

**Articles of Association of the  
Global Compact Network Italia ETS Foundation**

**Art. 1**

**Constitution and Headquarters**

A Foundation named Fondazione Global Compact Network Italia Ente del Terzo Settore [Global Compact Network Italy Foundation Services Sector Entity] (hereinafter also referred to as Fondazione GCNI ETS) is hereby established, with headquarters in Milan, Via Sardegna 11, and thereafter at the address from time to time established by the Board of Directors in the Municipality of Milan.

The Fondazione is a Services Sector Entity and shall comply with the principles and legal framework of the Participation Foundation, within the broader genre of Foundations governed by Articles 14 et seq. of the Civil Code and related Laws.

The headquarters are also the Fondazione's domicile. The Fondazione shall use the words "Ente del Terzo Settore" [Services Sector Entity] or the acronym ETS in its corporate name, deeds, correspondence, communications to the public and in any distinctive sign or communication addressed to the public. The Board of Directors shall have the power to transfer the headquarters elsewhere, to establish decentralised offices and detached or representative offices of the Fondazione also abroad in order to carry out, as an accessory and instrumental part of the Fondazione's aims, promotional activities as well as the

development and expansion of the necessary network of national and international relations to support the Fondazione. The transfer of the headquarters to another address in the same municipality shall not entail the need to amend these Articles of Association.

The Fondazione is a non-profit entity and may not distribute profits.

## **Art. 2**

### **Institutional Aims and Objectives**

Fondazione Global Compact Network Italia ETS has been established with the primary purpose of operating as the local Network of the United Nations Global Compact (hereinafter also referred to as UNGC) in Italy, an initiative for the promotion of the culture of corporate sustainability promoted and managed on a global scale by the United Nations. Fondazione Global Compact Network Italia ETS, jointly with the "Memorandum of Understanding (MOU)" periodically established with the United Nations Global Compact, shall encourage companies around the world to create an economic, social and environmental framework promoting a healthy and sustainable global economy that guarantees everyone the opportunity to gain by its benefits.

To this end, the UNGC shall require its member companies and organisations to share, support and enforce within their sphere of influence a set of core principles relating to human rights, labour standards, environmental protection and anti-corruption.

These are globally shared principles as they are derived from the Universal Declaration of Human Rights, the Declaration of the International Labour Organisation - ILO, the Rio Declaration on Sustainable Development, and the United Nations Convention against Corruption.

### **Human Rights**

#### *Principle I*

Promote and respect universally recognised human rights within their respective spheres of influence.

#### *Principle II*

Ensure they are not, even indirectly, complicit in human rights abuses.

### **Work**

#### *Principle III*

Support workers' freedom of association and acknowledge the right to collective bargaining.

#### *Principle IV*

Support the elimination of all forms of forced and compulsory labour.

#### *Principle V*

Support actual elimination of child labour.

#### *Principle VI*

Support the elimination of all forms of discrimination in employment and occupation.

### **Environment**

*Principle VII*

Support a preventive approach to environmental challenges.

*Principle VIII*

Undertake initiatives that promote greater environmental responsibility.

*Principle IX*

Encourage the development and dissemination of environmentally friendly technologies.

**Combatting corruption**

*Principle X*

Combat corruption in all its forms, including extortion and bribery.

The Fondazione aims at spreading awareness of the UNGC by encouraging an increase in membership throughout the country, and by promoting, with growing reliability and credibility, the commitment to favour corporate sustainability on the part of Italian member companies and organisations, and their partners.

The mission of Fondazione GCNI ETS consists of seven points. Consistently with the Ten Principles of the UN Global Compact and the UN Sustainable Development Goals, the Fondazione plans on:

1. being recognised as an institutional interlocutor that conveys the voice of companies committed to sustainability in a multi-stakeholder perspective;
2. raising awareness and the level of national participation;
3. helping to make sustainability the main lever of change in

the pursuit of a more efficient, equitable and secure resource management future;

4. characterising itself as an entity oriented towards the development of operational solutions and the creation of shared economic, social and environmental value;
5. fostering partnerships, collective action and dialogue between all stakeholders that actively promote sustainability;
6. promoting responsibility, fairness and transparency in corporate communication and reporting;
7. enhancing the contribution of Italian companies and synergies at international level.

### **Art. 3**

#### **Activities of General Interest**

The Fondazione shall either exclusively or principally carry out the following activities of general interest for the non-profit pursuit of civic, solidarity and socially useful purposes:

- (Art. 5 lett. e) CTS) interventions and services aimed at safeguarding and improving environmental conditions and at cautiously and rationally using natural resources, excluding the activity, habitually carried out, of collecting and recycling urban, special and hazardous waste;
- (Art. 5 lett. h) CTS scientific research of special social interest;

(Art. 5 lett. v) CTS promotion of the culture of legality,  
peace among peoples, non-violence and unarmed defence;

- (Art. 5 lett. w) CTS promotion and protection of human,  
civil, social and political rights, and the rights of  
consumers and users of activities of general interest.

In particular, in order to carry out the aforementioned activities  
of general interest, within the scope of and in accordance with  
its institutional purpose, the Fondazione may in general carry  
out any activity permitted by law and any transaction related to  
the achievement of its purposes, namely:

- a) stipulate any appropriate deed or contract, also to finance  
the defined operations, among which, without excluding  
others, taking out loans and mortgages, within the limits set  
forth in Article 8 CTS, whether short or long term; leasing,  
even financial; accepting real estate as a concession or free  
loan for use or for purchase, in ownership or by right of  
surface; stipulating agreements of any kind, which can even  
be transcribed in public registers, with Public or Private  
Entities, deemed appropriate and useful for the achievement  
of the Fondazione's purposes;
- b) administer and manage property owned, leased, lent free of  
charge or otherwise owned or held by it;
- c) enter into agreements and contracts to entrust third parties  
with part of its activities, as well as specific studies and  
consultancy, and also to obtain the entrustment of archives

and historical-cultural material for its own institutional purposes;

- d) participate in associations, foundations, entities and institutions, both public and private, whose activities are either directly or indirectly aimed at pursuing purposes similar to those of the Fondazione itself; the Fondazione may, where it deems it appropriate, also contribute to the establishment of the aforesaid bodies;
- e) participate in tenders and calls for tenders in order to access international, European, national and local funding lines;
- f) carry out activities promoting the UN Global Compact and Fondazione Global Compact Network Italia ETS in both the national territory and the international scene;
- g) promote and implement collaboration between local Global Compact Networks, with particular reference to those in Europe and in the Mediterranean region;
- h) carry out coordination activities among participants, in all capacities, in the Fondazione, among the members of the UN Global Compact, and between them and the New York Office of the Global Compact;
- i) in areas of direct or indirect interest to the Fondazione:
  - i. promote and/or organise events, conferences, meetings, publishing when deemed appropriate the relevant proceedings or documents, and all those initiatives, including editorial ones, suitable for

fostering an organic contact between the Fondazione,  
the operators in the sectors of activity of the  
Fondazione and the Public;

ii. design and implement research, study,  
training, information and communication activities  
by using the Web and the media, publications,  
establishing collaborations, also on an ongoing  
basis, with research entities and centres,  
universities and institutions at regional, national  
and international level;

iii. promote, manage and/or participate in  
programmes, projects or activities (or parts  
thereof) functional to the pursuit of the  
Fondazione's institutional aims.

j) award prizes and scholarships;

k) carry out, in an ancillary and instrumental manner to the  
pursuit of the institutional aims, various activities in a  
commercial manner and any other activity suitable or  
supporting the pursuit of the statutory aims and purposes.

#### **Art. 4**

##### **Miscellaneous Activities and Fundraising**

Pursuant to Article 6 of the CTS, the Fondazione, on the basis  
of the decisions made by the Board of Directors, may engage in  
activities other than those of general interest, provided that  
they are secondary and instrumental to the latter, in accordance



with criteria and limits defined by a decree of the Minister of Labour and Social Policies, in agreement with the Minister of Economy and Finance, to be adopted pursuant to Article 17, paragraph 3, of Law no. 400 of 23 August 1988, after consulting the Steering Committee referred to in Article 97, taking into account all the resources, including those which are voluntary and free of charge, employed in such activities in relation to all the resources, including those which are voluntary and free of charge, employed in activities of general interest. Pursuant to Article 7 of the CTS, the Fondazione may raise funds to finance its activities of general interest, also by soliciting bequests, donations and contributions of a non-monetary nature from third parties. Pursuant to Article 7 of the CTS, the Fondazione may also carry out fundraising activities in an organised and continuous manner, including by solicitation to the public or through the sale or provision of goods or services of modest value, using its own resources and those of third parties, including volunteers and employees, in compliance with the principles of truthfulness, transparency and fairness in relations with supporters and the public, in accordance with guidelines adopted by decree of the Minister of Labour and Social Policies, after consulting the Steering Committee referred to in Article 97 CTS and the National Council of the Services Sector.

#### **Art. 5**

#### **Surveillance**

The competent authorities shall supervise the activities of the Fondazione in accordance with the Civil Code and the special legislation on the subject.

**Art. 6**

**The Fondazione's Assets**

The Fondazione's assets shall consist of:

- a) the share contributed by the Founding Sponsors when the Fondazione was established;
- b) the share contributed by the Founders after the establishment of the Fondazione with express allocation to increase the assets;
- c) movable or immovable property received or to be received by the Fondazione for any reason whatsoever, including property from donations and property acquired by the Fondazione in accordance with the provisions of these Articles of Association;
- d) from inheritances, donations and legacies; donations and testamentary legacies shall be accepted by the Board of Directors, which shall decide about their use in accordance with the statutory purposes of the Fondazione. Testamentary legacies shall be accepted with the benefit of inventory. Any real estate included in donations, inheritances and/or legacies accepted or, in any case acquired, must be sold or, anyhow, managed to obtain a return on them, unless allocated within two years of its acquisition to activities either

directly or indirectly carried out by the Fondazione.

e) everything that comes to the Fondazione with an express allocation to assets.

The assets shall remain indivisible for the entire duration of the Fondazione's life; therefore, founders who, for whatever reason, cease to be part of the Fondazione, may not make any claim for distribution and allocation of shares from the assets.

#### **Art. 7**

##### **Management Fund**

In order to achieve its purpose, the Fondazione shall also have at its disposal the following income, which, if not expressly allocated to increase the Fondazione's assets, shall constitute the operating fund:

- a. annual fees and other contributions paid directly, or through the United Nations Global Compact Foundation, by:
  - i. UNGC member companies and organisations;
  - ii. subsidiaries of UNGC member multinational companies operating in Italy;
- b. contributions made by private parties in support of the Fondazione or of its individual initiatives, subject to the Board of Directors' assessment of compatibility with the aims and purposes of the Fondazione as set out in Article 2;
- c. any contributions that may be made by public entities, regional, national and international organisations, and

the European Union;

- d. income from sponsorships;
- a. proceeds, revenues, income from general interest activities and miscellaneous activities referred to in Article 4 of these Articles of Association; from funds received through collections pursuant to Article 7 of Legislative Decree 117/2017 and through public fundraising carried out occasionally also by means of offers of goods of modest value or services to the benefactors, in connection with celebrations, anniversaries or awareness campaigns;
- b. interest income and other income from assets;
- c. subsidies, donations or legacies from third parties;
- d. any surplus assets from annual operations;
- e. surpluses from any ancillary commercial activities carried out;
- f. any other income earned consistently with the Fondazione's purposes.

It is up to the Board of Directors to decide on the forms of investment of assets.

Income from assets and any other income not intended to increase them shall constitute the means for carrying out institutional activities of general interest.

#### **Art. 8**

#### **Prohibition of Profit Distribution**

In view of the purposes of the Fondazione and of its legal nature, it is forbidden to distribute profits or operating surpluses, as well as funds, reserves or capital, either during its life or in the event of its extinction. The distribution, even indirect, of profits and operating surpluses, funds and reserves, however named, to founders, employees and collaborators, administrators and other members of the Fondazione's bodies is forbidden. Activities referred to in the third paragraph of Article 8 of Legislative Decree 117/2017 - CTS shall be, in any case, considered indirect distribution of profits.

Any surpluses from annual operations shall be used, as a priority, to restore the Fondazione's assets by covering any previous management losses and, alternatively, they may contribute, subject to a resolution of the Board of Directors, to replenish the Management Fund of the following year and/or to increase the Fondazione's assets.

#### **Art. 9**

##### **Members of the Fondazione**

Members of the Fondazione shall be divided into:

- Founding Sponsors;
- Founders.

The following can become members of the Fondazione:

- Italian companies and/or organisations that are members of the UNGC;
- subsidiaries of UNGC member multinational companies

operating in Italy;

**Art. 10**

**Founding Sponsors**

Founding Sponsors are companies and organisations that, being eligible to become members, promote the establishment of the Fondazione, contributing to the endowment of the initial assets. Once the constitutive phase is over, the Founding Sponsors shall retain such status but shall be entitled to the same rights and obligations as the Founders set forth in Article 11 below.

**Art. 11**

**Founders**

Companies and organisations may become Founders, admitted by resolution adopted by a simple majority of the Board of Directors, if they meet the requirements set forth in Article 9, and explicitly request to become a Founder, undertaking to contribute to the Assets and/or the Management Fund by means of an annual contribution.

The annual contribution shall be:

- established for UNGC members by the New York Office of the Global Compact;
  - annually defined by the Fondazione's Board of Directors
- for:

1. Italian companies and/or organisations that are members of the UNGC and for which the UNGC does not provide for the mandatory payment of an annual fee;

2. subsidiaries of UNGC member multinational companies  
operating in Italy.

From the year following their admission, Founders shall maintain this status by contributing to the life of the Fondazione and to the implementation of its purposes through annual contributions, the size of which is determined by the Global Compact Office of New York for UNGC members, and by the Fondazione's Board of Directors in the remaining cases.

Failure to pay the annual Founder's contribution will make it impossible to exercise the rights and obligations associated with Founder status.

In the event that the Founder decides on its own merger, demerger or transformation, it may indicate to the Board of Directors the entity that will exercise its prerogatives under these statutes.

## **Art. 12**

### **The Fondazione's Bodies**

The Fondazione's bodies shall include:

- The General Assembly
- The Board of Directors;
- The President and Vice President;
- The Executive Director
- The Controlling Body;
- The Statutory Auditor.

Remuneration to any person holding corporate offices will be determined in accordance with the provisions of Article 8 CTS.

## **Art. 13**

### **General Assembly**

The Fondazione's General Assembly shall be made up of Founders (both Sponsors and non-Sponsors) who have the power of initiative, and who meet at least twice a year to approve the draft estimate budget and final balance sheet.

The General Assembly shall be chaired by the President of the Fondazione, and shall decide, by a simple majority of those present, on the following matters:

- approval of the Strategic Plan;
- appointment of members of the Board of Directors in accordance with the current electoral regulations, providing for the replacement of those who have resigned, for any reason whatsoever, in accordance with the rules of operation of the Board of Directors approved by the Assembly, determining their remuneration, if necessary;
- appointment of the Controlling Body and, if required by law, of the Auditor, establishing the relevant remuneration;
- approval of the draft estimate budget and of the annual final balance sheet.

The General Assembly shall pass resolutions with the presence of at least three-fourths of the Fondazione's Members who have paid the annual contribution, and with the favourable vote of the majority of those present:

- on amendments to the Articles of Association;



- on the dissolution of the Fondazione and the devolution of its assets.

The General Assembly shall be convened by the President of the Fondazione by written notice specifying place, date and time of the meeting, as well as the list of items to be discussed. Said notice shall be sent, also by e-mail, at least seven days before the scheduled date.

Each Founder may be represented at the meeting by another Founder by means of a written proxy, even at the foot of the notice of meeting.

The General Assembly shall be validly constituted even if held by telecommunication, audio and video media, provided that all participants can be identified, and that they are allowed to follow the discussion and to intervene in real time in the discussion of the topics addressed, exchanging documents, if necessary.

Decisions of the General Assembly may also be made by written consultation or consensus formed in writing.

In the event that the decision is made by written consultation, the written text of the decision, which clearly states the subject matter, shall be drawn up by the Board of Directors and signed by the President. It shall be submitted to each member via:

- registered letter or telegram sent to the registered office of the founding organisation;
- telefax or Certified Electronic Mail (PEC) message sent

respectively to the fax number or Certified Electronic Mail address notified by the founding organisation.

Communication shall also be deemed to have been effected if the text of the decision is dated and signed, either with an original signature or an electronic signature, for express acceptance by the legal representative or by a person with appropriate signatory powers of the founding organisation.

The requested Founder, if he so wishes, shall give his consent in writing by signing the text drawn up or otherwise by approving it in writing.

The decision shall be validly finalised when all the founding organisations have been consulted and at least the majority, prescribed for that decision, have expressed and communicated their consent to the proposed decision to the Fondazione GCNI ETS.

#### **Art. 14**

##### **Beneficiaries of the Activities**

The Fondazione shall address its activities to:

1. Founders;
2. Founding Sponsors;
3. All UNGC member organisations.

#### **Art. 15**

##### **Exclusion and Withdrawal**

The Board of Directors shall decide, by a resolution passed by a two-thirds majority of those present, the exclusion of Founders (whether or not Sponsors) from active participation in the

Foundation for:

- deficiency, even supervening, of the requirements for becoming a member pursuant to Article 8 of these Articles of Association;
- serious and repeated non-compliance with the obligations and duties arising from these Articles of Association.

Founders may, at any time, withdraw from the Foundation, without prejudice to their duty to fulfil the obligations undertaken.

Those who are excluded or who withdraw from the Fondazione or who cease to be members for any reason whatsoever may neither demand nor obtain the return of the contributions paid, nor claim rights to its assets.

#### **Art. 16**

##### **Institutional Partners**

Public and Private Entities, National and International Agencies, which share the principles, aims and purposes of the Fondazione, where the conditions are met, shall be recognised as Institutional Partners of the Fondazione by a resolution of the Board of Directors adopted by a majority of those present.

Recognition of Partner organisations shall be indefinite until revocation or withdrawal, and shall not subject to the payment of dues. Partners may participate as observers in the General Assembly of the Fondazione.

#### **Art. 17**

##### **Board of Directors**

The Board of Directors shall consist of a minimum of five and a maximum of thirteen members elected by the Fondazione's General Assembly on the basis of voluntary nominations.

The Executive Director shall submit to the United Nations Global Compact office in New York the complete list of candidates for the office of Board Member at least fifteen days before the assembly, whose agenda shall include renewal of the offices, in order to allow prior verification of the requirements.

The following criteria shall be taken into account in the composition of the Board of Directors:

- at least half of the seats on the Board must be reserved for representatives of profit-making and/or commercial organisations or associations of such organisations that are members of the United Nations Global Compact;
- at least one seat on the Board of Directors must be reserved for a representative of a non-profit organisation member of the United Nations Global Compact;
- if appointed for Italy, one seat on the Board of Directors shall be reserved by right for the United Nations Resident Coordinator or a person indicated by him with no voting rights;
- the representative of Global Compact Operation/GCO may be invited to attend the Board meeting as an Observer, without voting rights.

Irrespective of compliance with the criteria for the composition

of the Board of Directors, all Board Members shall be elected by the General Assembly on the basis of the current rules of operation and organisation.

Board Members shall hold office for three financial years. Unless revoked for just cause by an absolute majority of the General Assembly, their term of office shall expire with the approval of the final balance sheet for the last financial year of their office. Board members may not be re-elected more than once consecutively in the same role.

The Board Members elected, after their appointment and at the time of accepting office, shall declare that they adhere to the policy on conflict of interest drawn up by the Board of Directors and approved by the General Assembly, as governed by Article 27 of Legislative Decree 117/2017. Article 2475-ter of the Civil Code shall apply.

A member of the Board of Directors who, without a justified reason, fails to attend three consecutive meetings, may be declared disqualified by the Board.

In such a case, as in any other hypothesis of a vacancy in the office of Board Member, the Board of Directors shall be integrated in its composition in accordance with the current Rules of Procedure of the Board of Directors, and shall remain in office until the expiry of the term of the other Board members.

If, for any reason whatsoever, the majority of the members of the Board of Directors cease to exist, the entire Board shall be deemed

to have lapsed and re-election shall take place.

Unless otherwise established at the time of appointment, the members of the Board of Directors shall not be entitled to any remuneration, without prejudice to the right to reimbursement of documented expenses incurred and previously authorised by the Board for the office held.

The Board of Directors shall be vested with all powers to identify the initiatives to be taken and the criteria to be followed for the achievement and implementation of the Fondazione's purposes, and for its ordinary and extraordinary management, excluding only those matters reserved by the Articles of Association to the competence of the other bodies of the Fondazione.

In particular, in addition to what is specifically provided for in the Articles of Association, the Board of Directors shall:

1. decide on the draft estimate budget and final balance sheet drawn up by the President, which shall be submitted to the General Assembly for approval;
2. decide on the acceptance of donations, gifts, bequests, inheritances and legacies, as well as on the purchase and sale of real estate, and on the intended use of the same or of the sums derived therefrom, subject to the limitations set out in these Articles of Association;
3. decide on the asset investment plan;
4. decide on participation in associations, foundations, entities and institutions, both public and private, whose

activities are either directly or indirectly aimed at pursuing purposes similar to those of the Fondazione;

5. establish the general lines of the Fondazione's activities and the related objectives and programmes, within the framework of the Fondazione's aims and activities by incorporating strategic guidelines and proposals for new projects;
6. decide on the admission of Founders;
7. decide on the admission of Institutional Partners;
8. elect, from among its members, the President of the Foundation and one or more Vice Presidents;
9. appoint and remove the Executive Director in accordance with the requirements and roles set out in the applicable UNGC quality standards;
10. determin the size of the annual dues of UNGC Founders and Member Organisations;
11. identify the professional skills required for the operation of the Fondazione, and set out the criteria for their recruitment;
12. approve any internal regulations for the proper operation of the Fondazione;
13. approve in advance the hiring of employees and collaborators, and may avail itself of their services for the achievement of institutional purposes;
14. approve in advance the granting of professional

appointments to consultants, and may use their services for the achievement of institutional purposes.

The Board of Directors, by resolution adopted by an absolute majority of its members, may:

- delegate specific powers and/or functions to the President or individual Board members, specifying the limitations and contents of the delegation;
- appoint attorneys for individual acts and/or categories of acts.

Resolutions of the Board of Directors shall be passed with the favourable vote of the majority of the Board Members present, unless a different quorum is established by these Articles of Association.

The Board of Directors shall meet as often as the President deems it appropriate or when requested by the majority of its members or by the Single-Individual Controlling Body.

The meeting of the Board of Directors shall be convened by the President by written notice specifying place, date and time of the meeting, as well as the list of items to be discussed. The notice shall also be sent by e-mail, at least three working days prior to the scheduled date.

The Board of Directors shall be validly constituted if at least half of its members are present.

Meetings of the Board of Directors shall be validly constituted even if they are held by telecommunication, audio and video media,



provided that all participants can be identified and that they are allowed to follow the discussion and intervene in real time in the discussion of the topics addressed, exchanging documentation if necessary.

Meetings of the Board of Directors shall be coordinated and chaired by the President of the Fondazione or, in his absence, by a councillor identified in the following order of precedence: Senior Vice President, Vice President and Senior Advisor.

The minutes of each meeting shall be drawn up by the person appointed for this purpose (minutes secretary) and by the person chairing the Board of Directors, who shall sign them jointly with the latter, subsequently transcribing them in the dedicated minute book of the Board of Directors' meetings, taking care of their keeping pursuant to Article 15 of Legislative Decree 117/17.

#### **Art. 18**

##### **The President of the Fondazione**

The President of the Board of Directors shall also be President of the Fondazione. He shall be chosen by the Board of Directors from among its members, shall cease to be a Board member at the end of his term of office, and may be re-elected.

He shall be the legal representative of the Fondazione before third parties, and shall act and resist before any administrative or judicial authority.

In his relations with the Board of Directors, the President shall

have the power of initiative over the administration and management of the Fondazione.

The President, by way of non-exhaustive example, shall:

- define and draw up, with the support of the Executive Director, the Fondazione's annual programme and plan, and the draft estimate budget by December of the previous year;
- define and draw up, with the support of the Executive Director, the draft final annual balance sheet within one hundred and twenty days of the end of the financial year, or one hundred and eighty days, if required by special circumstances;
- act as institutional representative of the Fondazione;
- perform the function of synthesis and liaison between the Fondazione's bodies;
- propose to the Board of Directors the appointment of the Executive Director;
- sign, jointly with the Executive Director, the periodic "Memorandum of Understanding" with the UN Global Compact.

The President shall also cultivate relations with entities, institutions, public and private organisations and other bodies in order to establish cooperation and support for the Fondazione's individual initiatives.

In the event of the President's impediment, the deputy functions of the President, including legal representation of the Fondazione, shall be carried out by the Senior Vice President for

the duration of the impediment or until the new President is appointed.

#### **Art. 19**

##### **Executive Director**

The Executive Director shall be appointed, at the proposal of the President, by the Board of Directors, which shall determine the legal status, duration of the contractual relationship and remuneration, and shall be the highest ranking employee and collaborator.

The Executive Director shall:

- be the contact point between Fondazione GCNI and the United Nations Global Compact office in New York;
- manage the organisation, and supervise and coordinate the staff with regard to administrative aspects, promotional initiatives and programme implementation;
- within the limitations of the delegation conferred, legally represent the Fondazione before third parties and in legal proceedings, in the same way as the President;
- within the scope of the powers and proxies entrusted to him with a specific resolution by the Board of Directors, shall supervise the management of the activity, adopting provisions within his competence; he shall also be authorised, inter alia, to collect, from public administrations and from private individuals, payments of any kind and for any reason, issuing a receipt;

- execute the resolutions of the Board of Directors and shall be accountable to the Board;
- draw up the annual strategic plan of the local network to be submitted to the Board for validation, and to the General Assembly for approval;
- perform coordination functions between Fondazione GCNI ETS member organisations and the United Nations Global Compact;
- attend to and promote the Fondazione's external relations, manage relations with technical and scientific organisations, public bodies, companies, organisations and professionals on issues of interest to Fondazione GCNI;
- attend meetings of Founders and of the Board of Directors with the right to speak but not to vote;
- sign with the President the periodic "Memorandum of Understanding" with the UN Global Compact.

#### **Art. 20**

#### **VOLUNTEERS**

In carrying out its activities, the Fondazione may make use of volunteers pursuant to Article 17 of Legislative Decree 117/2017. Volunteers who carry out their activities on a non-occasional basis shall be entered in a dedicated register kept by the Board of Directors. The status of volunteer shall be incompatible with any form of employment or self-employment relationship, and with any other paid employment relationship with the Fondazione through which they carry out their voluntary activity. The

Fondazione shall insure volunteers pursuant to Article 18 of Legislative Decree 117/2017.

#### **Art. 21**

##### **The Controlling Body**

The Single-Individual Controlling Body shall remain in office for three financial years, expiring with the approval of the final balance sheet for the last financial year of office.

The Single-Individual Controlling Body shall be appointed by the Fondazione's General Assembly, and shall be chosen from among the members of the Register of Statutory Auditors. When appointing the Controlling Body, the Founders shall determine the amount of his remuneration. He may be re-elected.

The Controlling Board shall monitor compliance with the law and with the Articles of Association, and compliance with the principles of proper administration, also with reference to the provisions of Legislative Decree no. 231 of 8 June 2001, where applicable, as well as the adequacy of the organisational, administrative and accounting structure, and its actual operation.

It shall also audit the accounts if no statutory auditor has been appointed.

The Controlling Body shall also monitor compliance with civic, solidarity and socially useful purposes, and shall certify that the social report has been drawn up in accordance with the guidelines set out in Article 14 of Legislative Decree 117/2017

as amended.

The Controlling Body shall attend, without the right to vote but with the right to speak on matters within its competence, the meetings of the Members and of the Board of Directors.

If he detects irregularities, he shall have the power and the duty to call the Board of Directors to account, informing the Members of the findings.

#### **Art. 21 bis**

##### **Statutory Auditor**

Where provided for by law, in accordance with the provisions of Article 31 of Legislative Decree 117/2017, as amended, the General Assembly shall appoint a statutory auditor or auditing firm, and shall establish their remuneration upon appointment.

The Statutory Auditor shall remain in office for three financial years, which shall expire with the approval of the final balance sheet for the last financial year of office.

The Statutory Auditor shall exercise the auditing function and must be chosen from among the members of the Register of Statutory Auditors. He may be re-elected.

#### **Art. 22**

##### **Financial Year**

The Fondazione's financial year shall begin on 1 January and end on 31 December of each year. The Fondazione's first financial year shall end on 31 December 2013.

The draft estimate budget drawn up by the President with the

support of the Executive Director, once approved by the Board of Directors, shall be submitted by the President to the Founders for approval by December of the previous year.

The draft final balance sheet, drawn up by the President with the support of the Executive Director, once approved by the Board of Directors, shall be submitted by the President to the Founders for approval within one hundred and twenty days from the end of the financial year, or within one hundred and eighty days, if so required by particular circumstances.

Approval of the estimate budget and of the final balance sheet by the Founders shall take place by a simple majority of those present.

### **Art. 23**

#### **Dissolution and Extinction**

The proposal to dissolve the Fondazione for any reason whatsoever shall be submitted to the approval of the members of the Fondazione, with a resolution passed by the General Assembly by a majority of three-fourths of the Members who have paid their annual contribution.

In the event of dissolution, or of extinction for any other reason, the Assembly shall appoint one or more liquidators and resolve on the devolution of the assets, subject to the positive opinion of the Office referred to in Article 45, paragraph 1 of Legislative Decree 117/2017 and subsequent amendments, to other Services Sector Entities pursuing similar purposes, or to Fondazione

Italia Sociale.

The devolution of the assets shall be carried out after the declaration of extinction by the Office pursuant to Article 45, paragraph 1 of Legislative Decree 117/2017 as amended, and after the conclusion of the liquidation procedure, pursuant to Article 11 et seq. of the implementing provisions of the Civil Code.

**Art. 24**

**Dispute**

The Court of Milan shall have jurisdiction over all disputes arising from the interpretation and execution of these Articles of Association.

**Art. 25**

**Deferral Rule**

For matters not expressly provided for in these Articles of Association, the provisions of the Civil Code on Foundations, Legislative Decree 117/2017 as amended, as well as other relevant national regulations shall apply.

**Art. 26**

**Transitional Rules**

The Fondazione's bodies may immediately and validly operate in the composition determined by the Founding Sponsors at the time of signing the Articles of Association and, where necessary, they shall be subsequently integrated.