Dear assembly of the Association,

The single auditor preliminarily informs that, in the financial year ended 31 December 2019, starting from his appointment on 11 November 2019, he performed both the auditing and the legal control functions; therefore this unitary report contains, in section A), the "Report of the independent auditor" and in section B) the "Report on supervisory activities".

A) Independent auditor's report

I carried out the audit of the financial statements of the Istituto Oikos Association as at 31 December 2019 consisting of the balance sheet, the income statement and the explanatory note, accompanied by the management report, which highlights a positive result of Euro 10,689 and equity of Euro 877,957, and the results of which can be summarized as follows:

<table>
<thead>
<tr>
<th>Balance sheet</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total assets</td>
<td>7,943,324</td>
<td>10,890,384</td>
</tr>
<tr>
<td>Total liabilities</td>
<td>7,065,367</td>
<td>10,023,121</td>
</tr>
<tr>
<td>Net assets</td>
<td>877,957</td>
<td>867,263</td>
</tr>
<tr>
<td>Total liabilities + equity</td>
<td>7,943,324</td>
<td>10,890,384</td>
</tr>
</tbody>
</table>

Income statement

<table>
<thead>
<tr>
<th>Institutional activity proceeds</th>
<th>5,101,333</th>
<th>5,561,853</th>
</tr>
</thead>
<tbody>
<tr>
<td>Institutional activity charges</td>
<td>5,079,148</td>
<td>5,458,935</td>
</tr>
<tr>
<td>Institutional activity result</td>
<td>22,185</td>
<td>102,918</td>
</tr>
<tr>
<td>Income from ancillary activities</td>
<td>220,061</td>
<td>279,247</td>
</tr>
<tr>
<td>Management fees and general support activities</td>
<td>242,010</td>
<td>299,461</td>
</tr>
<tr>
<td>Operating income</td>
<td>236</td>
<td>82,704</td>
</tr>
<tr>
<td>Financial income and expenses</td>
<td>10,453</td>
<td>(27,404)</td>
</tr>
<tr>
<td>Result before the taxes</td>
<td>10,689</td>
<td>55,300</td>
</tr>
<tr>
<td>Taxes</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Result of the exercise</td>
<td>10,689</td>
<td>55,300</td>
</tr>
</tbody>
</table>

Directors' responsibility for the financial statements

The Board of Directors of Istituto Oikos is responsible for the preparation of the financial statements that provide a true and correct representation in accordance with the Italian rules governing the drafting criteria applicable to non-profit organizations, as reported in the explanatory note and, in the terms required by law, for that part of the internal control they deem necessary to allow the preparation of a financial statement that does not contain significant errors due to fraud or unintended behavior or events. The directors are responsible for evaluating the ability of the Istituto Oikos to continue operating as an
operating entity and, in preparing the financial statements, for the appropriateness of the use of the going concern assumption, as well as for an adequate information on the matter.

Auditor Responsibilities

It is my responsibility to express an opinion on the financial statements based on the audit. I carried out the review in accordance with the international auditing standards (ISA Italy) developed pursuant to art. 11, paragraph 3, of Legislative Decree no. 39/2010. These principles require compliance with ethical principles, as well as planning and conducting the audit in order to acquire reasonable assurance that the financial statements do not contain significant errors due to fraud or unintentional behavior or events. Reasonable security means a high level of security which, however, does not provide the guarantee that a voluntary audit carried out in compliance with international auditing standards (ISA Italy) will always detect a significant error, if existing. The errors may derive from fraud or unintentional behavior or events and are considered significant if they can reasonably be expected to be able, individually or as a whole, to influence the economic decisions made by users on the basis of the financial statements. The audit involves carrying out procedures aimed at acquiring audit evidence to support the amounts and information contained in the financial statements. The procedures chosen depend on the auditor's professional judgment, including the assessment of the risks of significant errors in the financial statements due to fraud or unintended behavior or events.

In making these risk assessments, the auditor considers the internal control relating to the preparation of the financial statements of the company that provides a true and correct representation in order to define audit procedures appropriate to the circumstances, and not to express an opinion on the effectiveness of the company's internal control. The audit also includes the assessment of the appropriateness of the accounting standards adopted, the reasonableness of the accounting estimates made by the Board of Directors, as well as the assessment of the representation of the financial statements as a whole. I believe I have acquired sufficient and appropriate audit evidence on which to base our judgment.

Judgement

In my opinion, the financial statements provide a true and correct representation of the balance sheet and financial position of the Istituto Oikos as at 31 December 2019 and of the economic result for the year ended on that date, in accordance with the Italian regulations governing it the drafting criteria applicable to non-profit companies.

Other aspects

My assignment therefore entailed the carrying out of the audit procedures aimed at verifying the regular keeping of the social accounts envisaged by the auditing principle SA Italia 250B.

B) Report on supervisory activity

During the year ended 31/12/2019, as part of the supervisory functions, my activity was inspired by the provisions of the law, the Rules of Conduct of the Board of Statutory Auditors recommended by the
National Council of Chartered Accountants and Accounting Experts as well as the rules of conduct contained in the document "Independent control in non-profit organizations and the professional contribution of the chartered accountant and accounting expert" recommended by the National Council of Chartered Accountants and Accounting Experts (CNDCEC).

With regard to my functions, I wish to acknowledge that, during the year in which I was in office, I carried out the checks for which I am responsible. In particular, I supervised compliance with the law, the articles of association and the articles of association as well as compliance with the principles of correct administration and functioning of the entity.

I participated in the association's assemblies and meetings of the Board of Directors, held in compliance with the statutory, legislative and regulatory provisions governing its operation and for which we can reasonably ensure that the deliberated actions comply with the law and the corporate by-laws and not they are manifestly imprudent, risky, in potential conflict of interest or such as to compromise the integrity of the association's assets.

I acquired knowledge and supervised the main activities of the entity, not detecting any anomalies in this regard.

I assessed and supervised the adequacy of the administrative and accounting system, as well as the reliability of the latter to correctly represent management events, by obtaining information from the heads of the functions, and by examining the institution's documents and in this regard we have no particular comments to report.

Based on the provisions of the aforementioned CNDCEC document, I verified the compliance of the financial statements with the facts and information that we are aware of following the fulfillment of our duties.

As mentioned, the annual financial statements of the Oikos Institute Association as at 31 December 2019 are made up of the balance sheet, the income statement and the explanatory notes and are accompanied by the management report.

The financial statements have been drawn up following, adapting to the precise purpose, the rules dictated by the civil code for joint stock companies, the national accounting principles and the indications provided by the commissions in charge, without however adopting any of the proposed schemes, with the appropriate precautions that take account of the managerial, economic and organizational characteristics of the Association itself.

The accounting recommendation on donations, legacies and other donations issued by the National Council of Chartered Accountants and Accounting Experts was also applied.

The explanatory notes provide all the information and details for a correct and complete disclosure of the individual items of the financial statements and, in particular, the evaluation criteria adopted, the changes compared to the previous year and the related reasons, as well as the movements of the activities financial. The explanatory note also provides all the information on the changes that occurred during the year, detailing the reasons and values.
In general, we can attest that:

− the principles prescribed by art. 2423-bis of the Italian Civil Code;
− attention was paid to the approach given to the financial statements, to its general compliance with the law as regards its formation and structure and in this regard there are no observations that should be highlighted in this report;
− it was not necessary to resort to any derogation pursuant to art. 2423, paragraph 4, of the Italian Civil Code;
− in general, criteria consistent with those prescribed by art. have been applied continuously with respect to the previous year 2426 of the Italian Civil Code and described in detail in the explanatory notes;
− accrued income and prepaid expenses are recorded on an accrual basis;
− depreciation is calculated based on the use, destination and economic-technical duration of the assets, based on the criterion of the residual possibility of use, as described in detail in the notes
− pursuant to art. 2426, paragraph 1, no. 6, c.c. the sole auditor acknowledged that there is no value entered as plant and expansion costs or start-up costs that required an expression of consent from the auditors;
− the compliance of the financial statements with the facts and information of which we became aware following the fulfillment of the typical duties of the single auditor was verified and, in this regard, no further observations are highlighted;
− the commitments, guarantees and contingent liabilities have been fully illustrated.

Considering the results of the activity carried out, the single auditor has no exceptions regarding the approval of the financial statements for the year ended December 31, 2019, as prepared by the board of directors.

Varese, June 3, 2020

The Single Auditor

d.ssa Maria Clotilde Cermisoni