

# ISTITUTO OIKOS E.T.S.

## SUPPLEMENTARY NOTES TO THE FINANCIAL STATEMENT

### 1. GENERAL INFORMATION ABOUT THE ENTITY

Istituto Oikos E.T.S. is an Italian non-profit association established on 7 June 1996. The registered office is in Varese, in Via A. Magatti n. 2, Tax Code 97182800157, VAT number 02503750123, registered in the Special REA Section of the Chamber of Commerce of Varese under no. REA VA-262641.

It is an association recognized as an independent legal entity, registered in the Register of Legal Persons under private law of the Prefecture of Varese by virtue of the provision n.10 of 27 September 2002.

Istituto Oikos completed the process for accreditation to the National Single Register of the Third Sector (RUNTS) obtaining registration with provision of the Province of Varese with determination no. 235 of 10/02/2023. It is therefore registered in section "G" – Other Third Sector entities (E.T.S.).

It is a non-governmental organization registered in the list of non-profit entities at the Italian Agency for Cooperation and Development – AICS – pursuant to Article 26 paragraphs 2 and 3 of Law 125/2014 and art. 17 of Ministerial Decree 113/2015. Registration decree number 2016/337/000241/0 of 04.04.2016.

Istituto Oikos has obtained recognition from the Ministry of Ecological Transition and is registered in the list of environmental protection associations recognized under Article 13 of Law no. 349 of 1986.

#### Offices

Registered office: Varese, Via Magatti 2.

Headquarters: Milan, Via Crescenzago 1.

#### Branch offices

- Varese, Via C. Ferrari 10
  - Loro Ciuffenna (AR), Via Setteponti Levante 30
  - Catania, Via Sergio Forti 2
  - Perugia, Via A. Canova 34
  - Rome, Via Lima 23
  - Tre Ville (TN), Via Scaricle 40
  - Vignone (VB), Via Marconi 1
- 
- Istituto Oikos E.T.S. benefits from tax incentives provided for by legal regulations in favor of non-profit organizations and non-governmental organizations recognized by the Italian Agency for Cooperation and Development; in particular, for individual and corporate supporters, the applicable tax incentives are given alternatively by:
    - Article 83, paragraph 2 of Legislative Decree 117/2017: deductibility, within the limits of 10% of the declared overall income, of cash or in-kind donations made by individuals and companies subject to corporate income tax.
    - Article 83, paragraph 1 of Legislative Decree 117/2017: deduction of 30% of cash donations made by individuals in favor of non-profit organizations, for an amount not exceeding 30,000 euros.
  - As an E.T.S. registered in section "G" of the RUNTS, the Association participates in the distribution of funds relating to the 5 per thousand of Irpef.

## Mission

The mission of Istituto Oikos is to **contribute to the conservation and increase of the resilience of ecosystems, promoting environmentally compatible development in a professional, innovative, and participatory manner.** We aim to protect, manage, and restore natural resources, while promoting long-term sustainable development. **Our priority is to mend, strengthen, and harmonize the relationship between humans and nature,** and we pursue this through **practical and innovative initiatives** aimed at reconciling the protection of landscapes, the well-being of people, and social inclusion in daily practice. For Istituto Oikos, safeguarding the environment means ensuring full sustainability for the communities that inhabit it. Therefore, we carry out integrated programs that incentivize **responsible management** of land, water, forests, and wildlife, and promote ethical, environmentally and socially responsible entrepreneurship. With the contribution of scientists, technicians, and experts, and an ongoing relationship with the academic world and research centers, we undertake projects and interventions supported by **solid scientific knowledge**, while ensuring that local and indigenous knowledge systems are taken into consideration, promoting awareness campaigns, educational events, and programs aimed at encouraging a culture of sustainability, especially among young people.

## Activities

Istituto Oikos E.T.S., in compliance with the rules of Chapter II, Title VIII of the Third Sector Code (CTS), carries out the following activities:

- a) The promotion and implementation of programs for the protection and sustainable management of the environmental and historical-cultural heritage, the implementation of recovery, rehabilitation and enhancement of the territory;
- b) The promotion of innovation in the field of protection and enhancement of environmental resources, through the realization of scientific research, studies, designs and educational and training activities;
- c) The implementation of programs, initiatives and projects aimed at reconciling the objectives of human and socio-economic development with the protection of environmental and cultural resources, with a view to sustainable development and the fight against climate change;
- d) The promotion and implementation of awareness-raising and information initiatives on the issues of interdependence and relations between environment and development on the principles of peace, international solidarity and cooperation among peoples;
- e) The management of operations, such as rehabilitation, reconstruction, distribution of aid, to help populations affected by natural disasters, until the populations concerned regain a minimum level of self-sufficiency, taking into account, where possible, long-term development objectives and environmental sustainability;
- f) The management of the consequences of population movements (refugees, displaced persons and returnees) caused by natural or man-made disasters, including initiatives for the protection and management of natural resources;
- g) Ensuring preparedness for the risks associated with natural disasters or comparable exceptional occurrences using an appropriate early warning and rapid response system.

## 2. INFORMATION ON FOUNDERS AND MEMBERS OF THE ASSOCIATION AND ACTIVITIES CARRIED OUT

### Members and founders

The following are members of the Association:

- Founding members: the signatories of the deed of incorporation, those who promoted the formation of the Association and the activities it is destined to carry out;
- Ordinary members: those who are convinced of the value and significance of the aims of the Association will be admitted to participate in the manner indicated below and upon payment of the membership fee determined annually by the Board of Directors. Both individuals and legal entities can become members.

As of 2022 there are 54 members, as follows:

- Founding members: 2
- Ordinary members: 52, including 6 young members (under the age of 40).

#### **Information on the participation of members in the life of the Association**

The General Assembly is the sovereign body of Istituto Oikos E.T.S. and is composed of 54 members. Below is a summary table of members' participation in meetings.

|                         | <b>Meetings held in<br/>2022</b> | <b>%<br/>participation of<br/>members</b> |
|-------------------------|----------------------------------|---|
| <b>General Assembly</b> | 2                                | 78 %                                      |

### **3. CRITERIA APPLIED IN THE EVALUATION OF FINANCIAL STATEMENTS, VALUE ADJUSTMENTS AND THE CONVERSION OF VALUES NOT ORIGINALLY EXPRESSED IN THE CURRENCY IN USE IN THE COUNTRY; POSSIBLE CONSOLIDATIONS AND ELIMINATIONS OF BALANCE SHEET ITEMS COMPARED TO THE MINISTERIAL MODEL.**

#### **Criteria applied in the evaluation of the items in the Financial Statements**

The financial statements for the year ended 31 December 2022, which are submitted for your approval, consist of the Balance Sheet, the Statement of Activities and the Supplementary Notes. They correspond to the regularly kept accounting records and have been prepared taking into account the "Guidelines" issued by Decree of 04/07/2019 of the Ministry of Labor and Social Security, implementing Legislative Decree no. 117 of July 3, 2017, which regulates the Third Sector Code (CTS).

The evaluation criteria adopted are consistent with those approved with specific principles and recommendations by the Italian Accounting Standards Board with reference to third sector entities and, where not available or compatible, with the accounting principles adopted by the same body regarding the financial statements of corporations.

Accounting Standard 35 is intended to regulate the criteria for: (i) the presentation of the Balance Sheet, the Statement of Activities and the Supplementary Notes of Third Sector entities, with particular regard to their structure and content; and (ii) the recognition and evaluation of some typical cases of Third Sector entities.

The principle applies to third sector entities (also referred to as "entities") that prepare their financial statements in accordance with the provisions of Article 13, paragraphs 1 and 3 of Legislative Decree no. 117 of 2017 (also known as the Third Sector Code).

As provided in the Introduction to the Ministry of Labor and Social Policies Decree of March 5, 2020 (hereinafter also "ministerial decree"), "*the preparation of the financial statements of the entities referred to in Article 13, paragraph 1 of the Third Sector Code is in compliance with the general clauses, general accounting principles, and evaluation criteria set out in Articles 2423, 2423 bis, and 2426 of the Civil Code, and with national accounting principles, to the extent compatible with the non-profit purpose and the civic, solidarity, and social utility objectives of third sector entities.*"

The Supplementary Notes form an integral part of the financial statements. In addition to reporting the information specifically required by the regulations, they furnish further information, providing a truthful, accurate, and comprehensive representation of the operational situation and prospects. Therefore, these Supplementary Notes describe not only the economic aspects but also the operational choices made in pursuit

of social goals, by means of quantitative data, including non-monetary data, that report the results of the activities carried out.

Evaluations were made in compliance with the general principles of prudence and competence, and no derogations were made in the application of these criteria as no exceptional cases were identified.

In preparing the financial statements, the following general principles were observed:

- the evaluation of each item was carried out in a prudent manner and with a view to the continuation of the activity;
- account was taken of the risks and losses attributable to the financial year even if only known after the end of the year.

In particular, the criteria used are as follows:

#### Fixed assets

##### *Intangible assets*

Intangible fixed assets are recorded at cost, including directly attributable expenses, and refer to costs of proven long-term utility, displayed in the asset side of the balance sheet net of related depreciation. Depreciation has been systematically applied based on the residual possibility of use.

##### *Tangible assets*

They are recorded at purchase cost and adjusted by the corresponding depreciation provisions. Depreciation charges, recognized in the income statement, have been calculated on the basis of the use, destination and economic and technical duration of the assets, based on the residual possibility of utilization, considered to be the most appropriate criteria given the nature of the assets.

Depreciation coefficients

|                         |     |
|-------------------------|-----|
| Office furniture        | 12% |
| Electronic equipment    | 20% |
| Telephone system        | 20% |
| Miscellaneous equipment | 12% |
| Electrical system       | 15% |

##### *Financial*

Fixed Equity Investments

The investment recorded under financial fixed assets represents the consideration for the contribution made in 2008 to the company Istituto Oikos Srl Social enterprise branch of the Association consisting of commercial activities.

Other titles

The value at 31 December 2022 consists of an insurance policy underwritten for investment purposes with Istituto Oikos as the sole beneficiary.

##### Revenues

They are exposed to the expected realisable value, which corresponds to the nominal value.

##### Expenses

They are recorded at their nominal value.

##### Termination of employment fund

This includes (net of advances paid) the amount set aside for debts to employees for severance pay in accordance with the provisions of the law, collective agreements and company agreements determined pursuant to art. 2120 of the Civil Code.

##### Accruals and deferred income

These are determined according to the criteria of the actual temporal competence of the exercise.

##### Income taxes

Taxes are recorded according to the rates and regulations in force. Please note that there is no longer any cost related to the regional tax on productive activities (IRAP) as a result of the Regional Law of Lombardy n. 27 of 18/12/2001, which specifies that starting from 1 January 2002 non-commercial entities and non-profit organizations of social utility (Onlus) are exempt from paying IRAP.

#### Recognition of costs and charges

Expenses and charges are entered according to the accrual principle, taking into account those pertaining to the financial year, even if known after the end of the year.

#### Commitments, guarantees, risks

Commitments have been shown in the memorandum accounts at nominal value, derived from the relevant documentation.

#### 4. MOVEMENTS OF FIXED ASSETS, SPECIFYING FOR EACH ITEM: THE COST; ANY CONTRIBUTIONS RECEIVED; PREVIOUS REVALUATIONS, DEPRECIATION AND AMORTIZATION; ACQUISITIONS, TRANSFERS FROM ONE ITEM TO ANOTHER, DISPOSALS DURING THE YEAR; REVALUATIONS, DEPRECIATION AND AMORTIZATION CARRIED OUT DURING THE YEAR; THE TOTAL REVALUATIONS OF FIXED ASSETS EXISTING AT THE END OF THE YEAR;

##### Movements of intangible assets

These are expenses for the renovation of offices following the relocation of the Headquarters within the same building.

The renovation works are depreciated in equal instalments over five years.

|   | Other intangible assets | Total intangible assets |
|---|-------------------------|-------------------------|
| Start-of-year balance                   |                         |                         |
| Cost                                    | 55.849                  | 55.849                  |
| Depreciation (Accumulated depreciation) | (48.730)                | (48.730)                |
| Closing balance                         | 7.119                   | 7.119                   |
| Changes during the year                 |                         |                         |
| Increments for acquisitions             |                         |                         |
| Depreciation for the year               | (7.119)                 | (7.119)                 |
| Total variations                        | (7.119)                 | (7.119)                 |
| End-of-year balance                     |                         |                         |
| Cost                                    | 55.849                  | 55.849                  |
| Depreciation (Accumulated depreciation) | (55.849)                | (55.849)                |
| Closing balance                         | 0                       | 0                       |

##### Movements of tangible assets (materials)

| Category of goods                       | Historical cost at 01/01/2022 | Purchases 2022 | Historical cost at 31/12/2022 | Accumulated depreciation at 31/12/2021 | Depreciation for 2022 | Accumulated depreciation at 31/12/2022 | residue |
|---|-------------------------------|----------------|-------------------------------|--|-----------------------|--|---------|
| Equipment                               | 700                           |                | 700                           | 700                                    |                       | 700                                    |         |
| Institutional equipment                 | 10.125                        |                | 10.125                        | 9.357                                  | 158                   | 9.515                                  | 609     |
| Goods less than 516 euros               | 10.061                        |                | 10.061                        | 10.061                                 |                       | 10.061                                 |         |
| Institutional goods less than 516 euros | 9.465                         | 982            | 10.447                        | 9.465                                  | 982                   | 10.447                                 |         |
| Institutional telephone system          | 11.675                        |                | 11.675                        | 11.342                                 | 222                   | 11.564                                 | 111     |
| Electronic equipment                    | 11.188                        |                | 11.188                        | 11.188                                 |                       | 11.188                                 |         |
| Institutional electronic equipment      | 7.027                         |                | 7.027                         | 6.225                                  | 383                   | 6.608                                  | 419     |
| Furniture and fixtures                  | 24.906                        |                | 24.906                        | 24.906                                 |                       | 24.906                                 |         |
| Institutional furniture and fixtures    | 26.813                        |                | 26.813                        | 19.878                                 | 1.743                 | 21.621                                 | 5.192   |
| Institutional electrical system         | 16.067                        | 976            | 17.043                        | 9.943                                  | 2.483                 | 12.427                                 | 4.617   |
| Fixed assets Foreign Countries          | 33.006                        |                | 33.006                        | 13.202                                 | 6.601                 | 19.803                                 | 13.203  |
| Total tangible assets                   | 161.033                       | 1.958          | 162.991                       | 126.267                                | 12.572                | 138.840                                | 24.151  |

Increases in tangible assets refer to the purchase of small office equipment (lamps, shelving) and laying of cables and ducts for electrical systems.

#### Financial fixed assets

#### B III) Financial fixed assets

##### 1) Investments

| Description       | Increment | 31/12/2022    |
|-------------------|-----------|---------------|
| Related companies |           | 75,000        |
|                   |           | <b>75,000</b> |

The following information is provided regarding equity investments held directly by related companies (article 2427, first paragraph, no. 5, C.c.).

#### Related companies

| Denomination                               | Foreign City or State | Share capital | Net worth | % Poss. | Value  |
|--|-----------------------|---------------|-----------|---------|--------|
| ISTITUTO OIKOS S.R.L.<br>Social enterprise | MILAN                 | 80.000        | 90.504    | 26.315% | 75.000 |

##### 2) Other

| Description                        | 31/12/2020     | Increment | 31/12/2021     |
|------------------------------------|----------------|-----------|----------------|
| Insurance policy FIDEURAM VITA SpA | 150.000        |           | 150.000        |
|                                    | <b>150.000</b> |           | <b>150.000</b> |

The fixed assets, intended to remain in the company's portfolio until their natural maturity, represent a long-term investment by the Association. The registration value takes into account the direct allocation charges. In particular, the investment consists of the one-time premium relating to the Fideuram Life Policy no. 70033090507 in the event of a single premium full-life death.

#### **5) THE COMPOSITION OF THE ITEMS "INSTALLATION AND EXPANSION COSTS" AND "DEVELOPMENT COSTS", AS WELL AS THE REASONS FOR REGISTRATION AND THE RESPECTIVE DEPRECIATION CRITERIA**

There are no "installation and expansion costs" and "development costs" registered in the balance sheet.

#### **6) SEPARATELY FOR EACH ITEM, THE ACCUMULATION OF LONG-TERM CREDITS AND DEBTS WITH A RESIDUAL MATURITY OF MORE THAN FIVE YEARS, AND OF DEBTS SECURED BY COLLATERAL ON COMPANY ASSETS, WITH SPECIFIC INDICATION OF THE NATURE OF THE GUARANTEES**

There are no long-term credits and debts, with a residual maturity exceeding five years entered in the balance sheet.

There are no debts backed by collateral on company assets entered in the balance sheet.

Variations and maturity of receivables recorded in current assets

|   | Opening balance  | Variation in the year | Closing balance  | Amount due within the year | Amount due after the year |
|---|------------------|-----------------------|------------------|----------------------------|---------------------------|
| Receivables from users and customers                      | 66.797           | 18.461                | 85.438           | 85.438                     |                           |
| Receivables from public bodies                            | 3.231.759        | 413.673               | 3.645.432        | 1.484.807                  | 2.160.625                 |
| Receivables from private entities for contributions       | 1.882.174        | (778.048)             | 1.104.126        | 880.659                    | 323.467                   |
| Receivables from entities of the same associative network |                  | 95.939                | 95.939           | 95.939                     |                           |
| Receivables from other third sector entities              | 16.188           | (16.188)              | 0                |                            |                           |
| Tax receivables recorded under current assets             | 2.417            | (1.794)               | 623              | 623                        |                           |
| Receivables from other current assets                     | 58.626           | (53.973)              | 4.653            | 1.019                      | 3.634                     |
| <b>Total receivables recorded under current assets</b>    | <b>5.257.961</b> | <b>(321.750)</b>      | <b>4.936.211</b> | <b>2.548.485</b>           | <b>2.387.726</b>          |

## Liabilities

Liabilities are valued at their nominal value and their maturity is divided as follows:

|  | Opening balance  | Variation in the year | Closing balance  | Amount due within the year | Amount due after the year |
|--|------------------|-----------------------|------------------|----------------------------|---------------------------|
| Amounts owed to other lenders                            | 6.908.065        | 745.019               | 7.653.084        | 5.266.313                  | 2.386.771                 |
| Amounts owed to entities of the same associative network |                  | 50                    | 50               | 50                         |                           |
| Amounts owed to suppliers                                | 120.454          | (41.939)              | 78.515           | 78.515                     |                           |
| Amounts owed in taxes                                    | 11.566           | 20.647                | 32.213           | 32.213                     |                           |
| Amounts owed to social security institutions             | 41.123           | (178)                 | 40.945           | 40.945                     |                           |
| Amounts owed to employees and collaborators              | 103.113          | (28.420)              | 74.693           | 74.693                     |                           |
| Other liabilities  | 10.243           | (9.990)               | 253              | 253                        |                           |
| <b>Total liabilities</b>                                 | <b>7.194.564</b> | <b>685.189</b>        | <b>7.879.753</b> | <b>5.492.982</b>           | <b>2.386.771</b>          |

Amounts owed to suppliers include both already recorded invoices and invoices received in the first months of 2023 but related to this financial statement.

The movements of the debit items are related to the company's normal operational activities. Tax payables include taxes withheld for dependent and self-employed staff to be paid in January 2023. The item "Amounts owed to employees and collaborators" is made up of debts to employees and collaborators for their December payments to be paid in January 2023.

## 7) THE COMPOSITION OF THE ITEMS 'ACCRUED EXPENSES' AND 'DEFERRED INCOME' AND 'OTHER PROVISIONS' IN THE BALANCE SHEET

### PREPAYMENTS AND ACCRUED INCOME

| Balance at 31/12/2022 | Balance at 31/12/2021 | Variations |
|-----------------------|-----------------------|------------|
| 4.092                 | 36.165                | (32.073)   |

These were determined based on the actual temporal relevance of the fiscal year.

Accrued income represents portions of revenues which will occur in the future, but pertain to the financial year to which the financial statements refer. The table above details the accrued income.

Prepaid expenses represent portions of costs which occurred in the year to which the financial statements refer but relate to future fiscal years.

#### ACCRUED EXPENSES AND DEFERRED INCOME

| Balance at<br>31/12/2022 | Balance at<br>31/12/2021 | Variations |
|--------------------------|--------------------------|------------|
| 282.673                  | 172.403                  | 110.270    |

Accrued expenses and deferred income items were determined based on the actual temporal relevance of the fiscal year.

Accrued expenses: These represent portions of costs which will occur in the future but pertain to the financial year to which the financial statements refer.

Deferred income: These represent portions of revenues arising in the year to which the financial statements refer but pertaining to future years.

#### 8) THE MOVEMENTS OF EQUITY ITEMS MUST BE ANALYTICALLY INDICATED, IN DEDICATED TABLES OF THEIR ORIGIN, POSSIBILITY OF USE, WITH INDICATION OF THE NATURE AND DURATION OF ANY EVENTUAL RESTRICTIONS IMPOSED, AS WELL AS THEIR USE IN PREVIOUS FISCAL YEARS

##### A) Net Equity

The net equity amounts to 901,179 euros and shows an increase of 23,151 euros compared to the previous fiscal year due to the allocation of the surplus of the period.

Details are as follows:

|  | Opening<br>balance | Other variations |               | Result for<br>the year | Closing<br>balance |
|--|--------------------|------------------|---------------|------------------------|--------------------|
|  |                    | Increments       | Decrements    |                        |                    |
| Endowment Fund   | 1.549              |                  |               |                        | 1.549              |
| Restricted equity                                      |                    |                  |               |                        |                    |
| Funds restricted by institutional<br>bodies' decisions | 66.499             |                  |               |                        | 66.499             |
| Unrestricted equity                                    |                    |                  |               |                        |                    |
| Current year's operational result                      | 43.395             |                  | 43.395        | 23.151                 | 23.151             |
| Reserves set aside in previous<br>years                | 766.584            | 43.395           |               |                        | 809.979            |
| Euro rounding reserve                                  | 1                  |                  |               |                        | 1                  |
| <b>Total net equity</b>                                | <b>878.028</b>     | <b>43.395</b>    | <b>43.395</b> | <b>23.151</b>          | <b>901.179</b>     |

#### 9) AN INDICATION OF SPENDING COMMITMENTS OR REINVESTMENT OF FUNDS OR CONTRIBUTIONS RECEIVED FOR SPECIFIC PURPOSES;

##### 10)

During the financial year, the Association did not have any spending commitments or reinvestment of funds or contributions received for specific purposes.

#### 11) A DESCRIPTION OF DEBTS FOR CONDITIONAL LIBERAL DONATIONS

During the financial year, the Association did not have any debts for conditional liberal donations.

#### 12) AN ANALYSIS OF THE MAIN COMPONENTS OF THE STATEMENT OF ACTIVITIES, ORGANIZED BY CATEGORY, INCLUDING INDICATIONS OF SINGLE ITEMS OF REVENUE OR COST OF EXCEPTIONAL MAGNITUDE OR INCIDENCE

Below is an analysis of the main components of the statement of activities.



**OPERATING REVENUES AND EXPENSES FROM ACTIVITIES OF GENERAL INTEREST**

| Description              | Balance at 31/12/2022 | Balance at 31/12/2021 | Variations |
|--------------------------|-----------------------|-----------------------|------------|
| Positive components      | 5.610.063             | 5.103.432             | 506.631    |
| Negative components      | 5.517.821             | 4.993.697             | 524.124    |
| Typical operating result | 92.242                | 109.735               | (17.493)   |

**REVENUES****Revenues, income and proceeds from activities of general interest**

| A) Revenues, income and proceeds from activities of general interest | 2022             | 2021             | difference     |
|--|------------------|------------------|----------------|
| 1) Income from membership fees and contributions from the founders   | 2.150            | 2.140            | 10             |
| 4) Donations   | 62.009           | 26.354           | 35.655         |
| 5) Proceeds of 5 per thousand  | 6.108            | 6.400            | (292)          |
| 6) Contributions from private entities                               | 1.564.015        | 1.334.977        | 229.038        |
| 8) Contributions from public bodies                                  | 3.960.932        | 3.727.999        | 232.933        |
| 10) Other revenues, annuities and income                             | 14.849           | 5.562            | 9.287          |
| <b>Total</b>   | <b>5.610.063</b> | <b>5.103.432</b> | <b>506.631</b> |

**EXPENSES****Costs and charges from activities of general interest**

| A) Costs and charges from activities of general interest | 2022             | 2021             | difference     |
|--|------------------|------------------|----------------|
| 1) Raw materials, consumables, merchandise               | 1.426.976        | 1.250.315        | 176.661        |
| 2) Services  | 1.105.466        | 1.064.970        | 40.496         |
| 3) Use of third party assets                             | 179.779          | 185.314          | (5.535)        |
| 4) Staff   | 2.792.961        | 2.446.399        | 346.562        |
| 5) Other operating expenses                              | 12.639           | 46.699           | (34.060)       |
| <b>Total</b>   | <b>5.517.821</b> | <b>4.993.697</b> | <b>524.124</b> |

**12) A DESCRIPTION OF THE NATURE OF THE DONATIONS RECEIVED**

In 2022, Istituto Oikos E.T.S. received 139 donations from 90 individuals for a total of 62,010 euros. Of the 90 donors, 3 were entities/associations or consortia (total donated by these entities 44,173 euros); the other 87 donors were individuals.

**13) THE AVERAGE NUMBER OF EMPLOYEES, BROKEN DOWN BY CATEGORY, AS WELL AS THE NUMBER OF VOLUNTEERS IN THE REGISTER OF VOLUNTEERS PURSUANT TO ART. 17, PARAGRAPH 1, WHO CARRY OUT THEIR ACTIVITIES ON A NON-OCCASIONAL BASIS;**

The average number of employees in the year 2022 is 13.74

**Number of volunteers registered in the register of volunteers**

There are no volunteers registered in the register of volunteers pursuant to art. 17 paragraph 1, as

subsequently specified by the decree of 6 October 2021 (Official Gazette no. 285 of 30/11/2021).

**14) THE AMOUNTS DUE TO THE EXECUTIVE BODY, THE SUPERVISORY BODY, AND THE PERSON IN CHARGE OF THE STATUTORY AUDIT. THE AMOUNTS CAN BE INDICATED OVERALL WITH REFERENCE TO THE INDIVIDUAL CATEGORIES INDICATED ABOVE**

| <b>Compensation</b>                 | <b>€</b>  |
|-------------------------------------|-----------|
| Executive body (Board of Directors) | 0         |
| Audit body (Sole Auditor)           | 12.688,00 |

**15) A PROSPECTUS IDENTIFYING THE PATRIMONIAL AND FINANCIAL ELEMENTS AND THE ECONOMIC COMPONENTS RELATED TO ASSETS DEDICATED TO A SPECIFIC TRANSACTION PURSUANT TO ART. 10 OF LEGISLATIVE DECREE NO. 117/2017 AND SUBSEQUENT AMENDMENTS AND ADDITIONS.**

During the financial year, the Association did not have any assets dedicated to a specific transaction pursuant to Art. 10 of Legislative Decree 117/2017.

**16) TRANSACTIONS CARRIED OUT WITH RELATED PARTIES, SPECIFYING THE AMOUNT, NATURE OF THE RELATIONSHIP AND ANY OTHER INFORMATION NECESSARY FOR THE UNDERSTANDING OF THE BALANCE SHEET RELATING TO SUCH TRANSACTIONS, WHERE THEY HAVE NOT BEEN CONCLUDED UNDER NORMAL MARKET CONDITIONS. INFORMATION RELATING TO INDIVIDUAL TRANSACTIONS MAY BE AGGREGATED EXCEPT WHERE SEPARATE DISCLOSURE IS NECESSARY TO UNDERSTAND THE EFFECTS OF THE TRANSACTIONS ON THE ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFIT OR LOSS OF THE INSTITUTION.**

During the financial year, the institution did not engage in transactions with related parties.

**17) THE PROPOSAL FOR THE ALLOCATION OF THE SURPLUS INDICATING ANY RESTRICTIONS IMPOSED ON THE PARTIAL OR FULL USE OF THE SURPLUS, OR FOR COVERING ANY DEFICITS.**

Result for the year: 23,151euros. As regards the operating surplus, it is proposed that it be allocated entirely to available reserves.

**18) AN ILLUSTRATION OF THE ENTITY'S SITUATION AND THE TREND OF ITS OPERATIONS. THE ANALYSIS IS CONSISTENT WITH THE SCOPE AND COMPLEXITY OF THE ACTIVITIES CARRIED OUT AND MAY INCLUDE, TO THE EXTENT NECESSARY FOR AN UNDERSTANDING OF THE SITUATION OF THE ENTITY AND THE PERFORMANCE AND RESULT OF ITS OPERATIONS, FINANCIAL AND NON-FINANCIAL INDICATORS, AS WELL AS A DESCRIPTION OF THE MAIN RISKS AND UNCERTAINTIES. THE ANALYSIS INCLUDES, WHERE NECESSARY FOR AN UNDERSTANDING OF THE ACTIVITY, AN EXAMINATION OF THE SYNERGISTIC RELATIONSHIPS WITH OTHER BODIES AND WITH THE ASSOCIATIVE NETWORK OF WHICH THE ENTITY IS PART.**

The final result for 2022 is positive at 23,151 euros, with a decrease of 20,244 euros compared to that of 2021 (43,395 euros).

|  | 2022 financial year | 2021 financial year | 2022vs2021     | %          |
|--|---------------------|---------------------|----------------|------------|
| <b>REVENUE</b>   | <b>6.014.597</b>    | <b>5.404.935</b>    | <b>609.662</b> | <b>11%</b> |
| revenues, income and proceeds from activities of general interest  | 5.610.063           | 5.103.432           | 506.631        | 10%        |
| revenues, annuities Income from other activities                   | 368.624             | 255.868             | 112.756        | 44%        |
| revenues, income and proceeds from financial activities and assets | 25.128              | 42.106              | -16.978        | -40%       |
| general support revenue  | 10.782              | 3.529               | 7.253          | 206%       |
|  |                     |                     |                |            |
| <b>EXPENSES</b>  | <b>5.991.446</b>    | <b>5.361.540</b>    | <b>629.906</b> | <b>12%</b> |
| costs and charges from activities of general interest              | 5.517.821           | 4.993.697           | 524.124        | 10%        |
| costs and charges from other activities                            | 390.559             | 289.660             | 100.899        | 35%        |
| costs and charges from fundraising activities                      | 7.033               | 726                 | 6.307          | 869%       |
| costs and charges from financial and equity activities             | 28.029              | 44.047              | -16.018        | -36%       |
| general support charges  | 48.004              | 33.410              | 14.594         | 44%        |
|  |                     |                     |                |            |
| <b>FINAL RESULT</b>  | <b>23.151</b>       | <b>43.395</b>       | <b>-20.244</b> |            |
| surplus/deficit activities of general interest                     | 92.242              | 109.735             | -17.493        |            |
| surplus/deficit other activities                                   | -21.935             | -33.792             | 11.857         |            |
| deficit fundraising activities                                     | -7.033              | -726                | 6.307          |            |
| surplus/deficit financial and assets                               | -2.901              | -1.941              | 960            |            |
| surplus/deficit activity general support                           | -37.222             | -29.881             | 7.341          |            |

## 19) THE OUTLOOK FOR OPERATIONS AND THE FORECASTS FOR MAINTAINING ECONOMIC AND FINANCIAL EQUILIBRIUM

Based on ongoing multi-year projects and those approved in 2022, it is possible to assume that for the next few years the Association is destined to increase revenue in the area of general interest while maintaining economic and financial equilibrium. Regarding 2023, below is the financial forecast:

| <b>Budget - year 2023</b>        |           |
|----------------------------------|-----------|
| Revenue by Areas of Intervention | 6.175.631 |
|                                  |           |
| <b>REGION</b>                    |           |
| Tanzania                         | 902.978   |
| Mozambique                       | 1.866.475 |
| Myanmar                          | 547.726   |
| Lebanon                          | 1.666.449 |
| Italy                            | 643.706   |
| Mediterranean non-EU             | 548.297   |
|                                  |           |
| Unallocated coordination costs   |           |

|   |         |
|---|---------|
| Costs of the headquarters staff (fees and travel)   | 360.000 |
| Purchase of materials (IT equipment, stationery)  | 10.500  |
| Expenses for services (accountant, payroll firm, various consultancies, utilities, taxes) | 110.000 |
| Rent  | 45.000  |
| Entertainment expenses  | 4.000   |
| Financial charges   | 20.000  |
| Extraordinary charges and contingencies   | 10.000  |
| Depreciation  | 15.000  |
| TOTAL COORDINATION COSTS  | 574.500 |
| OPERATING RESULT  | 10.000  |

## 20) INDICATION OF THE METHODS USED IN PURSUIT OF THE STATUTORY PURPOSES, WITH SPECIFIC REFERENCE TO ACTIVITIES OF GENERAL INTEREST

According to the strategic plan envisaged for the period 2019 – 2023, the objectives to be achieved are listed as follows:

- keep the four priority areas of action at the heart of our commitment: Biodiversity, Water, Sustainable Communities, Climate and Energy
- verify, through an effective monitoring and evaluation system, progress towards achieving our strategic objectives and the contribution of our work to the Sustainable Development Goals of the United Nations 2030 Agenda
- continue to operate in the territories with long-term programs. In particular, we want to capitalize on our project design capabilities, institutional relationship system, and technical-scientific expertise to increase the relevance, effectiveness and efficiency of our approaches, methods and interventions and confirm their replicability
- develop a scaling-up process for the most successful initiatives in these territories, eventually expanding the scope of action to additional territories/countries, prioritizing those in Eastern and Southern Africa and the Alpine region
- strengthen our presence in the Mediterranean basin, with particular attention to Lebanon – where we have been operating since 2017 – and Italy
- strengthen, expand and qualify the current system of partnerships and accreditations, including large organizations in the fields of international cooperation, conservation, and environmental research. Define criteria for the *ex-ante* and ongoing evaluation of partnerships
- expand the opportunities to capitalize on our skills through specialized consulting services in Italy and abroad, without geographical constraints; this will rely on an increase in the network of contacts, partnerships and new accreditations with national and international organizations
- increase our economic sustainability by consolidating current funding sources and accessing new sources, including the private sector (foundations and companies) and individuals, and converging sufficient economic resources onto our strategic programs to ensure continuity and quality
- adopt effective, tested, and formalized operational methodologies and protocols that allow us to evaluate the effectiveness and impact of interventions over the medium and long term, rigorously measure changes in the behaviour of populations, and optimize the organization of acquired information and experiences. With one goal: to systematically capitalize on the intangible heritage of knowledge, best practices, and work carried out
- make the action of the various internal areas of Oikos consistent and homogeneous through the progressive adaptation to the system of procedures, the strengthening of communication flows between

Areas, Units and offices in Italy and abroad, the strengthening of inadequate functions and an improved selection and training of staff

- optimize accountability through a technical-administrative monitoring system across countries and issues that is easy to consult, monitor and share according to the scaling up of interventions
- improve the active involvement of stakeholders (farmers, fishers, shepherds, etc.) through the implementation of community engagement guidelines adopted by Oikos in 2018, paying particular attention to gender and social vulnerability
- reach a wider audience of supporters through communication, seeking to involve them in a stable and lasting way
- consolidate the sense of belonging within the organization and promote the active involvement and adherence to Oikos' mission of among members, supporters and consultants; identify charismatic "ambassadors" willing to support us in communicating on a culture of environmental sensitivity and sustainability.

**21. INFORMATION AND REFERENCES REGARDING THE CONTRIBUTION THAT DIVERSE ACTIVITIES PROVIDE TO ACHIEVING THE ASSOCIATION'S MISSION AND INDICATION OF THE IMPORTANCE OF SUCH ACTIVITIES OF A "SECONDARY NATURE".**

In 2022, Istituto Oikos E.T.S. carried out a range of activities aimed at supporting, sustaining, and promoting the achievement of its institutional purposes. These diverse activities generated a total revenue of 368,624 euros in 2022.

The limits of the diverse "secondary nature" activities, as provided for in Article 3 of Decree 107 of 19/05/2021, have been respected, that is:

- revenues from other activities do not exceed 30% of the total revenue of the institution: in the case of Istituto Oikos E.T.S., the percentage of revenues from other activities compared to total revenues is 6%;
- revenues from other activities do not exceed 66% of the total costs of the institution: in the case of Istituto Oikos E.T.S., the percentage of revenues from other activities compared to total costs is 6%.

Below is the list of the main projects related to these activities carried out in 2022:

| Project Title   | Area of intervention    | Country    | Region | Revenues 2022 | Donor   |
|---|-------------------------|------------|--------|---------------|---|
| Development and implementation of the Tanzania Water Payment by Results complementary intervention                    | Water                   | Tanzania   | Africa | 71.758        | The World Bank  |
| Accelerating Solar Water Pumping via Innovative Financing" Project  | Water                   | Tanzania   | Africa | 59.774        | TIB Development Bank Ltd                                  |
| Improving inclusive and sustainable agro-value chains development, including the lbo specialty coffee of Cabo Delgado | Sustainable communities | Mozambique | Africa | 90.499        | UNIDO- United Nations Industrial Development Organization |
| Tanzania - PPP Upstream Engagement Feasibility Study  | Water                   | Tanzania   | Africa | 98.672        | The World Bank  |

**22) AN ILLUSTRATIVE STATEMENT OF COSTS AND INCOME, IF REPORTED AT THE END OF THE STATEMENT OF ACTIVITIES, WHICH SHOWS: THE IMPUTED COSTS RELATING TO THE**

**EMPLOYMENT OF VOLUNTEERS REGISTERED IN THE REGISTER PURSUANT TO ART. 17, PARAGRAPH 1 OF LEGISLATIVE DECREE NO. 117 OF 2 AUGUST 2017 AND SUBSEQUENT AMENDMENTS AND ADDITIONS; FREE DISBURSEMENTS OF MONEY AND FREE SUPPLY OR DISBURSEMENT OF GOODS OR SERVICES, FOR THEIR OPEN MARKET VALUE; THE DIFFERENCE BETWEEN THE OPEN MARKET VALUE OF THE GOODS OR SERVICES PURCHASED FOR THE PURPOSE OF CARRYING OUT THE STATUTORY ACTIVITY AND THEIR ACTUAL PURCHASE COST; ACCOMPANIED BY A DESCRIPTION OF THE CRITERIA USED TO EVALUATE THE ITEMS REFERRED TO IN THE PRECEDING LINES.**

During the year, the Association did not carry out activities with imputed costs and income.

**23) THE DIFFERENCE IN REMUNERATION BETWEEN EMPLOYEES, FOR THE PURPOSE OF VERIFYING COMPLIANCE WITH THE ONE-TO-EIGHT RATIO, PURSUANT TO ART. 16 OF LEGISLATIVE DECREE NO. 117/2017 AND SUBSEQUENT AMENDMENTS AND ADDITIONS, TO BE CALCULATED ON THE BASIS OF THE GROSS ANNUAL REMUNERATION, WHERE SUCH INFORMATION HAS NOT ALREADY BEEN PROVIDED OR MUST BE INCLUDED IN THE SOCIAL REPORT OF THE INSTITUTION**

It is noted that the ratio between the maximum and minimum remuneration is less than 8, as provided for in Article 16 of Legislative Decree No. 117/2017.

**24) A DESCRIPTION OF THE FUNDRAISING ACTIVITY REPORTED IN SECTION C OF THE STATEMENT OF ACTIVITIES, AS WELL AS THE SPECIFIC REPORT REQUIRED BY ART. 87, PARAGRAPH 6 FROM WHICH IT MUST BE CLEAR AND TRANSPARENTLY DEMONSTRATED, THROUGH AN EXPLANATORY REPORT, THE REVENUES AND EXPENSES RELATING, THE INCOME AND EXPENSES RELATING TO EACH OF THE CELEBRATIONS, ANNIVERSARIES OR AWARENESS CAMPAIGNS CARRIED OUT OCCASIONALLY PURSUANT TO ART. 79, PARAGRAPH 4, LETTER A) OF LEGISLATIVE DECREE NO. 117/2017 AND SUBSEQUENT AMENDMENTS AND ADDITIONS. THE ENTITY MAY REPORT ADDITIONAL INFORMATION, WHEN THIS IS CONSIDERED RELEVANT TO PROVIDE A TRUE AND CORRECT REPRESENTATION OF THE SITUATION AND OPERATION PROSPECTS. THE ENTITY MAY PROVIDE FURTHER INFORMATION IN ADDITION TO THAT SPECIFICALLY REQUIRED, WHEN SUCH INFORMATION IS DEEMED RELEVANT TO PROVIDE A TRUTHFUL AND CORRECT REPRESENTATION OF THE OPERATING SITUATION AND PROSPECTS.**

Istituto Oikos' fundraising is aimed at supporting Association's general activities. In particular, a fundraising event was organized for Mkurun: a race for the climate, a multicultural half marathon to support the Maasai communities in Tanzania. The campaign raised 396 euros.

**25) USE OF 5 PER THOUSAND FUNDS**

On 09/06/2022, funds amounting to 6,107.76 euros for the year 2020 were received.

STATEMENT OF COSTS INCURRED 5 PER THOUSAND

- Purchase of goods and services 4,412.85 euros.
- Other items of expenditure attributable to the achievement of the corporate purpose 1,694.91 euros.

**26) COMMITMENTS NOT SHOWN IN THE STATEMENT OF FINANCIAL POSITION**

Commitments not shown in the Balance Sheet show the guarantees provided for the implementation of international projects. The total guaranteed at 31/12/2022 amounts to 1,290,197 euros compared to 720,982 euros in the previous year.