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Chair of: Corporate Finance

**Sustainability and SMEs: Strategies, Certifications,
and ESG Impact**

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A mia madre Raffaella, mio padre Fabrizio e mio fratello Andrea, per il loro amore incondizionato e il sostegno costante.

A Lucio, mio nonno, fonte inesauribile di saggezza e ispirazione.

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Introduction

In recent years, the sustainability debate has become increasingly present and relevant within the manufacturing and service sectors. Sustainability has become a global imperative, a defining principle at every apex of the economy. From large multinational corporations to small and medium-sized enterprises, the emergence of a new sustainable business model is a crucial and critical factor, presenting unique opportunities and challenges. With this in mind, the following dissertation aims to investigate the complicated relationships and dynamic transformations in sustainability.

In particular, the acronym ESG (Environmental, Social, Governance) has gained popularity recently. It effectively encapsulates the three fundamental pillars of sustainable development that companies must address to ensure lasting growth and a better future for all. The ESG key is a specific vision that takes into special consideration the size of the Italian and European body.

Over the past decade, topics concerning stakeholders — those to whom a privileged demand is placed — to accelerate the changes required by the Sustainable Development Goals (SDGs) have been frequently addressed.

Sustainability is not mandated normatively or by the rule of law, but it has become a key factor in the development of value for the long term. Usually, in ESG, the focus is on the environmental aspect of sustainability, but the importance of compliance with economic and social standards should not be overlooked. The "E" in ESG refers to all those aspects related to the environmental impact a company has, in relation to its stakeholders, from customers to employees to the host community. Companies that pay special attention to both environmental and social aspects reduce the risk of penalties and legal problems, improve their reputation, and can attract new investment and talent. Workers' rights are also becoming increasingly important to both customers and investors, who are very attentive to human rights violations. In particular, Corporate Social Responsibility, more commonly known as CSR, refers to the environmental and social commitment of companies, which allows them to quantify a qualitative approach to their sustainability. The European Community (2001) defines **Corporate Social Responsibility (CSR)** as

"the integration voluntarily by companies of social and environmental concerns into their business operations and their relationships with their stakeholders." A key element in the regulation of corporate environmental and social responsibility is the **Corporate Sustainability Reporting Directive (CSRD)**, a European Union directive that requires companies to report in greater detail and transparency on their environmental, social, and governance impacts. The CSRD Directive, which went into effect in January 2023, defines the new European Sustainability Reporting Standards, or ESRS. KPIs, Key Performance Indicators, "key performance indicators," related to the environmental and social dimensions of sustainability, are very important in assessing corporate environmental and social responsibility.

In summary, this survey aims to investigate strategies, impacts in terms of ESG, and environmental certifications with the intention of delving into the ways in which SMEs can transform burdens incurred into solid opportunities for value creation and innovation. Through an in-depth analysis of the international and national regulatory framework, economic and financial integration tools, and ESG certification models, the paper aims to provide an in-depth overview of the risks and opportunities SMEs may face on their path to sustainability.

To do so, the thesis will use the case study of ApogeoAtwc, an Italian SME operating in Rome in the communication, events, and experiential marketing sector, which has made sustainability the fundamental pillar of its entrepreneurial identity. Based on interviews, surveys, and an environmental footprint analysis project related to the phenomenon of product customization, the thesis will explore how the company has infused ESG principles within its operations and what competitive advantages this footprint has generated.

Research Objectives

The focus of this study is to discover the ability of SMEs to address and resolve the issue of sustainability, in which the guidance and influence, favorably or unfavorably, of ESG criteria and the competitiveness factors of the structure of companies. Regarding the identification, then conducted proficiently of the best systems to cede a certification, an assessment on sustainability for Italian SMEs, and the development of EU regulations in this established. Issues on the economic and social impact of ESG practices will also be explored, examining whether and how possible strategies can reveal tangible benefits in access to credit, corporate reputation, and appeal to potential investors and customers. Regulation and screening of potential benefits for companies with a sustainable business structure will be analyzed, through a study of a specific example, how they could, SMEs, make use and application of ESG strategies by using and implementing them, and why they are particularly beneficial economically and in the context of investing corporate wealth will be described.

Thesis Methodologies and Structure

In order to answer the various questions, the thesis will have a multi-center methodology by combining a case study to understand existing concepts well. The first section of the thesis will offer the principles of sustainability on a global scale, with the main emphasis on the United Nations Sustainable Development Goals (SDGs), the role of the European Union, and Italy's involvement in implementing sustainable policies. Even more broadly, financial actors and instruments within the ESG transition will be examined, particularly regarding incentives and facilitation for SMEs. The main sustainability measurement tools identified in SMEs will be discussed: ESG ratings, ISO certifications, and the Benefit Company model. This research will end with the case study of ApogeoAtwc, a large Italian group that in recent years has synergistically integrated ESG practices within its procedural corpus and production organization and thus shows the outcome of sustainability on employee and stakeholder satisfaction and social value. In the thesis, a critical reflection on the role of SMEs within economic and social sustainability is

proposed, future potential is illustrated, and some recommendations are proposed to mitigate the pitfalls of the ecological and digital transition. In the end, the study will aim to establish, as best it can, ESG challenges successfully in business strategies, demonstrating the importance of sustainable and inclusive growth.

Chapter 1 - The Global Framework of Sustainability

An idea that, while a priori may seem small-scale, has today still become the focus of global debate. The combined pattern of economy, society, and environment is increasingly coupled, and the broad planetary needs deserve careful response and focused contestation. Climate, altered biodiversity, social inequality, and poverty are part of the issues involved in assets for the future. In order to look to the future, businesses, citizens, and governments must reconfigure approaches toward the economy; in this way, they can adopt economic prosperity, social justice, and environmental protection. The next chapter aims to uncover the global framework of sustainability with the presentation of international agreements, EU policies, and strategies put in place for the present challenges. The main EU policy criteria and an Italian strategy comparing the challenges of the 21st century. In particular, we will examine the 17 Sustainable Development Goals (SDGs), researching a challenging plan to educate the world by 2030. We will cover the role of the European Union in presiding over the success of the sustainable transition and sustained efforts to build a green and inclusive economy. Finally, we will go in depth on the implications of the SDGs in the Italian context, analyzing the national practices and strategies executed to achieve the long-term goals. The intentions of the chapter are to provide a comprehensive outcome of the full canvas, both in the lens of challenges and opportunities, that SMEs encounter today in achieving a sustainable future.

1.1 The UN's 17 Sustainable Development Goals (SDGs)

All 193 member countries of the United Nations, in 2015, endorsed "the 2030 Agenda for Sustainable Growth," a programmatic plan to identify the combined collection of the 17 Sustainable Development Goals (SDGs) and Individual Goals 139.

The comprehensive plan includes a process of change in response to the challenges of inclusive growth. The biggest goal is to address high poverty and weak diminishing inhibitors of inequality through the current consequences of climate change

in modern countries. Compared to the intent of previous Millennium Development Goals (MDGs), the SDGs are universal and complex, applying to all countries and for all sectors of society, including business ownership, in public and private spheres. Downward commitments are reported so that financial growth, social welfare, and preservation of the medium environment to trigger a virtuous circle even among different production and social realities. The branches of the SDGs tree are People, Planet, Prosperity, Peace, and Partners (the so-called 5Ps). SDGs that have explicit targets provide quick guidance on how to act. For example, SDG 13 (Climate Action) considers some targets in mixing volcanic gas emissions, chemical rehabilitation, and incorporating climate finance. In this bottom-up effort, small and medium-sized enterprises (SMEs) act as an important enabler for achieving the SDGs. They are the world's economic backbone and are responsible for about 1/3 of production and employment. This is precisely why SMEs can also produce a negative factor within, such as environmental and social impact. Criteria on Environmental, Social, and Governance (ESG) integrated into strategies embedded in SMEs are determinants of their role efficiency for the SDGs. ESG indicators contribute to a scenario for assessing and managing the sustainability impact of business activities. The results that follow indicate how ESG practices can contribute in a real way to the Sustainable Development Goals by supporting the transition to a more eco-productive business world.

Table: Correlation between ESG criteria and related Sustainable Development Goals.

ESG Criterion	SDGs related	Description
Environmental	SDG 13 (Climate Action)	Business practices aimed at reducing CO ₂ emissions and using renewable energy contribute to the fight against climate change.
	SDG 15 (Life on Earth)	Sustainable management of natural resources and protection of biodiversity are key elements of environmental sustainability.
	SDG 12 (Responsible Consumption and Production)	Adopting circular economy practices and reducing waste promotes more sustainable consumption and production.
Social	SDG 1 (No poverty)	Companies that adopt social responsibility policies contribute to poverty reduction through fair wages and decent working conditions.
	SDG 5 (Gender equality)	Inclusion and gender equality policies in business promote greater equity between men and women in the world of work.
	SDG 8 (Decent work and economic growth)	Sustainable businesses create quality jobs and promote inclusive economic growth.
	SDG 10 (Reducing Inequality)	Businesses that adopt socially responsible practices help reduce economic and social disparities.
Governance	SDG 16 (Peace, justice and strong institutions)	Transparency, business ethics and anti-corruption improve the functioning of institutions and governance.

	SDG 8 (Decent work and economic growth)	Proper corporate governance ensures economic sustainability and compliance with regulations.
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1.2 The European Union's Position in Sustainable Transition: A Global Leader in the ESG Agenda

The European Union (EU) represents a world leader in promoting sustainability and the use of Environment, Social and Governance (ESG) criteria within public policies and in the strategies of both manufacturing and service enterprises. As a response to climate change, loss of biodiversity, social inequality, and the practice of interventions that require managing the problems of change, to the initiation toward a new holistic perspective to urgently instigate European economic reshaping as an additional means of sustainable development among all. As the backbone of this road remained the European Green Deal in the debate. The framework presented represents a series of events containing: the scarcity of greenhouse gas emissions, the promotion of circular economy, to the transition to a sustainable food system. The aim is to create a pathway with a correct and inclusive transition, making Europe the first climate-neutral continent in 2050 with a correct pathway back that leaves no one behind. The EU has implemented additional regulations in order to promote transparency and corporate responsibility on the ESG topic from the EU. The Inherent Corporate Sustainability Reporting Directive (CSRD) required a large proportion of large companies and SMEs to share information regarding their behaviors based on corporate social responsibility (CSR) sustainability, which could allow investors, consumers, and civil society to know their incidence model. The EU can also be excellent in developing a sustainable financial system, a capital system primarily oriented towards investing in the sustainable and social development sector. The EU Taxonomy Regulation provides a consistent ranking of sustainable economic activity to guide investors in identifying and examining ESG investments.

Table: Main EU sustainability policies and initiatives.

Policy/Initiative	Main goals	Impact on SMEs
European Green Deal	Climate neutrality, circular economy, biodiversity, sustainable food system	Opportunities for innovation, access to green financing, new markets
CSRD	Corporate transparency and accountability on ESG.	Increased focus on ESG reporting, need to collect and disclose data
EU Taxonomy	Classification of sustainable economic activities	Access to sustainable financing, increased attractiveness for ESG investors
Action plan for sustainable finance	Directing capital toward green and social investments	New funding opportunities, more competition for capital

The EU's commitment to sustainability is summarized in the WTO and its policies with China. The EU actively contributes to the adoption of higher-level ESG standards on the planet and strongly assists developing countries in achieving a sustainable economy. In addition, the EU plays a critical role in assisting the transition to a more sustainable path. Its actions and policies provide a robust strategy for large companies, particularly SMEs, that want to incorporate ESG principles for their strategy and contribute to the SDGs.

1.3 The Implementation of the SDGs in Italy: National Policies and Strategies

Italy, as a member state of the European Union, has made a public commitment to the implementation of the 2030 Agenda and the 17 Sustainable Development Goals (SDGs). The development of the sustainability model has been understood by national policies through a chain of response strategies and initiatives geared toward translating standards to the exposure of local, sectoral, and specific goals. The National Strategy for Sustainable Development (NSSD), revised in 2022, is the main model for development under the SDGs in Italy. It shares the strategic goals, priorities, and measures to be implemented in Italy, depending on the dependence of the complexity of the Italian environment and the challenges of the territorial scale. Italy has also established the National Committee for Sustainable Development (NSCS), an internal inter-ministerial coordinating committee responsible for monitoring and evaluating the commitment to the SDGs and the effort to promote harmony in national policies with the SDGs.

The role of business and sustainable finance in Italy

The transition to sustainability involves an active role for Italy. Smaller players, including SMEs, are recommended to adopt sustainable business models, are encouraged to combine ESG approaches with a fully sustainable strategy, and contribute to the achievement of the SDGs. With this correspondence, sustainable finance becomes key. Italy is supporting a sustainable capital market in the form of the issuance of green bonds, the introduction of controls related to environmental factors, and impact financing.

Table: Main Italian policies and initiatives for the implementation of the SDGs

Policy/Initiative	Main goals	Impact on SMEs
SNSvS	Implementation of the 2030 Agenda, setting national goals and priorities	Business guidance, funding opportunities and collaboration
CNvS	Monitoring and evaluation of SNSvS implementation, interministerial coordination	Greater policy coherence, business support for transition
Sustainable finance	Directing capital toward green and social investments	Access to sustainable financing, increased attractiveness for ESG investors
Tax credit for green investment	Incentivize investment in sustainable technologies and processes	Reduced investment costs, increased competitiveness

Italy has structured an integrated strategic plan for sustainability, including the Italian Energy Strategy, the National Energy and Climate Program, and the National Strategy for the Circular Economy. Progress in terms of implementation of the SDGs in recent years is remarkable in the country; there remains a need for persevering and synergistic work of all entities of society to implement the goals of the 2030 Agenda.

1.4 Circular Economy: Goals

During the past decade, the concept of the circular economy has been increasingly at the center of the international discussion on sustainability. Having faced this challenge myself, I have decided that the traditional economic model represented by the linear scheme of "take, produce, use, and throw away" is not sustainable either ecologically or economically. The circular economy aims, nonetheless, at a different vision that is intimately linked to resource efficiency and the enhancement of every production step.

Indeed, the main goal of the circular economy is to minimize the generation of waste and maximize recycling and reuse. This is not only an environmental problem, but an extraordinary economic opportunity, because the move toward circular models allows for the reduction of costs of operation, the optimization of resources, and the creation of new job opportunities and technological development. Looking back on the teachings of principles that I learned during my university years, I came to understand that the circular economy not only aims to limit environmental damage, but also to rethink production activities fundamentally in ways that are sustainable in the long term and regenerative. Among the physical goals of the circular economy is the reduction and elimination of waste. Unlike the linear economy, which views waste as inevitable, the circular economy rather seeks to think of "waste" as new resources. This observation applies not only to materials but also to water, energy, and even waste food. In these, technological research and inquiry have a fundamental role in seeking new avenues for recycling and reusing materials.

Another important goal is the recycling and reuse of products. From my own experience as a consumer, I could identify with how often seemingly serviceable things are unnecessarily rejected to be replaced with newer or fashionable substitutes. In contrast to this, the circular economy promotes the design of products that are easily repairable, upgradable, and modular, thus significantly extending their life cycle. This approach considerably reduces resource consumption and helps minimize emissions associated with the production of new products. Apart from that, another topic that I find extremely intriguing and captivating is the acceptance of new business models, such as product-as-

a-service, wherein consumers can utilize a product without having to own it. This change not only advances better and durable products to be manufactured, but also radically changes the perceptions of consumption and ownership. At the personal level, I believe that adopting circular economy principles can influence everyday life significantly, too. Having a sense of value for resources and their boundary implies being more thoughtful and mindful in approach, which yields improved sustainable options in the long run.

Finally, for such goals to materialize, there should be a collective action not just by enterprises, but also by governments, schools, and society. There needs to be an actual cultural revolution where all, from individual citizens to multinational corporations, engage with the dissemination and actual implementation of the logic of the circular economy. It is only through this conscious and collective strategy that it will become possible to construct a future that is sustainable, efficient, and respectful of the resources of our world.

Chapter 2 - Actors and tools for sustainability in Italy

Sustainability in the public policy arena and the strategies of organizations in Italy, for several years, have found a well-defined path, strongly promoted by awareness and regulatory commitment based on both environmental and civil society sense, as well as legal obligations under EU guidelines and interconnected agreements. The road to sustainable transition, in Italy, recognizes the involvement of groups of governmental entities, nongovernmental organizations, businesses, and financial institutions, with a total of specific roles and responsibilities. This chapter aims to investigate in depth these actors and the tools functional to the sustainability programs of Italian companies. The main institutions involved are the various public and private institutions that advocate policies and strategies compatible with the ESG (Environmental, Social, Governance) objective. Initially, we will focus on identifying and analyzing governmental and nongovernmental bodies that operate in the context of sustainability and demonstrate the particularly active state of the sector. We will move on to analyze the technical, economic, and financial underpinnings that support companies wishing to incorporate sustainability into their business, including tax provisions, financial facilities, and additional special sustainability measures. We will see what specific tools may be needed to drive ESG spinoffs, exploring the best financial initiatives and incentives to guide organizations' investments toward their contribution to environmental, social, and governmental goals. This analysis aims to offer a comprehensive overview of possible perspectives regarding the challenges posed by sustainability, as it pertains to our country, to provide a solid base from which to review how we can approach and promote the successful transition to a new, more social, sustainable, and inclusive world.

2.1 Non-Governmental and Governmental bodies involved in sustainability

In recent years, efforts to incorporate sustainability into institutional social policies, production strategies, and supplier profit strategies have been maximized. This strategy involves an organized conjunction of different institutional/non-governmental players with complementary and differentiated tasks.

The highest function among these governmental institutions of the Ministry of Environment and Energy Security (MASE), whose main role is the Ministry of Environment and Energy Security (MASE) to identify, educate, and monitor the country's sustainable and sustainable environment policies. The MASE has a regional part regarding guidelines related to the Paris Climate Agreement, Agenda 2030, and has established cooperation with other ministries, including the Ministry of Economic Development (MISE) and the Ministry of Infrastructure and Transportation (MIT). The latter play an important role in promoting energy change and increasing responsible mobility, supporting IT innovations and infrastructure that accompany environmentally sustainable economic development. In the local and regional sector, regional environmental protection agencies (ARPAs) are engaged in ensuring that national policies are enforceable through the integration of their requirements in each region. The departments do research, engaging in the activity of environmental impact monitoring and the lending of technical/scientific information within municipal governments, and work together with the general base of the Institute for Environmental Protection and Research (ISPRA). Alongside governmental organizations, nongovernmental organizations (NGOs) act as important allies in introducing a culture of sustainability. Legambiente, WWF Italy, and Greenpeace Italy work daily as experiments in raising awareness, policy, and promoting the message. These parties not only document and communicate environmental violations, but also actively the experimental solutions involving citizens and businesses in environmental protection programs and responsible social activity. In addition, the support of supranational institutions and especially the European Union, through financial and structural assistance programs, helps the achievement of a sustainable, solid foundation. This internal communication between the

government, nongovernmental organizations, and European institutions is essential to guide the successful transition to a sustainable, global, and shared future.

2.2 Main economic and financial measures to support enterprises

Italian companies approaching the path of sustainability have access to the most exclusive economic-financial measures so that they can promote sustainable investments. As far as tax incentives are concerned and facilitated access to finance, public guarantees, or direct grants provide important financial support. One of the dominant instruments is tax credits for investments in sustainable technologies and the implementation of biocompatible production processes. Tax incentives encourage business competitiveness, intending to drastically ease its financial burden of first-rate investments, helping those instead in harmless and clean technologies. The National Transition 4.0 Plan, administered by the MISE, facilitates tax credits that support an important weight of savings, on technological innovations and environmental sustainability that led to having more flexibility, to follow an innovative path, in the context of business with tighter and more competitive timeframes. These companies can benefit from subsidized financing or repayments granted by intermediaries, such as Cassa Depositi e Prestiti (CDP) and Invitalia, dedicated public financial operators that offer formulas aimed at helping maintain environmental and social sustainability. An important economic facilitator for the start-up of company-specific plans is the possibility of taking advantage of a low interest rate, so that the organization can increase its numbers with corporate sustainability projects. In addition, the Central Guarantee Fund for SMEs allows businesses better access to bank financing, as public facilities decrease credit risks to creditors. The Fund serves as a strategic avenue for small and medium-sized enterprises to have access to bank credit. In parallel, the European Union plays a primary role, allocating robust funds to Italian companies, such as the European Regional Development Fund (ERDF), and funds under the NextGenerationEU program, aimed at financing projects in the areas of energy transition, sustainable mobility, and green digitalization. These European projects are usually supplemented with technical support, participation, and training to help companies start or diversify their way to a more streamlined and financially secure transition. Lastly, the

relevance of private banks, both on ethics and sustainability, is progressing to the introduction of new financial instruments that include green ray bonds and sustainability-linked loans, which measure financial costs linked to a company's specific ability to tap into a sustainability goal. To summarize, the breadth of economic-financial measures available provides safe ground for Italian companies to invest in sustainability; these instruments contribute strongly to the country's economic, responsible, and lasting growth.

2.3 Incentives, facilities, and financing instruments for ESG transition

Italian companies have ESG (Environmental, Social, Governance) criteria as a fundamental path to help them remain competitive, innovative, and responsible in the global marketplace. To support this strategy, the Italian information system provides the widest range of incentives and economic facilities to promote sustainable and mature investments.

The first measures to be involved are undoubtedly tax aid toward companies engaged in social and environmental projects. In particular, tax credit is an important tool and allows, through its use, to reduce a large amount of financial expenditures at the head of organizations in the form of renewable energy planning, circular economy, and environmentally friendly production activities.

In addition to the tax effect, specific incentives are available, including subsidized and targeted financing granted by entities, including Invitalia and Cassa Depositi e Prestiti (CDP). These means allow the company to access financing with particularly advantageous conditions compared to normal; thus, they offer support for projects in eco-sustainable innovation, Digital Green, and sustainable mobility. In the "Smart & Start Italia" program and the last term in "New Zero Rate Enterprises," Invitalia promotes assistance typically aimed at potential startups working on sustainability and technological innovation.

Another important option is public guarantees, specifically that of the Central Guarantee Fund for SMEs. An online credit is facilitated for small and medium-sized enterprises to reduce the banks' underlying risk and to bring in facilitated ESG projects.

From a financial perspective, it is also important to mention that the European continent. As part of the National Recovery and Resilience Plan (NRP). In Italy, there are adequate financial resources to support major investments in energy transition and replacement mobility, fair trade, cross-cutting technology, and telecommunications, compared to a high depth in governance relations and social constraints.

In addition, recent financial means, such as green bonds and sustainability-linked loans (the inherent reliance on the completion of certain ESG tasks), are taking a central and important position. These instruments enable technology to obtain financing on the most favorable terms based on their ability to achieve precise and measurable environmental and social goals, thus demonstrating their sincere concern for the health of the environment.

Overall, the combination of incentives, tax breaks, and financing through an effective combination concretely assists Italian companies and accelerates this ESG transition process.

Chapter 3 - SMEs and Sustainability: Certification and Measurement Tools

The neutral center of the Italian economy is SMEs. Small and Medium Enterprises constitute the trend of our country, play an important role in national employment and production. Assuming their commercial prevalence and money load, SMEs play a key transitional role in sustainability development measures. However, to effectively embark on this journey, the involvement of SMEs in adopting constructive approaches to certification and measurement of environmental, social, and governance (ESG) impacts is critical. This chapter will discuss tools and certifications to facilitate SMEs in successfully and transparently contracting and showing their contribution to the sustainability environment. The strategic and integrated role of SME associations in the sustainability transition process will be reviewed to highlight their specific potential and challenges. We will look at the main eco-financial interventions to promote sustainable investments, specifically of small and medium-sized enterprises. The major focus will be on the emerging court of Benefit Societies, Companies that by choice formally involve social and environmental objectives in their corporate structure and provide influence in order to inform the public about the products made. We will then describe the main ESG certification and assessment tools that are currently available, such as B Corp, EcoVadis, Synesgy, and finally, the case of Eni Spa and OpenEs. We will see how the Legality Rating in Italy certification of the Legality Title, which promotes the integrity of corporate activity, is increasingly relevant for SMEs in the assessment by stakeholders. The chapter will end on the issue of ISO certifications, the international processes that allow organizations to prove their commitment to sustainability through high work efficiency and the improvement of their shareable reputation in the world of society.

3.1 The role of SMEs in the sustainable transition

Small and medium-sized enterprises (SMEs) are the economic pillar of Europe, making up more than 90 percent of business operators and contributing substantially to national employment and turnover. SMEs play a strategic role in the transition to sustainable development models-economic, environmental, and social-because of their agility, innovation, and local roots. Their small size encourages quick decisions, timely adaptations to market stresses, and the smooth integration of sustainable practices within production processes. However, the small scale of operation brings significant challenges, particularly the difficulty of sustaining high initial investments and finding the tools needed to adopt environmentally friendly solutions. A crucial element of SMEs' contribution to the green transition is their strong ties to the geographic communities in which they operate: these enterprises directly influence the management of natural resources, the creation of sustainable employment opportunities, and local socioeconomic well-being. These territorial ties provide opportunities to test and disseminate good practices at the local level, with multiplier effects on a larger scale. To fully exploit this potential, SMEs need support through dedicated financial instruments, training programs, and ESG (Environmental, Social, Governance) certification and evaluation systems. These tools enable companies to accurately measure their impact, manage vulnerabilities and opportunities for sustainable growth, and transparently communicate results to stakeholders, thereby strengthening market and consumer confidence. Promoting the knowledge and adoption of such tools means not only improving the internal performance of SMEs but also contributing to the country's overall economic, social, and environmental progress. For this reason, it is essential to deepen how certifications and sustainability initiatives are accessed and implemented to guide companies toward increasingly responsible and sustainable practices.

3.2 The Economic-Financial Measures Dedicated to SMEs

The adoption of sustainable business models brings many benefits to SMEs, but it also requires significant financial and organizational investments. For this reason, in Italy, there are dedicated economic-financial support programs aimed at small and medium-sized enterprises to facilitate their transition to sustainability. Among these we have:

- **Subsidized Financing:** The main instruments of subsidized financing are managed by public entities such as Invitalia and Cassa Depositi e Prestiti (CDP). Initiatives such as "Nuove Imprese a Tasso Zero," "Smart & Start Italia," and the Sustainable Growth Fund provide selected SMEs with financing on favorable terms for investments in sustainable innovation, green technologies, circular and digital economy. These low-cost loans with deferred repayment schedules remove the burden of short-term borrowing costs and facilitate access.
- **Public guarantees:** The Central Guarantee Fund for SMEs is a key tool for reducing credit risk and incentivizing banks to finance innovative and sustainable projects. Thanks to this guarantee, companies can obtain loans and lines of credit on more favorable terms.
- **EU funds and PNRR:** An important share of SME financing comes from European funds, particularly NextGenerationEU, implemented in Italy through the National Recovery and Resilience Plan (PNRR). These funds directly finance digitization, environmental sustainability, and social innovation initiatives. Within the PNRR, there are specific lines of intervention to strengthen the global competitiveness of SMEs through advanced technologies and sustainable production practices.
- **Tax incentives:** Businesses can benefit from tax advantages for investments in environmentally friendly technologies, energy efficiency, and emission reduction. Among the best-known measures is the 115 percent Superbonus, which provides significant deductions for energy upgrades to business buildings.
- **ESG financial instruments:** Commercial banks and financial institutions are increasingly offering products linked to ESG (Environmental, Social, Governance) criteria, such as green bonds and loans tied to the achievement of

sustainability goals. These solutions enable SMEs to access capital on better terms and strengthen responsible investment strategies.

The Italian landscape makes a wide variety of economic-financial instruments available to SMEs: a targeted and combined use of these means can generate significant benefits for businesses, local communities, and the environment.

3.3 Italy's Common Benefit: Benefit Societies (and the Annual Report)

In recent years, companies have found themselves at the center of a new business paradigm that pushes them to combine the pursuit of profit with social and environmental goals. This approach finds concrete realization in **Benefit Societies**, introduced into the Italian legal system by the 2016 Stability Law (Law No. 208/2015, paragraphs 376-384). The legislation provides that companies can include common benefit purposes in their bylaws alongside their ordinary economic and fiscal objectives. In this way, Benefit Corporations embody the desire to operate actively by placing attention to projects, workers, community welfare, and environmental protection at the center of their principles. Formally, they are required to pursue these purposes of common benefit with a responsible, sustainable, and transparent commitment to people, communities, and the environment.

In general, Benefit Corporations face challenges such as reducing environmental impact, social inclusion, improving working conditions, and supporting local communities by promoting more transparent and ethical governance models. A distinctive feature of these companies is their obligation to prepare and publish periodically (usually annually) an Impact Report, as required by current regulations. This document enables rigorous monitoring of activities and achievements, increasing the trust of customers, investors, and stakeholders and facilitating access to financial resources. This business model also offers competitive advantages: on the one hand, the statement of a corporate mission oriented to the common good strengthens reputation and trust in the market, improving relations with clients who are particularly sensitive to sustainability issues; on the other

hand, Benefit Societies are more attractive for sustainable investments and facilitate capital raising by funds and financial institutions that adopt sustainability criteria in evaluating investments.

At the inception of Benefit Societies in Italy, there were initially a few dozen, mostly small and medium-sized companies operating in innovative sectors rather than large traditional companies. In recent years, there has been a growing awareness among Italian companies of the need for a management model that combines profit and social responsibility, geared toward the creation of shared value. Benefit Societies constitute one of the main evolutions of Italian business practices, offering an innovative framework for integrating sustainability into business strategies. Although characterized by specific legal constraints, they provide transparency through the Annual Impact Report and represent a valuable strategic contribution to the sustainable transition of the national production system.

3.4 Certified commitment to sustainability: ESG Ratings

Commitment to sustainability, social and environmental responsibility has shifted in recent years from a focus within companies to a value not only in corporate strategies, but also in the criteria governing the decision-making process of all stakeholders. In this context, ESG (Environmental, Social, Governance) ratings have become key tools for companies, especially SMEs, to stand out and testify a priori to their commitment to sustainability. ESG ratings are independent assessments that consider the performance of the organization according to three main contexts: Environment, the Social (labor conditions, health levels, development of ethical traits, and consistent governance), and Governmental (with value for transparency) frameworks. Such a classification can help companies quickly identify their strength by clearly verifying objectives that can drive more sustainable and transparent de facto strategies in corporate programs. These indicators also become important in the consideration of the responsible investment approach.

Sustainability is now considered a key corporate reliability metric: investors and financial intermediaries favor companies seen as more solid and responsible, with growth prospects. A high ESG score generally signals a company at lower operational and reputational risk, making it more attractive for capital. The increasing use of ESG ratings has also opened access to new sustainable finance instruments for SMEs: for example, green bonds and loans linked to environmental targets often provide more advantageous financial terms upon achievement of specific targets.

The relevance of sustainability for Italian SMEs is confirmed by recent studies: according to a Deloitte (an international auditing firm) survey, eight out of ten companies consider it a strategic priority. In this context, numerous market solutions dedicated to SMEs are emerging. On a national scale, there are specialized agencies such as Cerved, among the Italian leaders in creditworthiness and sustainability, and digital platforms for ESG self-assessment (e.g., Synesgy). On a global scale, agencies such as EcoVadis adopt their methodologies to assign ESG ratings to companies. Alongside these rating systems, certification bodies accredited in Italy by Accredia have introduced voluntary certification schemes for sustainability management systems (such as the SRG88088 standard). All these platforms and certifications, while differing in standards and procedures, offer formal ways for Italian SMEs to attest to their ESG commitment, facilitating transparency and access to "green" financing.

The main instruments by SMEs and large corporations include:

- B Corp, which identifies companies selected for their high profile of environmental and social performance, transparency, and accountability.
- EcoVadis, which recognizes a global ESG response based on four dominant parameters: climate, human rights, work ethics, and sustainable manufacturing.
- Synesgy (reveals simpler, coupled ESG assessment), a platform designed primarily to facilitate SMEs' transition to a comparative and coupled definition of ESG ranking related to work and investment.
- OpenEs - the case of Eni Spa, a cooperative platform developed by a measure of Eni's business that researches the path to value chain sustainability while also

engaging SMEs on an open, cross-cutting system of ESG assessment and performance.

The additional assurance of corporate reputation offered by ESG ratings is an important competitive advantage in the current Italian market environment, where customers and investors are increasingly sensitive to sustainability issues. In particular, the presence of a recognized ESG certification can be a determining factor in the choice of business partners, end customers, and financial institutions. This helps to strengthen corporate credibility and open new business opportunities in the market. In this context, the adoption of ESG ratings proves to be an unavoidable challenge for all companies, with a particular emphasis on Italian SMEs. Indeed, the latter intend to operate without giving up their social responsibility or compromising profitability. At the same time, they wish to integrate sustainability-oriented measures and strategies into their business models.

3.4.1 B Corp

B Corp identification is an international success, but in general, it is awarded to products that meet high standards of transparent and responsible social/environmental performance. This growth of Italy supports a societal concept in which the advantage is inconsistent, placing it among more common topics such as the welfare of the global population and ecological advocacy.

Origins and Confluence

The key idea of B Corp came through the context of B Lab, U.S. state hospitality, in 2010 to investigate interpretations of business success by centralizing the significant benefits produced by long-term businesses for society and the environment. Since then, the movement has grown steadily: more than 5,000 companies from 78 countries operating in 155 different sectors are now B Corp certified. We have recently identified more than 130 companies in Italy that have submitted to this model, with the sign that sustainability and ethical actions are being targeted and induced in their businesses.

Certification Process

The requirement for B Corp certification requires a company to go through a rigorous assessment program that examines various aspects of its actions and impact. The road consists of two main steps:

1. B Impact Assessment (BIA): An online survey with more than 200 questions, it is performed in the context of five sets of governance, workplace, community, environmental, and business impacts. This measurement describes firms' business practices and performance in each of these categories.
2. Minimum Score: To be a de facto candidate for certification, the institution has a minimum BIA score of 80 out of 200. The score obtained by score exemplifies the performance produced by the enterprise regarding responsible and conscious practices of corporate behavior.
3. Research and validation: after the maximum B Lab score, we approach the required validation score, looking for coverage documentation and interviews to support the BIA responses.
4. Tools for amending Article 16: The amendment of the statute requires the involvement of specific purposes of common benefit, from the legal point of view, Italy's certifying companies for B Corp. certification. These factors ensure that the purpose of sustainability is linked to the legal existence of the company.
5. Certification and Continuous Control: The attitude does not waver here; after going through all the previous stages, the procedure certifies the B Corp. signature. However, it is to be kept in mind that the road to B Corp certification follows a three-year timeline, with the burden of an effort to implement constant changes to one's safe practices in continuity.

Benefits of Certification

Scores that take the B Corp vision bring businesses many benefits, including:

- Quality Improvement: Suppliers, consumers, and local communities can receive certification that confirms the efforts of consumers, suppliers, and the company.
- Attracting and Retaining Human Resources: The former world of business often seeks to rehire people with values consistent with sustainable preservation and empowerment to create a positive and solicitous worker environment.

- **Access to Active Interventions:** B Corporations are gaining the financial potential to finance enterprises with high social and environmental performance and can extend eligible financing.
- **Networking and Collaboration.** Membership from the B Corp community will help companies with connections with parallel businesses, as well as also the exchange of best practices and joint work.
- **Perpetual Upgrade:** This certification process promotes to operators, the continuous surveillance of their own performance and progressive improvement to improve states of vulnerability and functional effectiveness in the long term.

Differences between B Corp and Benefit Corporation

Here are several differences between the B Corp certificate and the Benefit Society legal framework. The B Corp mold is a full-length validation issued by B Lab worldwide, but The Benefit Society has been adopted in Italian states since 2016 with a procedural framework, the purposes of which may involve a framework to promote society beyond that of profit, but also common. The Benefit Society is central to the issuance of B Corp certification, making actively part of the state formation of commitment to social and environmental goals.

3.4.2 Ecovadis

EcoVadis has an unparalleled international platform for assessing corporate sustainability and provides a way for companies to track their activities in terms of environment, society, and government (ESG) management. Started in 2007 with a focus on sustainable policies throughout the supply cycle and creates a point of partnership between industry-actors for a responsible and informed future.

Structure of the Evaluation

There are 21 EcoVadis supporting sustainable evaluation criteria available, and they have been divided into the following 4 categories:

- **Environment:** Environmental issues toward the enterprise as a natural resource, greenhouse gas emissions, improving energy efficiency and waste collection practice are analyzed.
- **Labor and Human Rights:** Analyze strategies and practices, both concerning the rights of the injured on any form of labor, inclusion and diversity, organizations, and human rights that have low capacity within the company and at the network provision.
- **-Ethics:** Reflects on corporate integrity, including prevention of corruption, fair competition activities, transparency of business, and use of codes of ethics.
- **Substantive Order Management:** assesses how the company has positioned supplier selection, best ensuring that suppliers are compliant on sustainability and social responsibility standards.

This framework allows organizations to see a complete picture of their ESG performance, where they can identify their strengths and areas for improvement.

Evaluation Process

The EcoVadis evaluation process consists of multiple stages:

- **Introduction and Questionnaire:** The company registers on the EcoVadis website by completing an appropriate tailor-made questionnaire that is adapted to its sector, size, and territorial base. To be well adapted in four macro areas, we present the following lineup.
- **Instructions for documenting:** The host uploads testimonial letters of information provided to the questionnaire, including some company policies, certifications, sustainability reports, and company operating procedures.
- **Evaluation of Criticality and Analysis:** EcoVadis experts evaluate the data provided and focus on the success of the company's practices and policies regarding those related to sustainability criteria.
- **Revaluation and Feedback Report:** The company is categorized overall on a score from 0 to 100, accompanied by a detailed report illustrating the performance in the environments of each of the four macro areas, along with advice on how to keep up.

This structured approach ensures that corporate sustainability performance has been assessed objectively and simultaneously.

Levels of Recognition

After scoring, EcoVadis renders different levels of recognition to participants:

- **Platinum Medal:** granted to the highest ranked companies within 1%, scoring 75-100.
- **Gold Medal:** Company honored in the top 5%, cutout 67 to 74.
- **Silver Medal:** Awarded to entrepreneurs 25% higher, steps from 56 to 66.
- **Bronze Medal:** Established for career in the top 50% with numbers between 47 and 55.

These marks emphasize the company's commitment to sustainable practices and express a competitive incentive in the industry.

Benefits of EcoVadis Certification

A positive EcoVadis rating has a wide range of benefits for industries:

- **Management High Reputation:** At a high rate, it increases confidence in the company in front of customers, business participants, and investors, representing real investments to show action for sustainability.
- **Comparison with New Entry Opportunities:** Much of large companies/civil organizations have chosen to affiliate with suppliers that have improved ESG performance, and these expand those for registered companies.
- **Efficiency Assessment:** operations managed by the assessment process allow for an audit of inefficiency and damages contributing to the activation of a sustainable and more profitable choice.
- **Regulatory Integrity:** Stable ESG performance promotes adherence to environmental and social legislation, mitigating the danger of penalties and judicial treatment.
- **Stakeholder Involvement:** Transporting sustainability operating systems gains better trust and involvement from workers, customers, and the local community.

3.4.3 Synesgy

Synesgy is an independent digital hub focused on corporate sustainability analysis based on environmental, social, governance (ESG) principles. Synesgy, the promise, introduced in 2021 by CRIF and CRIBIS, serves to improve the perception and scale of the food distribution business by providing companies with devices to estimate and reflect in promoting sustainability.

Objectives and Functionality

The platform format is intended to help both small and medium-sized enterprises (SMEs) achieve sustained development. The Synesgy score is used for companies to calculate their ESG performance through a standardized survey. Synesgy provides an in-depth view of how their ESG performance has been evaluated. This model makes it convenient and reliable to collect sustainability data throughout the supply chain, contributing to a better, transparent, and accountable approach.

Assessment Methodology

Synesgy's assessment is based on mastery of known international standards such as the Global Reporting Initiative (GRI), the UN's Global Compact, and the Carbon Disclosure Project. Several topic areas were included in the questionnaire:

- **Business:** Report that the company is moving with the strategic intent of sustainability and with incorporated the evaluation of ESG criteria in daily practice.
- **Environment:** Analysis of the environmental impact of business activities, including natural resource management, emissions, and energy investment habits.
- **Social:** Concerns policy on labor rights, work styles, diversity and inclusion, and social implications as well.
- **Governance:** Providing for the ability that the government organization can represent business ethics, transparency, and regulatory approval matching.

The submitted responses are evaluated to assign an ESG score, which measures the institution's sensitivity to the principle of sustainability. This score is expressed by letters, scoring "A" as very good to "E" as poor.

Evaluation Process

An evaluation index of Synesgy passes between these stages:

1. Registration: The company registers with this platform, where it fills out the evaluation questionnaire by itself.
2. Application of the Questionnaire: The company presents precise evidence of its ESG practices with appropriate documentation.
3. Evaluation of Responses: The figure is considered the basis of standard sustainable terms.
4. Distribution of ESG Scores: In this measurement, individuals in each company receive an ESG Score of their level of sustainability.
5. Issuance of the Certificate: The company is then rewarded with a certificate valid for one year, which is also seen as a way to testify to its commitment to sustainability and its community.

Benefits of Using Synesgy

The creation of Synesgy lends numerous benefits to companies:

- Increased reputation: A high ESG score expands the firm's credentials with its customers, partners, and investors and highlights a policy built with sustainability support.
- Optimization of New Market Challenges: approved ESG performance matters greatly in the selection of competitors and cooperatives, thus expanding business opportunities.
- Operational Efficiency: Self-assessment helps detect areas of error and risk factors and pushes through an approach of using safer and more profitable practices.
- Regulatory Matching: Better ESG performance aids compliance with environmental and social legislation, reducing the risk of penalties and legal claims.

- **Stakeholder Impact:** Transparency of sustainability practices helps increase accountability and participation against a backdrop of individuals such as employees, customers, and communities of locals.

Synesgy is a strong mechanism for companies that want to optimize and verify their ESG performance. Through a methodological approach based on global standards and a systematic self-assessment process, the platform accelerates inclusion in sustainability and corporate positioning strategies, which contributes to the generation of a growing, more responsible, and competitive ecosystem.

3.4.4 The case of Eni Spa – OpenEs

OpenEs is the first digital platform aimed at competing businesses with the goal of energy transition and sustainable development. Revolutionized in 2021, Open-ES would be a collaborative tool that connects businesses and citizens in an environment to provide practical ecosystem measurements, of connection to promote responsible development increase in environmental, social, and governance (ESG).

The Eni Spa experience and its contribution to Open-ES: Eni Spa was and remains one of the leading energy companies in the world and has pursued highly ambitious sustainability strategies using innovative tools, both in terms of integration and strategies, to contribute to the energy transition and decarbonization. It is Eni that gave rise to the development of the Open-Es platform, designed by Eni through key partners such as Boston Consulting Group and Google Cloud. Based on the birth of Open-ES, Eni aims to develop an effort for sustainable change in its procurement continuum, encouraging many companies that include SMEs and suppliers (or more with their accompanying in the ESG project). This effort is based on systemic but precise measurement of sustainability performance, including the ability to identify strengths and areas for improvement. Eni's strategy seeks to initiate a multiplier effect: with assistance to SMEs on environmental decision making (ESG), in which it helps export virtuous practices to all stages of the production process. The awarded company ranks in the top 5%, carving out between 67

and 74. Validating Eni's decarbonization goals is also another important logistical tool for achieving the goals and gaining greater competitiveness in business tools from this deployment. With Open-ES, Eni strongly demonstrates this ability on the part of the large company to command changes, including investments for SMEs, promoting the development of a more suitable, transparent, and responsible production framework that regularly challenges the behavior of consumers, investors, and even international institutional authorities.

Goals and Vision:

The mission of OpenEs is to bring business collaboration during the production cycle, acknowledging that the energy transition constitutes a path that requires the effort of the whole role of all responsible actors. The platform, designed to improve the sustainability of production channels, serves to describe companies willing to collaborate in developing the potential of the entire ecosystem.

Main Features:

Open-ES incorporates a variety of features to support companies within their sustainability environment.

- Measuring ESG performance: Companies can independently cager their ESG performance with a focus line and key areas for improvement. This process is structured in three steps:
 1. Measurement: Generation of an "ESG Identity Card" with an overview describing how the organization should act.
 2. Priority Determinations: Development of an "Action Plan" to identify areas of concern, how to achieve greater sustainability.
 3. Improvement: Availability of specific solutions and tools for evaluated improvement interventions.
- Value Chain Management: procurement functions, investing pools, and aggregate firms own a measure of their value chain ESG performance through increased openness, communication, and alignment with the partners.
- Development Hub: A key point at which SMEs are ready to seek valuable services and products to develop sustainably, but within higher market price conditions.

Evaluation Model:

The Open-ES model follows international ESG reporting standards and consists of simple labor based on universal clarity applicable to all business models. The dimensions assessed include:

- Governance: Assessment of the company's governance, which is necessary to improve long-term value and encourage responsible management.
- Social: Profitable health and safety, human rights, and decent labor standards for all workers.
- Environment: Determining their environmental impact on social staff actions on nature and climate change interventions.

Sustainability Pathway:

For the OpenEs system, the sustainability journey has 12 steps, according to the sustainability performance of the four pillars, collective attitudes that are described on the OpenEs website, experience sharing, and success stories. This approach allows the spectrum to select companies with an increase in terms of positioning and feeding sustainability levels.

Community and Collaboration:

Open-ES offers its app on the open collaborative system to engage all supply chain enforcers in the energy transition. The community in Open-ES consists of about 30,000 professionals from 109 countries, across 66 industry areas, grouped with the same interest of advocating for sustainability within industries.

Open-ES is a comprehensive and easy, accessible alternative with companies that would consider starting or consolidating their step towards sustainability. Using ESG performance measurement, management, and management tools, the platform incentivizes business-to-business collaboration and supports the development of the entire industry sector aligned with well-being.

3.5 The Legality Rating

The Legality Rating is an important tool, introduced in 2012 to promote and support ethical and transparent business behavior by the Competition Authority and Market Agency (AGCM) of Italy. This code was structured to encourage companies, particularly SMEs, to act responsibly by applying a high standard of legality in the administrative data of business activities.

The company's performance must meet some specific criteria predetermined by the AGCM regulation to achieve the Legality Rating. The main requirements must emphasize the lack of serious judicial or administrative measures to be applied to the company or its director, registration in the commercial register for at least two years, and an agreed minimum annual turnover. In addition to all these mandatory criteria, there are secondary criteria that significantly reduce the score provided by the company. It includes, also, voluntary compilation of codes of ethics that elicit adherence, having installed effective certified quality and safety management systems about environments (e.g., ISO 9001, ISO 14001, ISO 45001), and adequate up-to-date knowledge of the legislature's topicality on the issues with particular reference to safety in the workplace.

The reference standard for achieving the Legality Rating is expressed as a selected request, provided to AGCM is preceded by rigorous verification by AGCM. The rating rate is made with a "star" scheme between one star (★) and a maximum of three stars (★★★), according to need. The competency-based scoring with certification has a semi-annual value that is not validated with signatories.

The Legality Rating, in addition to demonstrating the company's willingness to respect the regulation and ethically adjust charges, makes large profits more likely and potential. Companies that receive a Rating will then have facilitated measures of access to financial credit and will be able to draw on better terms, given also the high reliability they perceive from funded organizations.

In addition, the Rating is a discriminating objective for public business procurement and for receiving money and aid for the effects of the state or from the contribution to research

and readiness of federal and regional guidelines to increase the competitive status of agencies in this market.

In addition, the Legality Rating with its introduction and commercialization has brought about profound changes in the Italian market, contributing to their inculcation of companies, a corporate culture based on ethics and social responsibility is present. Many large business groups have begun to implement tight and effective governance models for certification of these models, which shows an increasing focus on the effort to improve their management practices.

In addition, this has promoted more consistent legislation and accountability in financial relations that have led to healthier and more respectful entrepreneurial work.

To conclude, Legality Rating also contributes to the reputation of the enterprise and a clear, responsible image to stakeholders. This implies greater usefulness within SMEs to distinguish them from the market on the principle of sharing their ability to operate and respectful work, in terms of rules.

3.6 ISO Certifications

During my learning journey to find out more about sustainability, I have encountered ISO certifications so many times, and I have comprehended how significant they are in the business world of sustainable management. ISO stands for International Organization for Standardization, which is a nongovernmental, autonomous international organization founded in 1947. It has its central office in Geneva and its sole activity is publishing and creating international standards in all technical and management fields to improve the quality, safety, efficiency, and sustainability of organizations and businesses worldwide. ISO standards are a codified, universally accepted and recognized language that facilitates international trade and ensures products and services are reliable, safe, and of high quality. All ISO certifications require companies to conform to rigorous and precise guidelines on how to utilize proper management systems, with a strong focus on formalized and measurable procedures.

Benefits of certifications:

- Improved corporate reputation: Certifications demonstrate the company's commitment to high standards, increasing the trust of customers, suppliers, and investors.
- Opportunities to access markets: Many markets involve drafting the presumed requirement for partnership, which brings you an opportunity for trade. In particular, the improved operational performance of international standards has made certain operations easier, such as less waste and improving allocation efficiency.
- Regulatory Correspondence: Certifying bodies support organizations in maintaining legislative status and avoiding disappointments.

Disadvantages of certifications:

- Initial Costs: Purchasing and maintaining certifications may result in significant expenses that recapture not only time but also financial resources.
- Bureaucratic process: Certification preparation requires detailed documentation and can be perceived as an administrative burden.
- Need for Continuous Adaptation: Standards can continue to progress so that companies are led to take constant action to sustain a certification, with a view to continuous improvement.

The main ISO certifications adopted by companies include:

ISO 9001:2015 - Quality Management System: International standard that helps companies adopt an efficient quality management system. Provided a uniform, detailed layout that helps products and services presented to accurately meet applicable customer aspirations and regulations to promote satisfaction and enhance operational efficiency.

ISO 14001:2015 - Environmental Management System Certification: It is a key starting point for responding to the environment by providing clear guidelines for improving the

impact on the environment of the activity being developed. ISO 14001 certified companies are expected to continue to advance their performance in the range between limiting waste, respecting energy and minimizing emissions, and finally, disposal.

ISO 45001:2018 - System for Job Safe and Health Protection for Plants: This law establishes conditions for the integration of safe and secure work environments. Companies with ISO 45001 Certification demonstrate practical action for accident prevention/health safety of the work function, relevant directly to the beneficiaries of organizational performance and well-being.

ISO 37001:2016 - Anti-corruption management system. Provides technical guidelines to counter the risk of corruption, including facilitating employee trust and corporate governance. Users with this certification enable companies to improve stakeholder trust and enhance work sector relations.

ISO 30415:2021 - Diversity and Inclusion: The audit supports the practice of creating a set of inclusive workplaces that promote diversity and provide companies with equal opportunities for all. ISO 30415 companies must achieve a more dynamic, exciting workplace, support corporate image, and recruit professionals.

ISO 20400:2017 - Sustainability in Procurement: Guides companies on how to emphasize a sustainable consumer assessment during negotiation, relying on individuals as suppliers who share ethical, social, and environmental concerns. Appropriate validation of the ISO 20400 range then provides a safe scenario to help alleviate a subsequent image debacle and improve organizations against stakeholders and customers.

ISO 50001:2018 - System for Energy Measurement: Defines appropriate standards to maintain the level of energy supply effectively and efficiently for enterprises through the adjustment of their power/electricity consumption with technologies to learn practices to optimize energy. It constitutes a winning and strategic practice in an energy environment where efficiency is emerging as the role of energy efficiency remains increasingly important.

ISO 27001:2022 - Information Security: ISO is found in companies as a valuable tool with an information security management system that protects corporate and customers' data from cyber threats and breaches of their private information. This importantly enhances stakeholder trust and promotes the company's reputation.

UNI PDR 125:2022 - Equality of Man and Women: Promoted equality of women and men in an inclusive workplace for both genders. Organizations with these certifications are strongly committed to resolving inequality, increasing staff motivation, and enhancing corporate image to stakeholders and the market.

ISO 14064-1:2019 - Management of Biomass Emissions: This certification encourages companies in the quantification and management of greenhouse gas emissions, helping them to address decarbonization and environmental sustainability. Expected operators can thus reveal in an open and reliable form their goals for improving their image and a growing set of investor cognitions.

PAS 24000:2022 - Commitments to Due Diligence and Social Competency: PAS 24000:2022 provides defined standards for the informed management of social sector activities. It teaches investment-induced attention to the welfare of related communities and stakeholders using corporate social performance.

Finally, ISO certifications are thus a strategic capital that is valuable for companies, enabling them not only a response to the vast state of the world's needs, but also a significant step to equal competitiveness, in reputational impression and competitive efficiency. Since the initial success mediated by their certifications, the added value from these mid-length certifications strongly outweighs the results of their implementation, providing safe, responsible, and sustainable long-term structures of companies.

3.7 The European Union EMAS Regulation

During my study period, I was able to read about other European instruments of sustainability, and one of those that I found most relevant and significant is undoubtedly the Eco-Management and Audit Scheme (EMAS) directive. EMAS is a voluntary environmental management system created by the Europeans to help organizations and companies that are interested in being environmentally conscious by increasing openness and enhancing environmental impact management.

The main objective of EMAS is to promote continuous improvements in the environmental performance of organizations while providing transparent and credible information to all stakeholders, such as citizens, customers, public authorities, and other stakeholders. What struck me most while studying EMAS was precisely the centrality given to transparency and accountability: certified companies must prepare an annual Environmental Statement, which includes clear and verifiable details about their environmental impacts, policies adopted, and future goals.

I believe that the best feature of the EMAS regulation is that it is not just a certification but a route of development and sensibility of the entire organization. Indeed, the application of EMAS requires an internal process of training, sensitivity, and commitment of all staff. The firms must demonstrate that they have an effective system of managing the environmental aspects, from the consumption of resources to waste and emissions management.

Another very fascinating fact that I discovered is that EMAS goes beyond compliance with existing environmental legislation but calls companies to do more than what the legislation requires, shifting toward increasingly ambitious and innovative performance. This aspect I find particularly crucial because it encourages companies to be proactive and innovative, and thereby propels environmental innovation.

Additionally, EMAS certification represents a powerful competitive advantage, especially now that consumers and investors increasingly consider the environmental aspect. Indeed, EMAS-certified companies are perceived as having greater credibility and

sobriety, which comes to manifests in terms of simpler access to financing, strategic partnerships, and new markets.

Looking at the importance of EMAS, I believe that it is an essential instrument in the path toward European sustainability. It is an essential instrument in the path towards a green and sustainable economy. EMAS success will rely on the will and the intention of companies, but also on the support that the European and national institutions will be able to give in order to make this path accessible and lucrative for every organization, big or small.

CHAPTER 4. Case Study: ApogeoAtwc, a sustainable SME

After outlining the regulatory, institutional and operational framework of sustainability in Italy, with particular attention to the tools and models available to SMEs, this chapter sets out to explore in depth a concrete case: **ApogeoAtwc**, an Italian SME that has been able to make sustainability a strategic and operational pillar of its business model.

The case of ApogeoAtwc offers a valuable opportunity to observe firsthand how a small-to-medium enterprise can not only adopt but also entrench and integrate ESG (Environmental, Social, Governance) principles into its corporate identity, going beyond regulatory compliance to embrace a proactive and transformative vision. ApogeoAtwc does not just apply ESG criteria but lives them as an integral part of its entrepreneurial DNA, in a journey that involves all players in the corporate ecosystem: internal stakeholders, communities, customers, suppliers, and partners. The company is formally recognized as a Benefit Company, and in this context, ApogeoAtwc has built a sustainability strategy based on concrete, measurable, and certified actions, as evidenced also by the numerous ISO certifications achieved and ESG scores obtained through independent assessment platforms such as EcoVadis, Synesgy, and OpenEs.

ApogeoAtwc's path is also distinguished by a participatory and conscious approach: sustainability is not confined to a department or a budget but runs through every business function and manifests itself in daily operational choices. The company promotes a responsible management model that includes the ethical selection of suppliers, the design of eco-friendly products, the integration of environmental criteria into the supply chain, and the adoption of advanced welfare and gender equality practices.

The intent of this chapter, therefore, is to analyze ApogeoAtwc's ESG commitment in detail, through an examination of its organizational structure, certifications achieved, initiatives undertaken, and results achieved. We will look at how the company relates to the community through collaborations with nonprofits and its environmental and social impact measurement strategies.

Through interviews, questionnaires, certified data, and official documentation, the case of ApogeoAtwc demonstrates how even an SME can be a spokesperson for positive and systemic change, contributing significantly to the achievement of the United Nations Sustainable Development Goals. In a context where sustainability is no longer just an option but a competitive and cultural necessity, ApogeoAtwc represents a virtuous and replicable example of a responsible, resilient, and forward-looking enterprise.

4.1 Introducing ApogeoAtwc and its ESG initiatives

ApogeoAtwc is a leading communications company specializing in the design, production, and distribution of promotional gifts and gadgets for major Italian and multinational companies, including prestigious brands such as Fendi, Imperial Brands, Vodafone, Procter & Gamble, MasterCard, McDonald's, and Mattel. Created from the merger between Apogeo, a company with over 32 years of experience in the market, and Atwc, a dynamic company with strong experience in international importing, ApogeoAtwc is now an important Italian company that also operates internationally, with strategic offices in Rome, Milan, and Madrid.

The company employs about 50 staff and boasts a large and diverse client portfolio, with about 435 companies served. ApogeoAtwc's core business includes the design and production of customized promotional items and accessories, the complete management of incentive and loyalty programs, as well as strategic consulting services in integrated communications ranging from advertising (ADV) and below-the-line (BTL) activities to event organization, digital communications, web & social media, retail and graphic design. In addition, ApogeoAtwc offers solutions in the pre-production and printing of point-of-sale materials (POP materials) and the supply of work safety equipment, guaranteeing quality, creativity, flexibility, and timeliness in responding to clients' needs.

By identifying itself as a Benefit Corporation, ApogeoAtwc adopts a business model that focuses on well-defined social and environmental goals alongside economic objectives. This choice reflects the company's deep commitment to environmental sustainability,

social responsibility, and ethical and transparent governance, thus embodying ESG principles in all its activities.

ApogeoAtwc's ESG initiatives encompass a broad spectrum of concrete, measurable, and certified actions. The company is committed to generating a positive impact on society and the environment through an approach called #SustainabilityInAction, turning sustainability principles into tangible results and integrating responsible practices into every aspect of its operations. ApogeoAtwc boasts several international certifications, including ISO 9001:2015 (Quality Management System), ISO 14001:2015 (Environmental Management System), ISO 45001:2018 (Worker Health and Safety), ISO 37001:2016 (Anti-Corruption Management System), ISO 30415:2021 (Diversity and Inclusion), ISO 20400:2017 (Sustainable Procurement), ISO 50001:2018 (Energy Management), ISO 27001:2022 (Information Security), UNI PdR 125:2022 (Gender Equality), ISO 20121:2013 (Sustainable Events Management), ISO 14064-1:2019 (Greenhouse Gas Emissions), and PAS 24000:2022 (Social Performance).

ApogeoAtwc incorporates the United Nations' 17 Sustainable Development Goals (SDGs) into its strategies by adopting responsible supply chain management practices, promoting the reduction of environmental impact through recycled, organic, and certified materials such as FSC®, Global Recycle Standard (GRS), and OCS. The company supports social and community welfare initiatives by partnering with nonprofit organizations and engaging in concrete actions to reduce environmental impact and promote social responsibility throughout the supply chain.

ApogeoAtwc represents a virtuous example of an Italian SME capable of concretely and strategically integrating ESG principles into its daily operations, positioning itself not only as a market leader but also as a point of reference in promoting sustainable and responsible business models.

4.2 Donations and social engagement: collaborations with FAI and Bambino Gesù Hospital in Rome

ApogeoAtwc, through its #ApogeoCares campaign, has demonstrated constant attention and sensitivity to social responsibility, concretizing its commitment through strategic collaborations with important nonprofit organizations, in particular FAI - Fondo per l'Ambiente Italiano ETS and the Fondazione Bambino Gesù ETS.

The collaboration with FAI is part of the Corporate Golden Donor program, through which ApogeoAtwc actively supports the protection and enhancement of Italy's cultural and environmental heritage. By joining this program, the company commits itself to an annual tax-deductible membership, contributing directly to the funding of FAI's projects, which, for nearly 50 years, have been caring for, restoring, and enhancing 72 places of historical, artistic, and natural interest throughout Italy. FAI's commitment extends beyond simple conservation, involving environmental and cultural education, sustainability awareness, and concrete activities against the climate crisis and biodiversity loss. Benefits reserved for Corporate Golden Donors like ApogeoAtwc include employee engagement activities, team building opportunities at FAI properties, exclusive participation in cultural events, and networking initiatives with other companies committed to sustainability and social responsibility.

A further tangible example of ApogeoAtwc's social commitment is its participation in the project funded by the Bambino Gesù ETS Foundation, aimed at supporting home care for pediatric patients with complex diseases. The project, made possible by funds raised during an event organized by ASL RM1 and the Court of Auditors, involved the creation of an advanced telemedicine platform. This innovative technology allows physicians to remotely monitor patients' vital parameters in real time, significantly improving the quality of home care and reducing the need for prolonged hospitalizations. The goal is to provide an integrated home care model that not only ensures highly qualified medical care but also concretely supports families in the daily management of patients after they return home. ApogeoAtwc's participation in this project highlights its concrete and direct commitment to promoting initiatives that make a significant impact on the well-being of children and their families.

Also, through these two important collaborations with FAI and the Child Jesus Foundation ETS, ApogeoAtwc confirms its role as a caring and responsible business, demonstrating how sustainability and social commitment can be key elements of a winning business strategy deeply rooted in the social fabric.

BoD (Board of Directors) Questions

The questions and answers that follow are quoted directly from an interview with one of the Board of Directors (Board of Directors) of ApogeoAtwc. The main role of this interview is to generate authentic and extensive testimony concerning the company's motivations, strategies, and activities towards sustainability and the implementation of ESG criteria. The inclusion of a personal vision allows us to gain not only a better understanding of the operational actions taken, but also of the human and management value embodied by the sustainable transformation in the company. The correctly reported answers thus allow one to immediately see the vision, challenges, and opportunities of the company at this critical phase of transformation.

The replies given are presented in full below, adhering as closely as possible to the original wording and preserving the direct and personal tone of the interviewee.

Question 1: How did the idea of integrating ESG criteria so deeply into business strategy come about?

<< A partial answer goes back many years ago, perhaps more than twenty, when I came into contact with a fantastic company and an enlightened entrepreneur: 'Fattoria Scaldasole', who told me, fascinating me, about the production chain of its yoghurt, which paid the utmost attention to environmentally friendly materials, to its team, which I was proud and happy to work for, and to its entrepreneur: this meeting was very important for me. Another episode that opened up a world for me, was when we were invited to present the selection criteria for students from schools, middle and high schools, from all over Italy, to identify the best artwork for the creation of the Milan Cortina 2026 Olympic

Mascot in which the finalists would arrive at Sanremo and with the popular vote arrive to define the winner. A prize requirement was summarized in a question: How do you plan to compensate for the CO2 produced by the construction of the race? We responded by involving a friend of mine who was involved in forestation that we would plant, if I remember correctly, 2 hectares of trees. A second very important episode in my education; I became fascinated by this topic and started to delve into the concept of CO2 production and its offsetting with carbon credits; having some previous experience with certifying bodies for the Covid period, it was easier for me to come to understand the activities of 'VERRÀ', 'GOLD STANDARD' etc. The difference between compulsory and voluntary markets, the certifying rating institutes for the first greenwashing issues that more or less voluntarily or in good faith some companies undertook, was probably unknown, and in the absence of clear regulations.

THEN THE FIRST AWARENESS OF THE IMPORTANCE OF THE ISSUE: as ENI's supplier for several years, and in wanting to share with suppliers and stakeholders the epochal turning point unknown to small companies, perhaps even to medium-sized companies, known to large companies, and even perhaps postponed even though the Paris 2030 and Kyoto 2050 protocols dictated directives staggered in time to arrive at NETZERO in 2050. The term 'staggered' stipulated that in 2024 only companies with a turnover of more than 500M or several employees not less than where to start; in 2026, less structured but still very large companies; in 2028 all the SMEs, which are the substratum of our country... I believe that these dates were then postponed by two years.

ENI, an extraordinary company that is very attentive to environmental, social and governance issues, invited all its suppliers and stakeholders to actively participate, for the sole purpose of learning, in a platform called OPEN-ES to listen and learn about all the issues related to ESG (Environment, Social, Governance), which in a very short time would become the new obligatory and fair world for all companies, from the smallest to the largest. If I remember correctly, everything was based on the activities for the planet, for social and to improve the Governance of the company; I remember 17 questions related to these three themes to obtain an initial ESG Score and to improve it continuously by sharing information with other companies on the platform; to carry out an activity with a questionnaire sent to the supply chain of their suppliers who had to and must begin a path of decarbonization and espouse ESG themes; a complete supply chain gave you and

still gives you the possibility to be included in OPEN-Es as a supply chain leader and for the requirements achieved become the subject of requests for collaboration from even huge companies that ask based on the ESG Score to be able to collaborate, in this case what Apogeo in addition to increasing the Score itself. Then came another platform, Synergy, owned by some companies. I remember ADR, but many others with the same purpose, but with different procedures, but also this one is very important for the supply chain of their suppliers for the ESG Score, with the same purpose of finally being chosen for meritocracy and virtuosity. Both offer to help companies and suppliers in the supply chain to be compliant with ESG criteria in different ways, because even now there is a refusal to address this issue due to ignorance, skepticism and laziness, or even because we think that in Italy we work with the friend of a friend without realizing that this procedure of the 'Giardinetti' will soon disappear from circulation and companies will be chosen on platforms based on the ESG Score and the tasting of legality, etc. Finally comes ECOVADIS, another platform, in my opinion, preferred by most companies for the same route, trying to get to the top step. All of this is very important because a high rating, a high ESG score, allows for premium scores in S.A. competitions and many other benefits.>>

Question 2: What obstacles presented themselves during the implementation of ESG practices?

<< One of the main challenges we faced on our ESG journey was educating our stakeholders-customers, suppliers, and employees-on the real importance of sustainability. Promoting initiatives is not enough: what matters is building a corporate culture that is inclusive, responsible, and deeply convinced of the need for change. I must admit that I was immediately passionate about what I felt would become a new era. Maybe it was intuition, a bit of luck-but it all started there. In September 2023, as ApogeoAtwc, we decided to become a Benefit Company, with the clear ambition of reaching B Corp certification as soon as possible. And here, luck played its part again: I had the opportunity to work side by side with a person as motivated and curious as I am, someone who engages every day with specialists and consultants to improve our responses to the over 200 questions covering ESG dimensions. Getting to the required score is not easy, and that's where we encountered another obstacle: finding suppliers and

partners aligned with our values. Building a solid and collaborative network that shares our vision and commitment has been one of the most delicate parts of the process.

Within the company, at least at the beginning, there wasn't much attention toward these issues. The same applied to our social structure was as if we thought we could keep postponing the conversation. Externally, the situation was even more complicated. We found ourselves responding to public tenders from large companies that, at first, made no mention of ESG, only to request comprehensive information about the 17 SDG-related topics just two weeks before the deadline. Smaller companies, instead, often ignored the topic altogether-perhaps convinced it was just a temporary trend. But we knew it wasn't. And that's why we chose to stay ahead of the curve. >>

Question 3: In what ways do your customers and business partners recognize the importance of sustainability?

<< Our customers and business partners place great importance on our dedication to sustainability. The integration of circular economy principles, inclusiveness, and social responsibility represents a clear added value-one that increasingly sets us apart from traditional event agencies and companies. Thanks to our expertise in sustainable event management and the deep incorporation of ESG criteria across all our processes, we have become a point of reference for many companies and institutions that are looking for partners aligned with their values.

However, creating a truly sustainable supply chain has not been easy. One of the biggest challenges we faced was convincing certain suppliers to embrace this same vision. It was often difficult to get across the idea that our entire supply network needed to adapt to the new standards-not only to reflect our commitment, but to meet the growing expectations of customers and platforms that are now selecting partners based precisely on these sustainability credentials. As the leader of the chain, we had to set the example and push for change, even when it meant rethinking consolidated relationships. But we knew it was a necessary step if we wanted to be chosen not just for what we offer, but for what we represent. >>

Question 4: How do you determine your supplier choices, and what importance do ESG factors hold in that decision?

<< ESG aspects today represent a key criterion in the selection and evaluation of suppliers. From the very first assessment, we look at the environmental responsibility of each partner, alongside the ethical quality of their products, their approach to social issues, and the soundness of their corporate governance. To be part of our supply chain, suppliers are expected to demonstrate concrete sustainability values-such as the use of recyclable materials, waste minimization policies, and practices that actively reduce their environmental impact. Transparency in business operations is fundamental: only through open and responsible behavior can lasting and trust-based partnerships be established.

Of course, the ESG commitment does not stop there. There are increasingly advanced tools to quantify and monitor environmental performance, such as calculating the carbon footprint across Scope 1, Scope 2, and Scope 3 emissions. While this measurement is essential to identify where emissions occur, the real challenge lies in how to offset them effectively. Some virtuous actions-like encouraging smart working, eliminating plastic materials such as water or coffee cups, or optimizing power usage-are symbolic gestures that express an ethical stance. However, we are aware that, although important, these practices alone affect only a small fraction of our total environmental footprint. Real offsetting must take place through more impactful strategies, and it is precisely this awareness that drives us to continually search for innovative, scalable, and credible solutions. >>

Question 5: What concrete benefits have you seen from adopting the Benefit Society model?

<< By adopting the Benefit Corporation model, we have been able to align our economic goals with a broader set of social and environmental responsibilities. This strategic evolution has not only improved our market positioning and strengthened our brand reputation but also fostered deeper customer loyalty and made our company more attractive to individuals who share our values and want to be part of a purpose-driven workplace. One of the most tangible advantages has been access to funding opportunities and networking with other organizations committed to responsible business practices.

However, being a Benefit Corporation is not just about image or positioning means embracing a dual mission: to generate profit (a goal that is not always easy to achieve) and, at the same time, to generate measurable positive impact for the community and employees. This translates into concrete actions: supporting daycare centers, offering free gym access for staff, contributing to hospitals and non-profit organizations, assisting disadvantaged individuals, and promoting cultural and artistic heritage through institutions like the FAI. These activities are not peripheral; they are an integral part of our mission and must be documented and evaluated through tools such as the Impact Report and the Sustainability Report, which provide transparency, accountability, and direction for continuous improvement. >>

Question 6: How do you monitor and measure the effectiveness of your ESG initiatives?

<< We use several key indicators (KPIs) to understand the impact of our actions, both environmentally, such as reducing CO2 emissions or recycling, and socially, such as through inclusion or community involvement. Having a transparent monitoring system allows us to analyze results consistently and understand how we can improve, step by step. >>

Question 7: How do you make employees aware of ESG issues and involve them?

<< We are deeply committed to making everyone feel part of our sustainability journey. That's why we regularly organize training sessions, internal workshops, and moments for open dialogue on ESG topics. We believe that real change stems from shared awareness, and we actively encourage each team member to contribute their ideas, proposals, or simply adopt responsible behaviors. To support this approach, we've also introduced small but meaningful internal policies that recognize and reward those who show genuine dedication to sustainability in their daily actions.

This culture of inclusion is further reinforced through our participation in platforms such as Open-Es, Synesgy, and EcoVadis. Initially conceived as tools to raise awareness among participating companies about the value of environmental, social, and governance practices, these platforms now play a critical role in defining a company's ESG profile. Each action-response, shared data, and engagement contributes to the generation of an

ESG score. This score has become increasingly decisive: it allows us to remain in strategic supply chains, improve our ranking in public and private tenders, and even gain better access to credit from financial institutions. Engaging our employees in this process is not only a matter of internal cohesion's a strategic move that strengthens our position in the broader ecosystem of responsible business. >>

Question 8: What initiatives have you launched to promote inclusion and diversity in the company?

<< For us, inclusion and diversity are not just values to be mentioned- they are principles to be embodied in everyday decisions and practices. We have launched concrete projects aimed at fostering a truly inclusive workplace, such as equal opportunity hiring processes and flexible working policies that respect the personal and professional needs of each individual. Beyond policies, we work constantly to nurture a culture of awareness, built on mutual respect, active listening, and the recognition of the richness that diversity brings to a team.

In this broader vision of corporate responsibility, we believe that continuous improvement must be supported by measurable and credible commitments. That's why Apogeo has obtained several important certifications that not only validate our sustainability efforts but also push us to maintain high standards and seek further progress. These certifications represent a formal acknowledgment of our dedication, and at the same time, act as a lever to consolidate a corporate identity that is inclusive, transparent, and future-oriented. >>

Question 9: How was the collaboration with FAI received internally?

<< With great enthusiasm. For many, it was a concrete opportunity to feel part of something bigger, contributing to the protection of Italy's cultural heritage. This kind of project also has a very positive impact internally: it strengthens the sense of belonging and motivates people to give their best, even on other fronts. >>

Question 10: What concrete results have you achieved through your support of the Bambino Gesù Foundation?

<< It is a project that has touched us deeply. We have seen real improvements for the children and families involved, and it has also had a strong impact on us: it has given us positive visibility, of course, but above all, it has strengthened our team spirit and our ethical commitment. It is one of those examples where doing good brings value to everyone. >>

Question 11: What are your next goals in the ESG area?

<< Looking back, we are proud of the many socially impactful initiatives we've supported- projects that speak not just to our values, but to our desire to be concretely useful. Among these are our three collaborations with IDI, the Easter initiative with AGOP, our support for the Anna Mattioli Foundation, and our contribution to helping homeless individuals through the distribution of warm clothing during the winter months. These are small actions, perhaps, but deeply meaningful, and they reflect our ongoing effort to be present and responsive to the needs of our community.

At the same time, we are looking to the future with a desire to do even more in terms of innovation, of environmental commitment, and of shared value creation. Our next steps involve deepening our investment in the circular economy, promoting collective initiatives such as employee-driven clean-up days for beaches, public roads, and territorial waters. We are also working on new ways to quantify and communicate our impact, for example by calculating and reporting the CO₂ produced and offset for each product sold, so that even our customers become part of a broader awareness process. The challenges ahead are complex, but they are also exciting. What drives us is the conviction that companies like ours can and must be part of the solution. >>

Question 12: How do you communicate your commitment to ESG to the outside world?

<< We are proud to be part of **ASSOBENEFIT**, the national association of Benefit Corporations. Not all SBs are members, but we believe it is important to take part in a network where shared experiences, best practices, and common challenges are openly discussed. This exchange enables us to contribute-even if in a small way-to the collective improvement of our business ecosystem and, more broadly, of our country. Participating

in this type of dialogue not only reinforces our identity as a Benefit Company but also helps us grow through mutual learning.

Transparency is another key pillar of our approach. We regularly communicate our progress through various digital channels- our website, social media, and newsletters. Each year, we publish a **Sustainability Report** that documents our commitments, results, and areas for improvement. We also engage in public events and roundtables focused on ESG topics because we strongly believe that sharing our journey can generate value for others, too. In our view, being transparent is not only a matter of compliance but also an act of responsibility and a tool for building trust with all stakeholders. >>

Question 13: What kind of feedback do you receive from external stakeholders?

<< The feedback we've received so far has been positive. Several studies confirm that Benefit Corporations tend to grow faster-both in terms of revenue and in the number of employees-and our experience aligns with this trend. We've noticed growing interest from international companies who, upon seeing our ESG scores on platforms like Open-ES, Synesgy, or EcoVadis, reach out to explore potential partnerships. This demonstrates how our commitment to sustainability is not only ethically driven but also strategically effective.

Fortunately, this positive perception is shared by those who work with us-clients, partners, and associations recognize that our approach is based on concrete actions rather than mere declarations. Our sustainability values are reflected in everyday decisions and work processes, and this coherence is often acknowledged. In some cases, we've even been publicly mentioned as an example of good practice or received recognition for our efforts. These moments, beyond the satisfaction they bring, give us renewed motivation to continue this path with even greater determination. >>

Question 14: How has the adoption of ESG practices influenced ApogeoAtwc's reputation and competitiveness?

<< In meetings and presentations with potential prospects, we've noticed a growing interest in the path we've taken interest that goes beyond our services and focuses on the

values that guide us. The journey we've undertaken toward sustainability and ethical governance doesn't just add credibility; it sparks curiosity, dialogue, and connection. This attention confirms that the direction we've chosen is not only right but increasingly relevant in today's market.

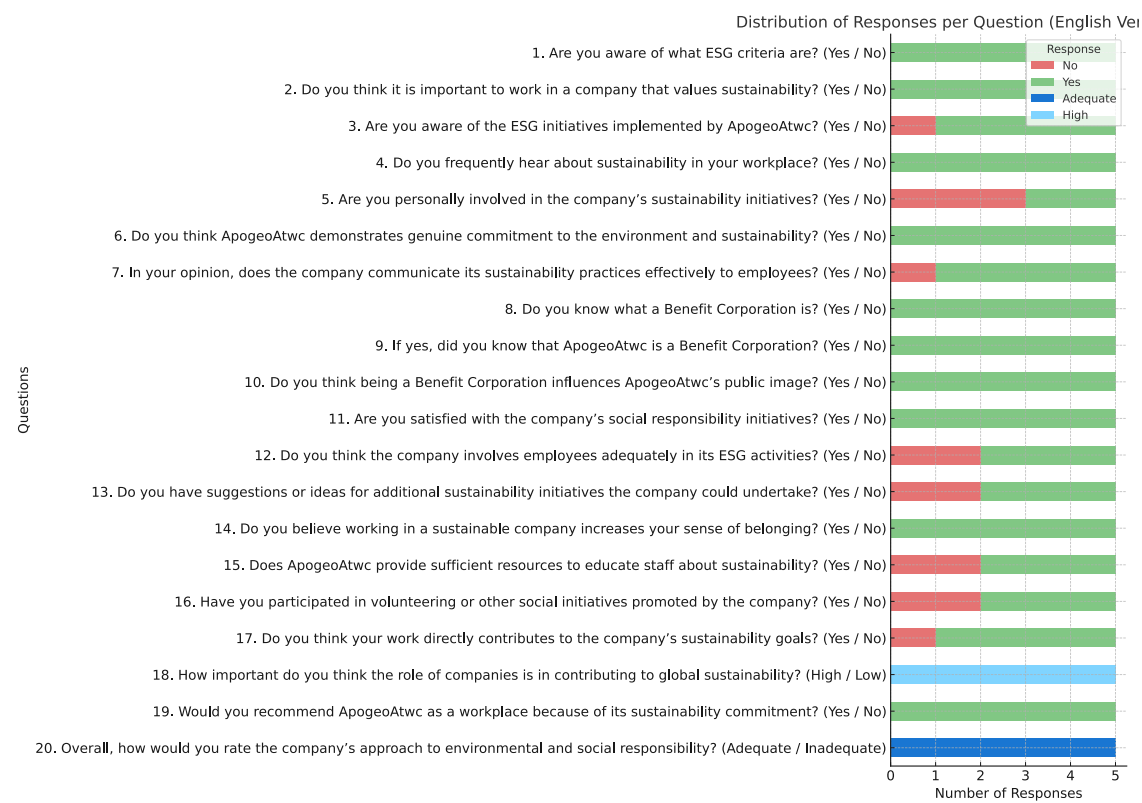
Our transformation has truly made a difference. Our reputation has grown significantly, as has the trust placed in us by customers and partners. This has had a direct impact on our competitiveness: more and more companies are seeking collaborators who share their principles, and more candidates are drawn to organizations whose values reflect their own. We're proud to present ourselves not only for what we do, but for who we are- and that coherence is one of our greatest strengths. >>

Question 15: What advice would you give to other SMEs that want to start on a similar path?

<< To be honest, until just a few months ago, I noticed that most SMEs weren't giving any real attention to ESG issues. There was almost a sense of indifference, as if sustainability was just another passing trend. But things are changing, and I believe they'll change even faster shortly. Achieving the Paris climate goals won't just be a distant target- it'll become a necessary condition to keep working, to stay in certain markets. I hope this shift helps eliminate old, unhealthy business habits and favoritism, so that companies who've really committed to this difficult but meaningful path are the ones that get chosen- because of their values, not their connections.

If I had to give one piece of advice to those starting this journey, I'd say: begin with what's close. Start with small, real steps that you can take right away. Be honest about your goals, even if they feel ambitious, and don't treat sustainability as a checklist item, but as something ongoing that grows with your company. Most of all, involve your people. Train your team. Surround yourself with partners who share your mindset. Because one thing I've learned is this: no one gets far alone. But together, we can make a real difference. >>

Staff Questionnaire



Environmental product customization impact analysis project

Aware of the strategic importance of environmental sustainability, ApogeoAtwc has initiated a specific project to analyze and quantify the environmental impact generated by its product customization processes, with a focus on CO₂ emissions. This project reflects the company's strong commitment to adopting responsible and sustainable practices, consistent with its identity as a Benefit Society.

The project, specifically, concerns the detailed analysis of CO₂ emissions related to the customization activities of garments, such as shirts and vests, using different techniques such as by way of example screen printing and embroidery. ApogeoAtwc carried out an in-depth estimation based on average industrial process data and typical energy consumption of the equipment used by the company and its production partners.

Specifically, customizing 40 shirts with the screen-printing technique results in emissions of 0.5 kg of CO₂ per garment, generating a total of 20 kg of CO₂. On the other hand, the same number of shirts customized with the embroidery technique produces 0.75 kg of CO₂ per garment, totaling 30 kg.

As for the vests, customization by embroidered front patch of 100 garments generates emissions of 0.85 kg of CO₂ each, coming to a total of 85 kg. In contrast, the screen printing on the back of the same garments results in 0.65 kg of CO₂ per vest, coming to a total of 65 kg. Importantly, these estimates do not include emissions generated by logistics and transportation services, which may contribute additional emissions of between 0.5 and 1 kg of CO₂ per garment.

The emissions analysis was carried out to ensure maximum transparency to customers, in line with the ESG principles guiding the company's strategy, and to enable customers to evaluate the product not only from an aesthetic and economic benefit point of view, but also about its environmental impact, ApogeoAtwc believes it is essential to openly communicate the environmental implications of its business activities, encouraging collaborations that can further reduce the environmental impact of production.

The company uses this information not only as a tool for transparency but also as a starting point for taking environmental improvement actions, aiming for the continuous reduction of emissions in the production and customization phases. This approach is concrete evidence of the company's philosophy of #SustainabilityInAction, through which ApogeoAtwc transforms ESG values and principles into real and measurable results, integrating sustainable practices into every aspect of the business and actively contributing to the achievement of the United Nations Sustainable Development Goals (SDGs).

The product customization impact analysis project represents a virtuous example of proactive and conscious environmental management by ApogeoAtwc, once again confirming its role as a pioneering company in adopting truly sustainable and responsible business practices.

Conclusion

5.1 Final considerations on the evolution of sustainability in SMEs

In recent decades, sustainability has evolved from a marginal concept, often limited to philanthropic initiatives, to a central and indispensable element in the business strategies of Small and Medium Enterprises (SMEs). This evolution has been stimulated by numerous factors, including a growing social awareness of environmental and social responsibility issues, the introduction of stricter regulations by governments and supranational bodies such as the European Union, and a market demand increasingly oriented toward sustainable products and services.

Italian SMEs, in particular, have responded to these stresses by progressively adopting sustainability practices, not only to fulfill regulatory obligations, but more importantly as a competitive and strategic lever. This transformation has involved several operational dimensions, from the responsible management of the production chain to the use of renewable energy, from the choice of eco-friendly materials to the promotion of more inclusive working environments that respect diversity. The analyzed experience of ApogeoAtwc is emblematic in this regard, representing a virtuous example of how an SME can concretely implement ESG principles and effectively integrate sustainability within its core business.

In parallel, the introduction and dissemination of specific tools, such as ISO certifications, ESG ratings, and innovative legal forms such as Benefit Societies, have facilitated and incentivized this evolution. These tools not only help SMEs monitor and improve their environmental and social performance but also represent an important means of effectively communicating their commitment to internal and external stakeholders, thereby improving corporate reputation and perception.

Despite the significant progress achieved, several challenges remain for SMEs to make sustainability fully integrated and lasting. These include the need for additional targeted economic and financial incentives, increased training and awareness among internal staff,

and continuous technological upgrading to minimize the environmental impact of production processes.

The evolution of sustainability in SMEs represents a virtuous and irreversible path capable of generating economic, social, and environmental value. To consolidate and accelerate this path, it will be crucial to continue to promote effective support policies, increase the degree of awareness and involvement of all business stakeholders, and increasingly foster collaboration between the private sector, institutions, and civil society. Only through a full and conscious integration of sustainability into business models will SMEs be able to secure stable, responsible, and lasting growth.

5.2 The added value of ESG practices and prospects

ESG (Environmental, Social, and Governance) practices have become increasingly central to the management and strategic development of SMEs in recent years, proving to be not just tools for regulatory compliance or a simple response to market needs, but real drivers of business value added. The systematic integration of environmental, social, and governance criteria into business operations enables companies, especially smaller ones, to generate tangible benefits that reflect positively on their economic, reputational, and relational performance.

The first added value of ESG practices is certainly related to operational efficiency and risk reduction. Companies that adopt ESG strategies can identify potential environmental and social risks related to their production processes in advance, thereby reducing operational costs and preventing possible penalties or reputational issues. For example, adopting certified environmental management systems such as ISO 14001 enables companies to optimize resource use, minimize waste generation, and significantly reduce the overall ecological impact of operations.

Further and fundamental added value is realized in the relationship with stakeholders. Customers, suppliers, investors, and institutions show a growing preference for companies that demonstrate a concrete commitment to sustainability. This was clearly

illustrated by the case study of ApogeoAtwc, which has been able to translate its ESG commitment into a concrete competitive advantage, significantly improving the relationship of trust and transparency with its stakeholders. Certification through platforms such as EcoVadis or Synesgy also offers an external and independent assurance of reliability, facilitating access to new business opportunities and subsidized financing.

The added value generated by ESG practices also emerges in the ability to attract and retain talent. An increasing number of workers, especially among the younger generation, consider a company's commitment to sustainability and social responsibility essential. Attention to corporate welfare, inclusivity, and diversity, as demonstrated by ApogeoAtwc with ISO 30415 and UNI PdR 125 certifications, contributes to creating a stimulating work environment valued by employees, increasing staff motivation and productivity.

Looking ahead, the prospects associated with the adoption and dissemination of ESG practices appear extremely promising. However, in order to grasp its full potential, further efforts will be needed from both institutions and companies themselves. In particular, the role of public institutions will be crucial in ensuring a clear regulatory framework, targeted incentives, and adequate support for SMEs in their transition to sustainable models. At the corporate level, on the other hand, there will need to be increasing investment in staff training and awareness, the development and adoption of innovative technologies, and advanced ESG monitoring and reporting systems.

ESG practices represent not only an ethical and responsible choice but a true long-term strategic investment, capable of generating sustainable value in multiple aspects. Italian SMEs, as highlighted by the virtuous case of ApogeoAtwc, have demonstrated the ability to interpret this change not as a mere necessity but as a strategic opportunity for growth and competitive differentiation. In this scenario, the future undoubtedly belongs to those companies that will be able to transform sustainability into a central and distinctive element of their business identity, actively contributing to the construction of a more responsible and resilient economy.

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