

**SLOW FOOD ASSOCIATION EXECUTIVE COMMITTEE**  
**ADMINISTRATORS' REPORT**  
*(art. 42bis and 2500 sexies civil code)*  
**ON THE TRANSFORMATION PROJECT**  
**OF**  
**ASSOCIAZIONE SLOW FOOD**  
**IN**  
**FONDAZIONE SLOW FOOD ETS**

Dear Members,

We submit for your attention the report outlining from a legal and economic perspective the project to transform the Slow Food Association (hereinafter "SF" or "transforming") into the Slow Food Foundation Third Sector Entity (hereinafter "FSF" or "transformed").

**1. Description of the operation**

The operation is corroborated by the reform procedure envisaged by the Slow Food Congress –held in Chengdu in China in 2017– which asked the international network to go beyond the associational model as the only possible form of local membership and presence in local areas and of involvement and participation of people.

In order to lead SF to the achievement of the objectives set out at the point above, the Congress of Chengdu approved the documents entitled “Declaration of Chengdu” and “Organizational Guidelines”, which contain the following fundamental passages:

- a. From the Declaration of Chengdu: “... Only by radically renewing the organization of Slow Food, only by making it more open and inclusive, and only by trying out new forms of aggregation, involvement and participation can we address the challenges that await us in the future in the best way possible and thwart those –the very few– who possess power and wealth and decide the fate of the world’s food and of humanity itself;
- b. From the Organizational Guidelines: “... *New methods and opportunities for the joining, involvement and participation of individuals will be explored ... The autonomy of local areas will be preserved and strengthened ... A process of redefining the structure and objectives of the regional and national structures is necessary. These are service structures and their purposes, strategic plans and objectives should be clearly defined. They must increasingly become implementers of global strategies at a territorial level.*”

**2. Rationale for the operation**

- a) A more functional tool is needed to redefine functions and roles at the various levels of the organization and meet the desire for greater inclusion of subjects of different types within the organization, if Slow Food is to meet the challenges and

achieve the ambitious targets it has set itself. The adoption of a new organizational model will make it possible to convey more effectively the efforts common to all in the world to defend biodiversity, educate people on the use of good practices to defend the health of the planet, inform, involve and mobilize individuals and whole communities so that they support the necessary transition towards fair and sustainable policies. It will, moreover, permit subjects of different types to actively participate in the life of the Fondazione (envisaged, de facto, by the association solely for individual members).

- b) On Italian national territory, the targets set out in the Organizational Guidelines of Chengdu may also be pursued in the context of the so-called “Third Sector Reform” law and accompanying Code, now effective, which describes and clearly groups nonprofit bodies and converts them into third sector organizations: “... *non-profit making private entities different from businesses, formed to pursue civic, community and social goals by performing, exclusively or principally, one or more activities of general interest in the form of voluntary action or the donation of money, goods or service, or mutual aid or the production or exchange of goods or services, and enrolled on the single national Third Sector register.*” In force of the passage of the Code of the Third Sector (under Legislative Decree no. 117/17, hereinafter referred to as CTS) and the Congress of Chengdu’s mandate to the Executive Committee, the latter has worked to identify, from among those envisaged by the CTS, the form most in keeping with the context, mission and objectives of Slow Food.
- c) Taking into account the associational and organizational structure of Slow Food, which operates on an international level, all the forms envisaged by the Reform of Third Sector Entities were analyzed. As a result, the form chosen was that of the Foundation, which is one of the entities considered as an Ets, or Third Sector Entity, and, more specifically, that of the Participatory Foundation model.

### **3. Main characteristics of the entity resulting from the transformation**

The model may be defined as follows: “*The Participatory Foundation is characterized by the participation of a plurality of public and/or private subjects who share the aims thereof and participate by contributing personal property, real estate, resources and services. This model thus represents a balanced synthesis between the personal element intrinsic to associations and the financial element typical of Foundations. The objectives of the Participatory Foundation are protected by the non-modifiability of its mission over the course of time.*”

The choice of the Participatory Foundation model was dictated principally by the following features that characterize this particular legal typology:

- a) the immutability of its purpose, which ensures the pursuance over time of the principles and aims of the Participants and binds the entity’s assets to the

achievement of its institutional mission and targets, up until the winding-up thereof;

- b) active commitment of the Participants in the life of the Foundation, the management of the entity, the formulation of operating strategies, and the composition of the organs of governance, elements typical of associationism. It is also open to the recruitment of “new Participants” who, by sharing the aims and principles of the Foundation, take an active and permanent part in the life thereof, thus contributing to its survival and the achievement of its aims;
- c) the Foundation combines all the participatory characteristics of an association and implements them with flexible, lean tools of governance and management;
- d) the Participatory Foundation pursues aims of general interest (and social utility) and is characterized by the fact that it is a non-profit association, in which the distribution of profits or yields to the Participants and any other organ of administration is forbidden.

#### **4. Operational mode of transformation**

As a consequence of the transformation, the entity will adopt, from the date indicated in Article 6 below, a new statute containing some modifications with respect to the one currently in force: these include, *inter alia*, the new denomination “Fondazione Slow Food ETS”, the transition to the legal framework of the participatory foundation and the composition of new organs of governance. The text of the new statute is annexed to this plan *sub I* and forms an integral part hereof.

It is specified hereby that the text may be subject to modifications and/or amendments prior to its formal approval, based on any observations that may be formulated by the competent authorities, which will in any case be preliminarily shared and approved by the entity.

#### **5. Approval of the plan and governance of the entity resulting from the transformation**

Following approval of the transformation plan -explained in this report- by the SF Executive Committee, it will be incumbent upon the Congress of the aforesaid Association to resolve upon the transformation into a Foundation and to identify the persons who will form the organs of governance thereof.

#### **6. Starting date of the effects of the conversion**

The transformation will take effect, also with respect to third parties, from the last of the disclosure requirements provided for in Article 2500 of the Civil Code, insofar as compatible. The Deed of Transformation will authorize the legal representative of the

Foundation to make to the Statute thereof modifications and/or amendments based on any observations and/or requests that may be formulated by the competent authorities.

**7. Date from which transformation operations will be entered into the balance sheet**

For fiscal and accounting purposes, the Foundation’s operations will be entered into the balance sheet thereof from January 1 of the year in which the transformation will have legal force for third parties. Legal effectiveness, however, in accordance with Article 2500 of the Civil Code, will start, as explained in the previous point, from the date of the last of the publicity fulfillments required by that article.

**8. Treatment reserved for particular categories of members/participants**

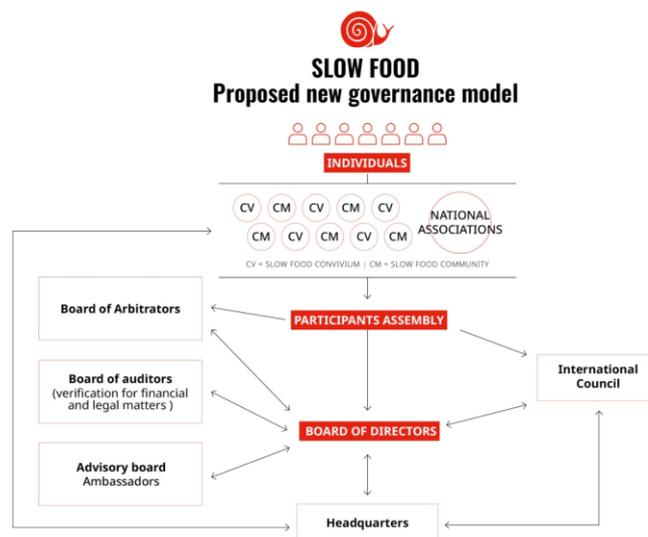
There is no provision for treatment reserved for particular categories of members/participants of SF.

**9. Special benefits reserved to administrators**

No special benefits are envisaged for administrators of SF.

**10. Functional organization chart**

As a result of the Transformation, the organization chart of the FSF entity will be as follows:



## 11. Economic-financial aspects:

- a) The transformation will take place on the basis of the financial position of the entity (updated no more than 120 days prior to the meeting's resolution) which will be registered which is submitted together with the Valuation Report and this Directors' Report containing the transformation project, with the financial statements for the previous three fiscal years.
- b) Following the finalization of the transformation, the restricted endowment fund, tied up by the association, will remain unvaried under the Foundation, and will amount to Euros [104,541].
- c) As a transformation into a Participatory Foundation, this transformation envisages no specific exchange ratio for stakes possessed by SF members who, by virtue of the operation, assume the status of "Participants" of the Foundation, more specifically that of "Participants" by right, in accordance with art. 7.1 of the Statute annexed *sub I*.
- d) It is hereby confirmed that the transformation described in this plan entails an implicit transformation of SF, and that a financial statement of the entity updated at no more than 120 days prior to the resolution of the meeting, and accompanied by a list of creditors, will hence be drawn up and submitted to the meeting of SF members that will be convened to resolve upon the transformation, in compliance with art. 42-bis of the Civil Code on resolutions for transformation.
- e) As hypothesized, the transformation presents no negative element nor is it detrimental to the members and administrators concerned. The transformation will give rise to substantial and important benefits for SF, as described in article 1.

*Bra, June 11<sup>th</sup>, 2022*

**by Slow Food Association**

President:

Carlo Petrini

