associated businesses to pursue increasingly ambitious Legacy milestones.

The Legacy Books will thus become a robust strategic guide for the entire AIDAF organization and community, solidifying a culture of enterprise based on clear intentions, measurable objectives, concrete actions, and result verification for the redefinition of new objectives.

With a biennial cadence, once fully implemented, the Legacy Book will cover a time span of 4 years: the preceding year, the current year, and the two years to come. The document must consistently contain and express the strategy, outlining the program of goals and actions aimed at achieving various purposes, in addition to assessing the actions stated in the previous document. This approach allows for the identification of specific objectives, starting with the more general purposes in the bylaws, and adjusting commitment flexibly, year by year.



In Summary

In drafting this initial document, the areas of relevance for individual businesses were explored, as well as the areas on which AIDAF intends to primarily focus its efforts to guide and support their operations:

█ Employee well-being is perceived as the most relevant theme by the associated companies and is also the topic for which most support is requested from AIDAF.

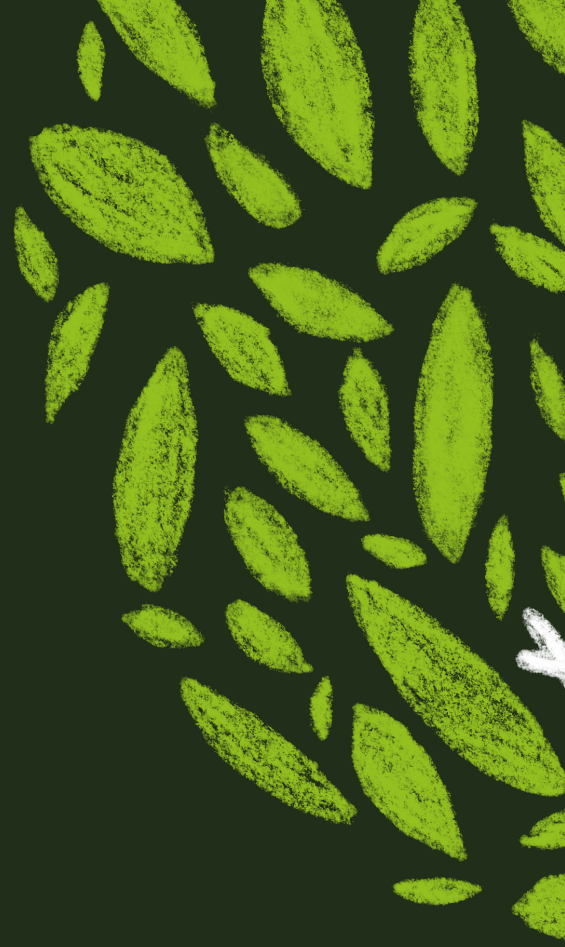
█ Environmental sustainability transitioning ranks second among the themes requiring intervention from AIDAF, and its relevance is expected to significantly increase in the coming years.

█ Community and territory occupy the third position in terms of AIDAF's intervention. Their relevance remains relatively consistent over time for associated businesses and continues to be a priority.

In the table, the priority order of themes on which AIDAF should concentrate its efforts is as follows:

Collaborator Welfare and Wellbeing	#1
Environmental Sustainability Transition	#2
Community and Territory	#3
Climate Neutrality	#4
Circular Economy	#5
Culture and Common Good	#6
Stakeholder Wellbeing	#7

GROWING A FOREST





GROWING A FOREST

“A forest is not a collection of different trees, but a community of individuals. Trees, connected through complex root networks, exchange everything they need.”

Stefano Mancuso
*The Plant Revolution*¹²

Biomimicry is the discipline that studies natural systems and other living beings as reference, in order to improve human quality of life/endeavors. It is easy to recognize how nature, after 3.8 billion years of continuous evolution and selection, presents us with the best expression of Legacy: no species that has not adapted to live in harmony with others, contributing to the overall prosperity of a given ecosystem, has been able to withstand the test of time.

In Biomimicry, nature is seen as a model, measure, and guide for the design and improvement of objects or new technologies as well as of organizations. It is no coincidence that the metaphor of the tree has guided the drafting of this document: the tree's ability to regenerate and the Legacy it expresses are extraordinary, almost miraculous. In its entire essence and existence, a tree leaves a world better than the one it found. It does so by collaborating in an interdependent manner — with radical interdependence — with other plants, being part of a whole and contributing to developing a dynamic and complex system like a forest.

Similarly, as AIDAF, we know that our responsibility to create a positive Legacy is a chorus of all associated companies. By imitating the dynamics of trees in a forest — a community that recognizes the well-being of each component as dependent on that of others — we can develop our full potential in addressing environmental and social challenges that can no longer be ignored and require immediate action.

Our role now is to grow a forest.



06

Appendix

AIDAF'S JOURNEY

AIDAF was founded in 1997 by Alberto Falck and a group of visionary entrepreneurs with the aim of promoting the family business model. In 25 years of activity, the association has consistently grown, now representing over 260 member companies, accounting for approximately 16% of the Italian GDP. AIDAF is the Italian Chapter of FBN – Family Business Network, the international network representing over 6,000 family businesses in 65 countries worldwide. Being part of FBN and EFB – European Family Businesses- allows AIDAF to bring issues important to Italian family businesses to global networks and discussions.

1997 – AIDAF is founded by Alberto Falck along with a group of visionary entrepreneurs who share its values

2003 – The AIDAF Chair of Family Business Strategy is established at Bocconi University in Milan, in Memory of Alberto Falck, later becoming the AIDAF-EY Chair, in Memory of Alberto Falck, in 2014

2005 – First Annual National Conference of Italian Family Businesses and the first edition of the Alberto Falck Award for the Best Family Business

2009 – First edition of the AUB Observatory (AIDAF-Unicredit-Bocconi), a pioneering research center on family businesses

2017 – Publication of the “Principles for the Governance of Unlisted Family-Controlled Companies. Code of Self-Discipline”

2022 – Amendment of Article 2 of the bylaws, including support and guidance for sustainable development among the associative purposes

2022 – Establishment of the Special Mention “Best Sustainable Growth Journey”

2023 – Presentation of the first Legacy Book of AIDAF and its member companies

2025 – Presentation of the next Legacy Book

AIDAF's Statute

Below is the integration to the 2022 statute, where the relevant themes for AIDAF are explicitly detailed, forming the basis for the development of this document and the questionnaire.

AIDAF represents and promotes the culture and leadership of the Italian family business, historically capable of generating value for stakeholders and the communities in which it operates. This business model embodies the idea of sustainability in its original and most comprehensive definition, i.e., a condition of development that ensures the satisfaction of the needs of the present generation without compromising the ability of future generations to fulfill their own. Family businesses, by nature and vocation, have a long-term vision, where the transition to successive generations is central. Therefore, AIDAF is committed to supporting the sustainable development of member companies, assisting them as much as possible through the sharing of best practices, guidelines, self-assessment tools, and certifications, providing guidance in areas such as circular economy practices, climate neutrality, ecological transition, welfare and well-being, culture, and the common good at local and global levels. AIDAF also commits to periodically measuring its impact on the environment and society.

EDITORIAL METHODOLOGY

Guided by AIDAF's ambition to support the sustainable development of member companies, we defined key principles to aid in research and material selection, understanding content, and delivering it to our stakeholders.

We have therefore defined *7 design principles*:

1 – VALUING EXISTING MODELS

AIDAF, member companies, and the surrounding communities rely on existing models that have brought us here. To define the direction in which to evolve, we believe it is necessary to start from what already exists and give it value.

2 – A SYSTEMIC APPROACH AND INTERDEPENDENCE

We consider the impact we have and the interactions our different actions have with each other. Each individual company, member or not, is not an island. Only together can they create a unified voice, unleashing a wave of transformation.

3 – SUSTAINABILITY PRINCIPLES

We consider principles of economic, environmental, and social sustainability as elements integral to the antifragility of companies and the economy, essential elements for transforming and evolving in the face of profound, unexpected, and exponential changes (such as pandemics, crises, or wars).

4 – CO-CREATION WITH THE AIDAF COMMUNITY

This document was created with the active involvement of the AIDAF community; it is a first step to encourage all companies and individuals who are part of it to be protagonists tomorrow of the change we are setting today, guided by a common ambition.

5 – MODULARITY

Contents are structured based on modularity to facilitate extraction and use as communication material on other channels.

6 – TRANSPARENCY

In the chosen language and presentation method, we have always emphasized transparency to ensure the greatest clarity possible for our stakeholders.

7 – CELEBRATION

We want to celebrate thinking about tomorrow and those who will live that tomorrow. We do not intend to be falsely optimistic or catastrophic. Rather, being aware today allows us to improve and joyfully work to create the future.

The contents of this document have been developed through contributions arising from 17 in-depth interviews lasting over an hour each, involving representatives from AIDAF's governance bodies, the entire Board of Directors, and part of the Scientific Committee.

A file, condensed based on the most relevant categories and key elements, has been generated from the notes obtained during the interviews, boasting over 250 citations.

To engage all associates, not solely those within the governance, a questionnaire was shared with all representatives from the 268 member companies. This survey, consisting of 20 quantitative and qualitative questions, aimed to investigate the relevance of impact areas. The participation of 79 companies was gathered, with 16 of them represented in the responses by an individual belonging to the NextGen (U40) category.

Number of member companies at the time of questionnaire distribution	268
Number of companies that responded to the questionnaire	79
Number of companies represented in responses by an individual belonging to the NextGen (U40)	16

NOTES

1 Stefano Mancuso, *Plant Revolution. Le piante hanno già inventato il nostro futuro*, Giunti Editore, 2017

2 Cfr. Stephen M.R. Covey, *The SPEED of Trust: The One Thing that Changes Everything*, Simon & Schuster, 2008.

3 Cfr. *2023 Edelman Trust Barometer Global Report*

4 Cfr. Eleonora Poggio, "Sempre più imprese familiari si affidano a manager esterni: come affrontare il passaggio generazionale", *Forbes.it*, 03 febbraio 2022.

5 First principle of thermodynamics.

6 Cfr. Italy 4 Climate, *110 key trend sul clima in Italia. 2022: crisi energetica e climatica non accelerano la transizione*, 2023

7 *2023 Edelman Trust Barometer Global Report*

8 The family pacts is a contract subject to articles 768 bis and those that follow it in the Civil Code, through which an entrepreneur or a partner of a company can transfer, wholly or partially, the business or their own share capital to one or more descendants, i.e., children or grandchildren. In practice, the family pact allows for the anticipation of the entrepreneur's succession, facilitating the generational transition within the business and preventing future inheritance disputes.

9 With Law No. 120, passed on July 12, 2011, significant amendments were made to the consolidated text of provisions on financial mediation, aiming to ensure gender parity in access to the governing and supervisory bodies of companies listed on regulated markets. Recognizing the chronic gender imbalance in leadership positions within these enterprises, the law seeks to rebalance access to top-level positions in favor of women.

10 Cfr. Zygmunt Bauman, *Does Ethics Have a Chance in a World of Consumers?*, Harvard University Press, 2009.

11 William MacAskill, *What We Owe The Future*, Basic Books, 2022.

12 Stefano Mancuso, *La pianta del mondo*, Editori Laterza, 2020.

