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Società Benefit in Italy:
Growth and Performance

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Introduction

Over the past five decades, global economic systems have predominantly operated under the profit-centred doctrine, in combination with the concept of shareholders primacy, articulated by the economist Milton Friedman. This perspective asserts that the sole social responsibility of business is to maximise shareholder value. Such imprinting has had a profound impact on humanity and the development of our economy.

Making the pursuit of profit the sole objective of business and companies has led to many collateral damages on the environment and society. The intricate interconnections between economic activities, society and the environment have been overlooked and have not been taken into account. Two crucial dimensions have been overlooked: well-being of people and health of the planet.

The relentless quest for infinite growth within the finite limits of our planet has highlighted the inherent unsustainability of most businesses, although this paradigm unwittingly violates the laws of physics:

1. nothing can grow infinitely in a finite system
2. any complex system that maximizes a single variable inevitably accelerates until it self-destructs.

Today, we observe the repercussions of this economic paradigm manifested in social fragmentation, environmental degradation and escalating inequalities- burdens that increasingly fall on younger and future generations.

In response to this situation, a burgeoning movement of entrepreneurs has begun to challenge the conventional extractive model of capitalism. Rather than perceiving companies as isolated entities designed solely to extract and concentrate value, these innovators advocate for a regenerative vision. One in which business function as living systems that thrive by enhancing the well-being of their ecosystems- social, environmental and economic.

Such companies can be defined as Società Benefit.

Società Benefit has been introduced into Italian law in 2016 and represents a significant legal innovation that formalizes a new business philosophy. It enables companies to incorporate public benefit objectives into their bylaws and governance structures alongside the pursuit of profit.

This thesis analyses Società Benefit model and explores its performance in innovation and economic outcomes.

The central hypothesis posits that companies with the Società Benefit status demonstrate a higher level of innovation in governance, products and services and organizational processes, which in turn contributes to enhanced financial performance.

The analysis merges quantitative data and qualitative insights gathered from different sources, including direct interviews with key leaders in the Italian Società Benefit ecosystem. By placing the Società Benefit within both national and international contexts, this thesis seeks to illustrate that these companies not just a change in legal structure, but also a broader transformation in the purpose and potential of business.

In an era marked by unprecedented global challenges, reimagining the role of business is not only be desirable, but it is essential.

The thesis is structured in four chapters. The first chapter provides a comprehensive overview of the origins, legal framework, and defining features of Società Benefit in Italy. Chapter 2 broadens the perspective by exploring international models and the global diffusion of the benefit corporation concept. Chapter 3 explores the role of Società Benefit as drivers of innovation and assesses their economic performance. Chapter 4 presents the findings of interviews with leaders from three Italian SBs, providing real-world insights into the model's impact on identity, strategy, and governance.

CHAPTER 1: SOCIETÀ BENEFIT IN ITALY

1.1. Origin and regulatory framework

On January 1st, 2016, Italy became the first country in the world outside the USA to introduce into its legislation the possibility for companies to adopt the status of Benefit Corporation (Law No. 208, 28.12.2015, c. 376-384), in Italian called "Società Benefit".

A Società Benefit ("SB") is a company that combines the goal of profit (distribution of dividends, as defined by the Italian Civil Code) with the purpose of creating a positive impact on society and the environment.[1] These companies are committed to operating in a transparent, responsible, and sustainable manner.

This advancement positions Italy at the forefront of the European discussion regarding the incorporation of impact objectives into companies' business models. The new regulation significantly impacts the conventional economic and business framework of companies, traditionally focused on generating value exclusively for shareholders.

The law does not establish a new type of company, it allows any company to adopt this new legal structure, recognized by the Civil Code, and it applies to any type of enterprise, such as joint stock company, limited liability company, cooperatives or social enterprises.

These changes introduce legitimacy and legal certainty for a new approach to business that balance the pursuit of economic results with the need to address interests beyond those of shareholders.

As stated in article 1, L. 28-12-2015 n. 208: "*The purpose of this law is to promote the establishment and the growth of corporations - hereinafter, Società Benefit- which, in carrying out their economic activities shall pursue, in addition to the aim of distributing dividends, one or more aims of specific common benefit, and operate in a responsible, sustainable and transparent manner towards individuals, communities, territories and the environment, cultural and social heritage, entities and associations as well as other stakeholders.*"[2]

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[1] Assobenefit, *Società Benefit*. Retrieved from https://www.societabenefit.net/english-information/

[2] Italian Società Benefit legislation: *Legge 28 dicembre 2015, n.208: Disposizioni per la formazione del bilancio annuale e plurinennale dello Stato (Legge di stabilità 2016).* Gazzetta ufficiale della Repubblica Italiana. Retrieved from https://www.gazzettaufficiale.it/eli/id/2015/12/30/15G00222/sg

1.1.1. The birth and the reasons behind the legislation

The first company to register as a Società Benefit in Italy was NATIVA in 2016. This company triggered the introduction of the law a few years before when the founders decided to use the US legal framework of Benefit Corporation to draft NATIVA's bylaws. The founders sought a business model that went beyond the sole focus on profit and recognized a vital component that they believed was missing: the purpose. So, when they established the company, they included other specific purposes, such as "*the happiness of workers*"[3]. The Milan Chamber of Commerce rejected the company's bylaws on four occasions. It deemed the establishment of a common benefit as an unsuitable aim for a profit-driven enterprise. The legislation simply did not allow it. This experience pushed NATIVA's founders to launch a cultural campaign to promote the introduction of a law to eventually recognise Benefit Corporation in Italy.

Prior to the establishment of this new model, entrepreneurs aiming to incorporate social and environmental values into their business models encountered considerable legal challenges.

In numerous jurisdictions, like the Italian one prior to the introduction of the law, traditional corporate structures adhere to the shareholder primacy framework. This framework requires companies to prioritize financial returns to shareholders above all other factors.

As a result, businesses seeking to embrace social responsibility or environmental sustainability often find themselves constrained, as they lack the legislative protection necessary to prioritize their mission over profit maximization.

This limitation exposes them to potential legal action from shareholders who may view such efforts to advance social or sustainable goals as detrimental to their financial interests.

The doctrine of shareholder primacy has been a contributing factor to some global issues, such as climate change and income equality. By reinforcing a corporate focus that

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[3]NATIVA S.r.l. SB (2016). *Statuto di NATIVA.* Retrieved from https://www.societabenefit.net/client-assets/files/allegati/Statuto-NATIVA_SRL_Societa_Benefit.pdf

emphasizes welfare and ecological balance, it has significantly influenced the behavior of businesses across different sectors.

This overarching focus on profitability has often led to decisions that neglect the broader impact on communities and the environment.

In response to these challenges, benefit corporation legislation was introduced, as a significant advancement in corporate governance.

By embracing this alternative structure, businesses gain the flexibility to pursue social and environmental objectives without the potential threat of legal consequences that could arise from prioritizing such goals.

Ultimately, the introduction of the SB's model aims to create a business environment where profit and purpose coexist, providing a sustainable pathway for addressing some of the most pressing global challenges we face today. [4]

1.2. Characteristics and fundamental principles

1.2.1. Definition of a Società Benefit

Companies with the status of Società Benefit are enterprises that, in addition to the purpose of profit distribution, pursue one or more specific purposes of common benefit and operate in a responsible, sustainable and transparent manner towards people, communities, territories, and environment.[5]

4Ensign- Barstow, H. (2024, 3 October). *The rise of Benefit Corporations. B Lab.* Retrieved from: https://www.bcorporation.net/en-us/news/blog/what-is-a-benefit-corporation/

5Assobenefit. *Società Benefit definition*. Retrieved from: https://assobenefit.org/cosa-sono-le-societa-benefit/definizione-di-societa-benefit

The ultimate goal of the Società Benefit framework is to ensure long-term alignment with company's mission and promote the creation of shared value.

The Benefit Corporation model represents an extension of the For-Profit model; they

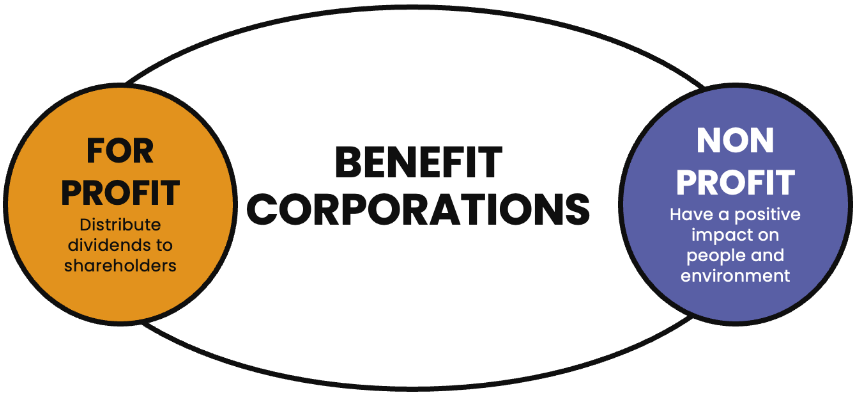

Figure 1

suggest the idea that businesses can become contributors to better address the challenges and opportunities presented by 21st century markets.

This model enables entrepreneurs, managers, investors, and shareholders to protect the company's mission in the bylaws all along the company's lifetime. The mission is required to be described in terms of "specific common benefits" and this mechanism allows the company to integrate social responsibility in its business strategy and adopt – as a consequence of the strategy - sustainable and transparent practices. Benefit Corporations are also required to present an annual report to provide a detailed account of their efforts toward sustainability, social equity, and responsible governance.[6]

Once a company incorporates common benefit aims into its purpose, it is allowed to use the designation "Società Benefit" or the abbreviation "SB" alongside its name in official documents and communications.

A Società Benefit is a conventional business with adjusted responsibilities, which require both management and shareholders to adhere to elevated standards of purpose, accountability, and transparency:

6 Assobenefit. *What are Società Benefit?*. Retrieved from: https://www.societabenefit.net/cosa-sono-le-societa-benefit/

- Purpose: SBs are committed to creating a positive impact on society and the biosphere, meaning they focus on shared value, in addition to profit generation. Sustainability is a core component of their business strategy, and SBs strive to establish favourable conditions for social and environmental prosperity, both now and in the future.

- Responsibility: SBs are committed to considering the company's impact on society and the environment, to generate sustainable value for all stakeholders in the long term.

- Transparency: SBs are required annually to report their achievements, progress, and future commitments in accordance with third-party standards, addressing both shareholders and the general public regarding their social and environmental impact.

1.2.2. The Specific Purposes of Common Benefit

The Italian law for "Società Benefit" provides a clear definition of the Specific Purposes of Common Benefit: "the pursuit, while carrying out the benefit corporation's economic activities, of one or more positive effects, or the reduction of negative effects, for one or more of the stakeholders categories listed under article 1: *individuals, communities, territories and the environment, cultural and social heritage, entities and associations as well as other stakeholders.*" ("Law 28 December 2015, No. 208 - Ginepro")7

The law broadly defines stakeholders as all parties involved, directly or indirectly, with a Benefit Corporation. Including employees, suppliers, lenders, creditors, government entities, and members of the society.

A modern definition of a stakeholder is based on a clear understanding that any company's activities must be viewed in the context of a broader ecosystem, that everything is connected, and that the company's actions are part of and can influence a vast network of interconnected and interdependent relationships.[8]

7 See supra note 2.

8 Assobenefit. *Specific Purposes of Common Benefit.* Retrieved from: https://assobenefit.org/le-nostre-attivita/ricerca-divulgazione/beneficio-comune

As said. the fundamental characteristic of a Società Benefit is the outline of the Purpose in the bylaws. Two profiles are identified in the law: the General Purpose and the Specific one.

1. **General Purpose** of Common Benefit, that is common for all Società Benefit. The Company operates in a responsible, sustainable and transparent manner towards individuals, communities, territories and the environment, cultural and social heritage, entities and associations as well as other stakeholders. This general commitment applies to all Società Benefit.
2. **Specific Purposes** of Common Benefit ("SPCB"): specific aims in one or more areas of action. These specific aims represent the distinctive vocation of a given Società Benefit and the ways it intends to create shared value in the long term.

Transforming the corporate vocation from a general goal into specific objectives creates a balance between traditional shareholder interests, such as economic impact, and stakeholder interest (dual paradigm view).

Beyond general indications, the law does not specify guidelines that can help identity and write SPCBs. NATIVA suggests following five distinct strategies.

- Specific: it is declined in a specific and simple manner. The syntax and vocabulary chosen; let one immediately understand what purpose the company wants to pursue. By reading the purpose, one can recognise the sector it belongs to or even understand which company it is.
- Measurable: it is measurable quantitatively. A good purpose must be able to be associated with performance monitoring KPIs, which allow us to understand over time whether an impact is being generated and to what extent.
- Realizable: it is attainable and concrete. The goals must be objectively achievable over time (even if the time required is significant).
- Pertinent: it is aligned with the company's vocation. The purposes, although inherent to different categories, should be traceable to the same mission, purpose of the company.
- Flexible: allows for adjustments as conditions change. An effective strike a balance between the aspect of specificity with that of generality. While the ultimate goal and direction are clear, it provides the flexibility to choose different implementation methods and actions based on the context and historical moment the company is experiencing.

1.2.3. The role of Impact Manager

The Società Benefit's legal framework has established a new position designed to foster internal transformation: the Impact Manager.

This person works alongside the company's management to ensure that the organization's activities prioritize the pursuit of the SPCBs as defined in the company's bylaws.[9]

The figure of the Impact Manager may be internal or external to the company and is endowed with the economic-business, legal or technical skills needed to balance the interests of shareholders, stakeholders and the community.

The functions and responsibilities of the Impact manager are:

- the support the directors in the analysis of the context functional to the definition and periodic re-verification of the object of common benefit, including:
- the assessment of impacts generated by characteristic activities
- the analysis of stakeholder needs and expectations
- the identification of functional objectives to achieve the common benefit, to be submitted to the directors for approval
- the definition of the necessary resources, timing and modalities for achieving the objectives, to be submitted to the directors for approval
- the coordination of the implementation of activities functional to the pursuit of the common benefit mapping out the skills needed to carry out the organisational roles most closely related to the pursuit of the common benefit
- the support the directors in monitoring the actions defined for the achievement of the common benefit and subsequent periodic evaluation of the overall impacts in order to analyse the actual level of pursuit of the common benefit;[10]

The impact manager is in charge of complying with the requirements of the regulations: the creation of shared value through the pursuit of goals, impact assessment and reporting.

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[9]NATIVA (2020). *The baptism of Impact Managers.* Retrieved from: https://nativalab.com/battesimo-dei-responsabili-impatto/

[10]Assobenefit. *FAQs.* Retrieved from: https://assobenefit.org/cosa-sono-le-societa-benefit/domande-frequenti-sulle-societa-benefit

The allocation of responsibilities ensures effective management of the pursuit of goals and related obligations over time.

1.2.4. The Impact Report

The Impact Report is the document that all SBs are legally required to prepare annually and attach to their financial statements. This report must also be made available to the wider public, through the company's website and in any other useful form to ensure maximum transparency.

It is a document that gives an account of the actions taken in pursuit of the aims enshrined in the articles of association. The report thus serves as a tool to increase the level of transparency and publicly communicate the impact to all stakeholders.

Transparency requirements serve not only to inform the public about the overall social and environmental impacts of the SBs, but also to inform directors and impact managers so that they are better able to exercise their role, and shareholders so that they can exercise their rights. The correct preparation and publication of the impact report becomes a fundamental tool for SBs to fulfil their obligations of transparency with respect to the creation of common benefit, both general and specific. Benefit Corporations are subject to the provisions on misleading advertising and to control by the Competition and Market Authority.[11]

To be properly drafted according to the Law, the impact report must include:

- PLANNING: a description of the specific objectives, methods and actions that the company intends to pursue in the next financial year in pursuit of the SPCBs;
- REPORTING: a description of the specific objectives, methods and actions implemented in pursuit of the SPCBs and possible circumstances that have prevented or slowed this;
- MEASUREMENT: an evaluation of the overall impact generated by the company to be calculated by using a third-party standard whose characteristics are described in Annex 4 (general elements of the standard) and 5 (evaluation areas).

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[11] Assobenefit. *Società Benefits' Obligations.* Retrieved from: https://www.societabenefit.net/obblighi-di-reportistica/

1.3. Main figures of the SB growth

1.3.1. Evolution of registered Società Benefit in Italy

The law has been introduced in 2016, January the 1st.

As of today, we are observing a significant growth trend during the reporting period. The number of Benefit Corporations reached 4,593 at the end of 2024 (figure 2), showing an increase of approximately 27% compared to the previous year. and reaching a rate of 1.57 per thousand of the total number of registered companies.[12] (Figure 3).

In the first four years after the law was introduced (2016-2019), approximately 400 companies became Società Benefit. In the following four years (2020-2024), an additional 4,000 companies were added. The growth trajectory demonstrates elements of exponential growth.

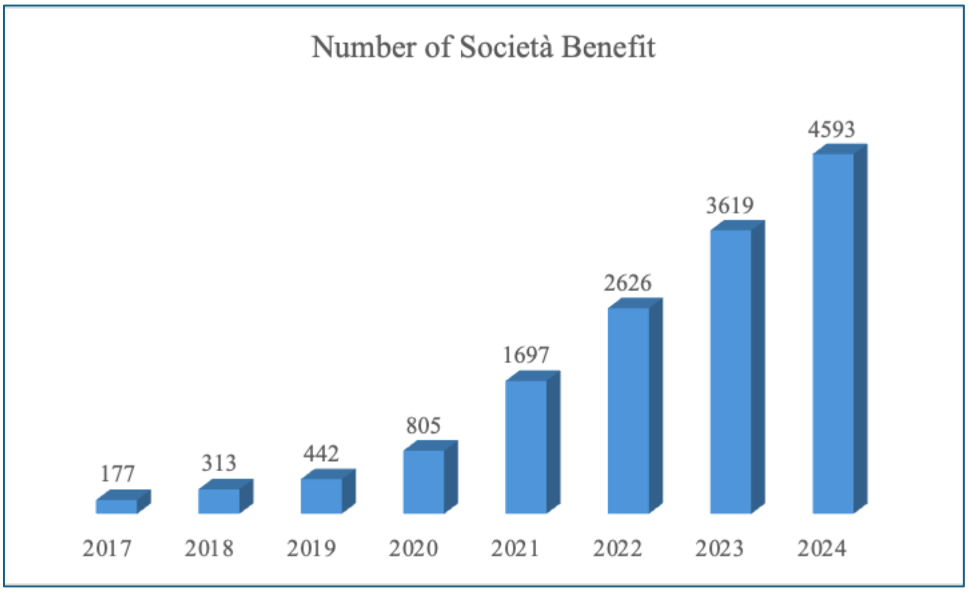

Figure 2 Number of Società Benefit
sources:" Ricerca Nazionale sulle Società Benefit"

[12] NATIVA, Intesa Sanpaolo, Università degli Studi di Padova, InfoCamere, Camera di Commercio di Brindisi- Taranto e Assobenefit. (2025). *Ricerca Nazionale sulle Società Benefit, 2025.*

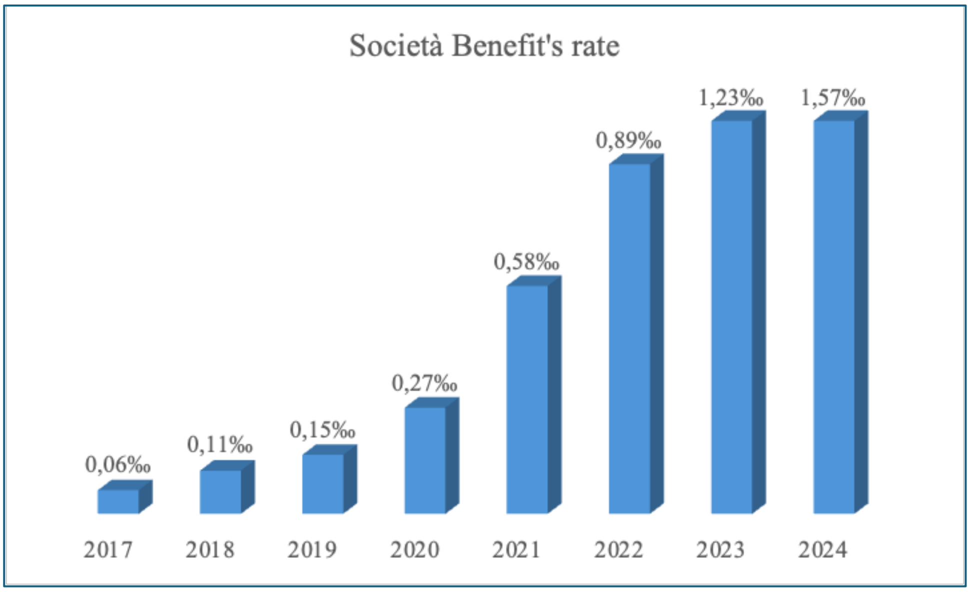

Figure 3 Società Benefit's rate
source:" Ricerca Nazionale sulle Società Benefit"

In terms of employment, the 4,593 Società Benefits reached 217,000 employees in total, while the total value of revenues stands at EUR 62 billion, which represents the 2.2% of the total revenues of the Italian registered companies.

1.3.2. Geographical analysis: which regions are driving growth

The adoption of this model in Italy has seen considerable regional variation. While some regions have been particularly active in promoting this model, others have lagged behind. Various factors, including local economic conditions, regional policies, and the level of awareness and commitment to sustainability in the business world drive the growth of this movement.

The regional distribution analysis indicates a greater presence of Società Benefit in the North, particularly in Lombardy, in absolute terms (1,500 companies) and showing a rate of 2.74 ‰ of the total number of registered companies in this region.

The trend is partly explained by the driving effect of entrepreneurship, which is more concentrated in this region, but also indicates a more innovation-oriented cultural attitude in northern Italy.

In terms of absolute numbers, the second region is Lazio, with 509 SBs, followed by Veneto with 470 and Emilia Romagna with 402 (figure 4).

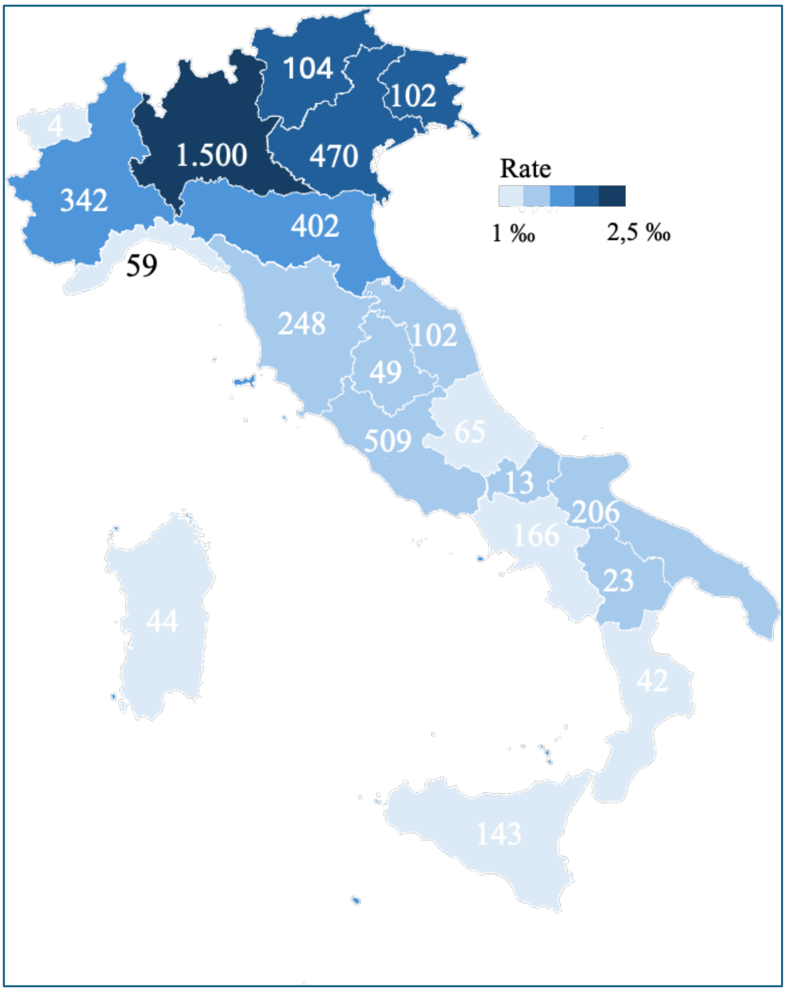

Figure 4 Number of Società Benefit by region;
source:" Ricerca Nazionale sulle Società Benefit"

1.3.3. Size analysis: SMEs vs. large Benefit companies

Benefit Corporations can be found across diverse array of industries, with the phenomenon being particularly pronounced in the information services sector, which includes a remarkable 8.35‰ of these organizations. Other notable industries include professional activities, where Benefit Corporations make up for 7.52% and education representing 4.9 %. There is also a presence in the water supply sector, accounting for 4.14%. In addition, manufacturing and commerce also stand out in terms of numbers.

When examining the size of these corporations, it becomes clear that large companies-those with more than 250 employees- have a remarkable rate of approximately 20‰, or 2%.

In absolute terms, it is medium-sized companies that lead in numbers, with 3,324 Benefit Corporations. Small companies follow at a distance with a count of 825, showcasing the varied landscape of Benefit Corporations across different business sizes and sectors. But, again, in terms of incidence the large companies are more likely to become SB (figure 5).

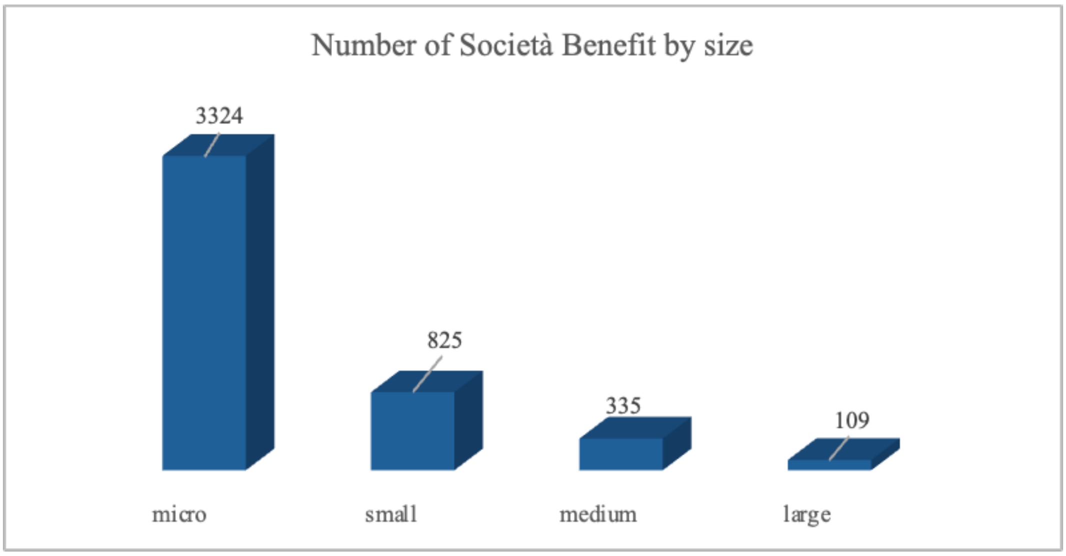

Figure 5 Number of Società Benefit by size; source:" Ricerca Nazionale sulle Società Benefit"

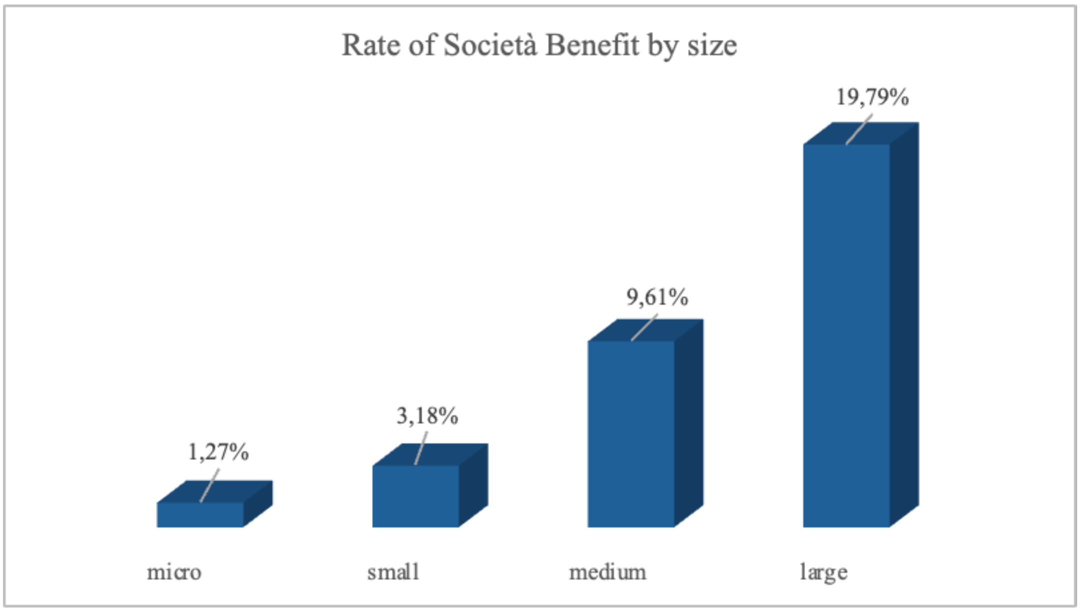

Figure 6 Rate of Società Benefit
source:" Ricerca Nazionale sulle Società Benefit"

CHAPTER 2: BENEFIT CORPORATIONS IN THE WORLD

2.1. Evolution and global spread of the Benefit model

The Benefit Corporation model originated in the United States, as a reaction to the constraints of the conventional corporate framework. This traditional model focused primarily on maximizing profits while disregarding social and environmental issues.

The Benefit Corporation framework was first established in Maryland in 2010, making it as the pioneer state to adopt such legislation. After Maryland's adoption, the Benefit Corporation legislation was enacted in 35 US states.[13] Each state has introduced the law around the Benefit Corporation model, with some sort of variations.

B Lab, the non-profit organization behind the so-called B Corp certification, a model that has become a reference in the sustainability measurement field, played a significant role in advocating for the introduction of Benefit Corporations and the development of a legal framework for them. [14]

The main role of B Lab was to create the B-Corp certification. It acts as an important tool for assessing a company's commitment to social and environmental performance. This certification is awarded to companies that comply with rigorous standards like transparency, accountability and sustainability.

There is sometimes confusion between the concepts of B Corp Certification and the Benefit Corporation legal status. The first is a private certification related to sustainability performances of a company and awarded by B Lab after a rigorous review phase. While Benefit Corporations are companies that have adopted a specific legal form that integrates common-benefit purposes into their corporate purpose. They are obliged to disclose their performance, with the annual impact report.

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[13] Supreme Court. *(2014) State by state legislative status- Benefit Corporations.* Retrieved from: https://www.supremecourt.gov/opinions/URLs_Cited/OT2013/13-354/13-354-6.pdf

[14] B Lab- Europe. *Create systems change- changing policy.* Retrieved from: https://bcorporation.eu/create-systems-change/changing-policy/

In Italy, Certified B Corps are obligated to become a Società Benefit, within one year after receiving their initial certification.[15]

The Benefit Corporation model began to grow internationally as companies around the world saw the value in legally recognizing the dual purpose of profit and social responsibility.

The success in the US encouraged other countries to explore similar systems for sustainable business. As mentioned at the beginning of the first chapter, Italy was the first country after the United States to adopt the "Società Benefit" model through Law 208/2015. The Italian law was closely modelled on the U.S.'s framework but adapted to fit Italy's legal and economic context.

Many other nations have also followed Italy's lead, such as Colombia (2018), Puerto Rico (2018), British Columbia (2019), Ecuador (2019), France (2019), Perú (2020), Rwanda (2021), Spain (2022), Panama (2022), and San Marino (2023)- (figure 7).

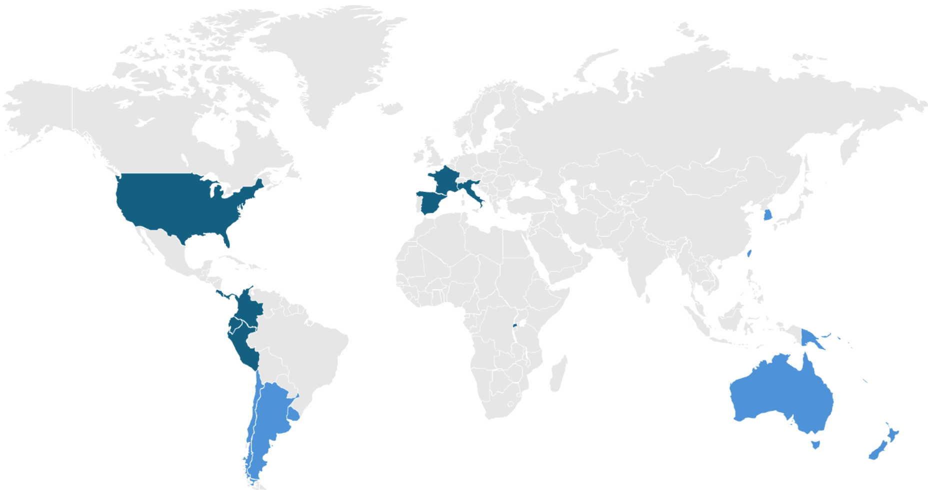

Figure 7 Benefit Corporations jurisdiction.
source: B Lab 2023' report

Additionally, the legislative procedure for approving the corresponding law is underway in more than ten other states, such as Uruguay, Argentina, Australia, Chile, Taiwan, and South Korea.

[15] See supra note 10.

To summarize, the global spread of Benefit Corporations testifies to a major evolution in the business world.

Nations worldwide are increasingly acknowledging the potential of Benefit Corporations to generate positive societal impact. They are adapting their legal systems to support businesses to pursue both financial success and public benefit. The spectrum of regulatory strategies, from the US to Europe and Latin America, demonstrates an underlying common belief in corporate responsibility while highlighting the necessity for customized solutions that take into account local, economic, social and legal circumstances. [16]

2.1. Benefit Corporations models: key differences

Whilst there is a shared objective amongst the various international models of Benefit Corporations – namely the integration of social and environmental objectives into business practice – there are significant discrepancies amongst the legal foundations, operational mechanisms and accountability standards of these models. These variations are indicative of the institutional, cultural, and economic diversity of the contexts in which they have developed. This section delineates the salient dimensions that differentiate the primary models of Benefit Corporations on a global scale.

We have already discussed the key concepts surrounding the Società Benefit model and the framework of the Benefit Corporation. Now, we will delve into the "Societé à mission" model- the one introduced in France- in greater detail.

In 2019, France established the so-called "Société à Mission" with the "Loi Pacte" (P*lan d'Action pour la Croissance et la Transformation des Entreprises)*.

This legislative text pursues two main objectives: to foster the development of companies in a way that they can create more employment and, at the same time, to redefine the role of companies in society, aiming at a greater involvement of workers.

The Loi Pacte added that companies must also be managed with consideration for social and environmental issues related to their activities.

[16] See supra note 12.

To do this transition, article 1835 of the Civil Code was modified to allow companies to define a "*raison d'être*" in their statutes. The "*raison d'être*" is a company's fundamental purpose, beyond just making profits.

Though optional, many large corporations have since adopted a *raison d'être* to reinforce their corporate social responsibility (CSR).

The law introduced a new legal status called *société à mission*. In summary, to qualify, a company must:

- Define a *raison d'être* in its bylaws,
- Set specific social or environmental objectives.
- Implement a governance structure (e.g., a mission committee).
- Undergo independent verification of its commitments.

The Società Benefit model closely aligns with the principles and framework established by the Benefit Corporation, in the United States.

Is therefore important to dwell on the differences between the Italian model-which also respects the principles of the American model- and the French one.

The main differences between Società Benefit (Benefit Corporations) and Société à Mission are indicated in the following table:

	Société à Mission	*Società Benefit*
Purpose	To add a raison d'être to the company's bylaws.	To add the purpose to the company's bylaws.
Activation layer	Add one or more social and environmental **objectives** to the bylaws.	Add one or more **specific purposes of common benefit** to the bylaws.

	Société à Mission	*Società Benefit*
Organization layer	Establish a Comité de Mission, that consists of subject matter experts and external stakeholders. Depending on the size of the company, this committee must include at least one employee of the company, in addition to the impact manager[17].	Identify one or more Impact Managers, that are in charge of coordinating activities aimed at pursuing the specific purposes of common benefit.
Annual report	The Comité is required to submit an annual report to the Board of Directors (to be attached to the management report). An external body is responsible for auditing the impact report of the company.	To publish an annual Impact Report which details objectives, commitments and activities put in place each year to pursue the company specific purposes of common benefit.
Impact Measurement	Société à Mission are not required to use specific impact measurements system.	SB are required to use an independent measurement standard provided by an independent entity (e.g. BIA by B Lab).

[17]Communauté des Entreprises à Mission. *Le comité de mission.* Retrieved from: https://www.entreprisesamission.org/le-comite-de-mission/

CHAPTER 3: INNOVATING BUSINESS WITH BENEFIT CORPORATIONS

Società Benefit as drivers of innovation

In a time characterized by climate emergency, social inequality, and resources depletion, traditional business models that do not take into account their impact (which in most of the cases result to be negative) have the chance to be part of the solution, through deep innovation.

There is a growing pressure from society, investors, policymakers and younger generations for companies to change their way of doing business. Società Benefit model represents a possible answer to this call.

In recent years, Società Benefit model has come to the fore as a new entrepreneurial paradigm that has the potential to redefine the foundational principles of value creation. These entities must not be regarded exclusively as a matter of legal status or a branding instrument; rather, they signify a substantial transformation in the manner companies operate, compete, and engage with society.

The innovative potential of Società Benefit goes beyond the mere incorporation of social and environmental goals. Their true innovation lies in how their commitment reshapes corporate governance, redefines competitive strategies and opens new paths for innovation across products, services, and processes.

This chapter explores the role of Società Benefit as catalyst for business innovation, with a focus on three primary domains: governance, product and service design, and organizational processes. The search explores how this model fosters new forms of leadership and accountability, expedites purpose-driven innovation and integrates sustainability as a strategic accelerator.

The search is supported by figures and datas extracted from the “Ricerca nazionale sulle Società Benefit”.

3.1 Areas of innovation in Benefit Corporations

3.1.1 Governance innovation

Governance refers to the framework of rules that outline how a company or entity should be managed and directed. It can be defined as the collection of principles, mechanisms, rules, and relationships that oversee the governance of an enterprise, along with the strategies and methods to achieve its established objectives.

Società Benefit model introduces some structural innovations into their governance framework, to support its key propositions. Unlike traditional companies Società Benefit:

1. Extend the company's beneficiaries from just shareholders (the so-called shareholder primacy- to stakeholders) including management, customers, suppliers, financiers, government entities, and the community.
2. Expand their mission beyond the mere distribution of dividends. This model emphasizes the pursuit of specific purposes that contribute to the common good, aligning the company's operations with positive social and environmental outcomes.
3. Introduce the Impact Manager, a dedicated official role responsible for overseeing the company's social and environmental initiatives. The inclusion of an Impact manager enhances governance practices focused on transparency, long-term impact measurement, and alignment with the company's mission.
4. Integrate the measurement of their impact into their annual financial reports. This approach allows the company to not only analyse its financial performance but also demonstrate how its activities create value for its stakeholders, highlighting the importance of accountability in achieving both economic and social objectives.

Furthermore, an additional layer of innovation emerges from the four pillars outlined above, thanks to the analysis conducted by Ricerca Nazionale.[18]

[18] See supra note 12.

Società Benefit framework brings noteworthy innovations to governance, especially regarding the structure of boards and leadership interactions. Emphasizing inclusivity, intergenerational leadership and the integration of impact-driven priorities.

One of the key results triggered by Società Benefit in the business landscape is the significant increase in women's representation on the boards of these companies. This shift promotes gender equality.

According to "Ricerca Nazionale SB", there is a notable difference in the presence of women on boards of directors between SBs and non-benefit companies. Società Benefit show a higher propensity to include women on their boards, with 48% of SBs having at least one woman as a board member, compared to 38% for non-benefit companies (figure 8).

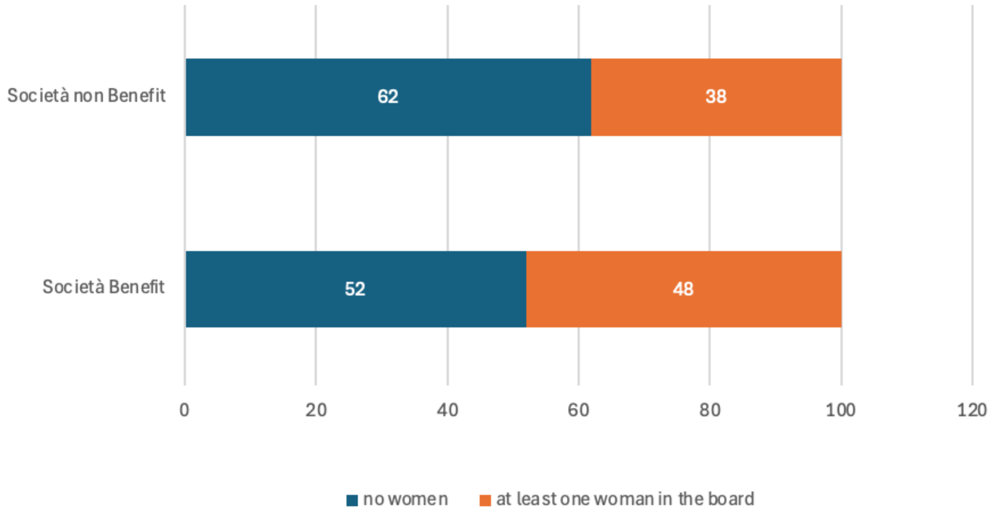

Figure 8 Distribution of enterprise by board type

This percentage increases to 62% among large SBs, highlighting a proactive effort to promote gender equity in leadership roles. This figure is 14% points higher than that of similar-sized organizations but non-benefits (figure 9).

This trend is consistent across all size classes and geographical areas, with Northern Italy demonstrating the strongest representation of women in these positions. Women are participating in the board of directors in at least half of the cases.

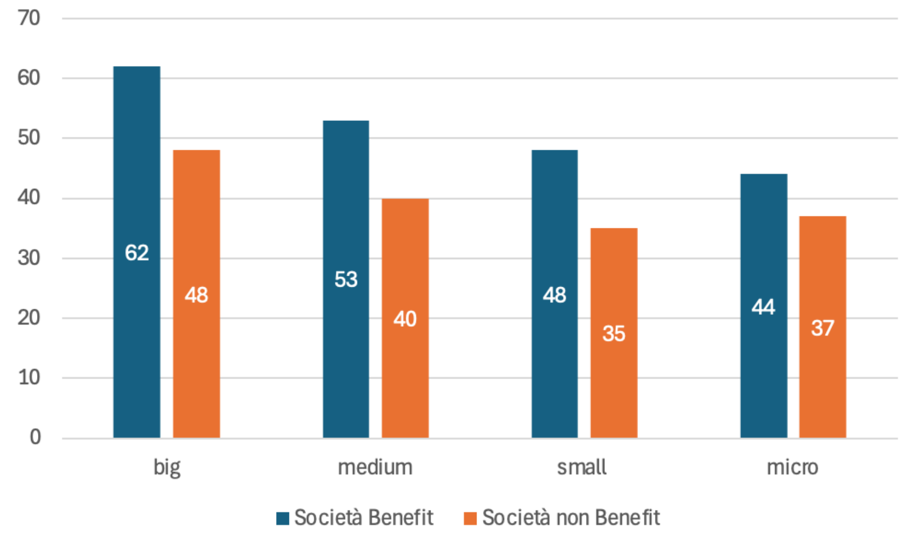

Figure 9; % companies with at least one woman on the board

An additional significant element of innovation is the growing participation of younger individuals on the board of directors. This shift may introduce a new point of view and a variety of ideas into leadership, fostering a dynamic environment where innovative strategies and methods can thrive.

Società Benefit presents a higher percentage of young individuals, on board of directors, mainly under the age of 40. It is noteworthy that 27.9% of Società Benefit's boards of directors include at least one member who is under 40 years old. Indicative of a commitment to youthful representation and the incorporation of fresh perspectives (figure 10).

Conversely, the presence of young individuals on the boards of non-Benefit companies reveals a disconcerting decline, with their representation dropping to 20% (figure 11).

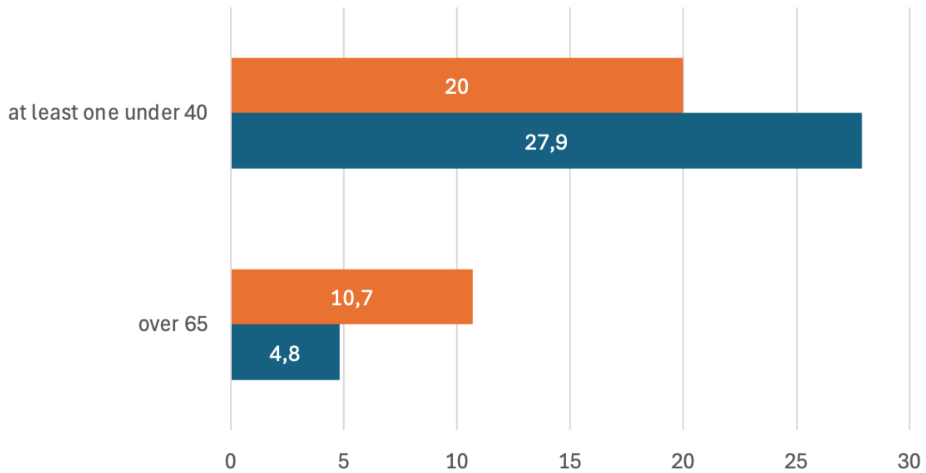

Figure 10 Distribution of enterprises by board type (2023; %)

This discrepancy underscores the unique stance adopted by SBs in their prioritisation of younger generations and the active incorporation of their voices within leadership structures.

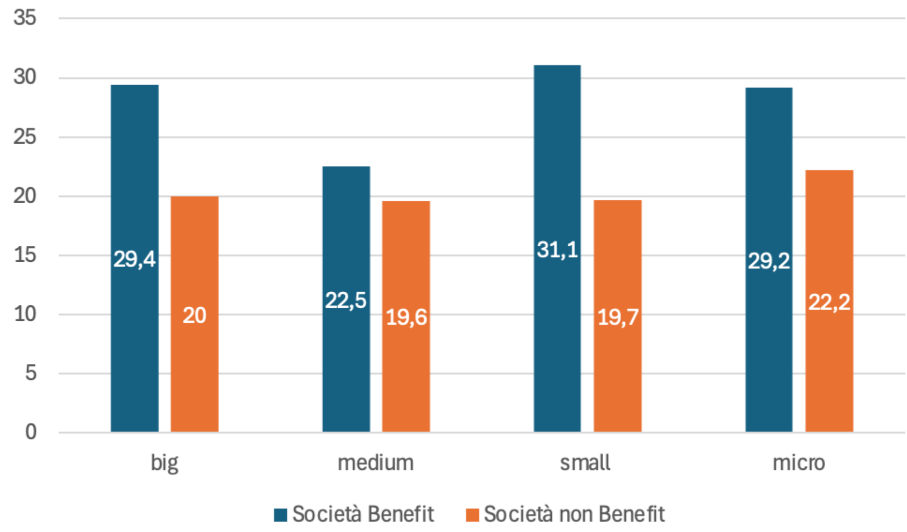

Figure 11; % companies with at least one under 40 in the board by size

The engagement of youth in boards of director, shows that companies led by younger individuals demonstrate greater dynamism, with a average turnover change of +30,6%, compared to +23.5% for those with boards composed entirely of individuals over-65.

Such companies also present higher hiring rate (+20% vs +11%), as well as higher salary increases (+34.5% vs +23.2%), even higher than increase of added value (+29.1% vs +24%).

It is therefore mainly the youth-led Società Benefit companies that have been able and willing to recognise higher wage increases, to make the most of their human capital and support in a period of high inflation.[19]

This data demonstrates that governance innovation in SBs goes beyond just formal structures; it encompasses organizational culture and strategic behaviour.

[19] See supra note 12.

Boards in these corporations increasingly consist of individuals who contribute fresh perspectives, advocate for participatory and stakeholder-oriented approaches and prioritize societal and environmental responsibilities.

In summary, governance innovation in Società Benefit redefines the role of the board, transforming it from a solely fiduciary body for shareholders into a strategic engine that balances profit with purpose. With more inclusive, diverse, and purpose-driven leadership, these companies promote a new way of conducting business, enhancing decision-making processes by bringing a wider range of perspectives and experiences to the forefront of corporate governance.

3.1.2. Product and service innovation

Società Benefit presents a distinctive ability to innovate the design and production of products and services by embedding social and environmental goals at the heart of their value proposition. Being guided by a double purpose, rather than viewing innovation as a separate function, they see it as a means to create systemic impact through their offerings.

In a way, we could say that Società Benefit cascades the legal commitment to produce positive impact to its R&D and eventually produces goods and services that determine its impact. Unlike traditional companies or even certified B Corps, SBs are required to align their market offering with their purposes, creating a structural link between impact and business strategy.

The connection between SBs and product innovation is clearly demonstrated by the analysis conducted by the Ricerca Nazionale on the choices that SB have done formulating their SPCBs.

It is crucial to recognize that the SPCBs constitute the foundation of a Società Benefit's bylaws. Consequently, integrating into these bylaws the development of products and services in a more impactful way, promotes a consistent behaviour within the organization.

The " Ricerca Nazionale sulle Società Benefit", highlights that over 40% of Italian SBs adopt SPCBs tied to sustainable product design and life-cycle management, reflecting a strategic commitment to circular economy principles and regulatory compliance (figure 12).

This purpose is often articulated in bylaws as: *"Minimizing environmental impact through eco-design, extended producer responsibility, and closed-loop systems."*[20]

Figure 12 Top 10 SPCBs

Having this purpose, the company takes into account the interdependencies between all phases of the product life cycle from conception and design to product end-of-life to minimise associated impacts.

This encompasses the management of impacts associated with these offerings, addressing issues such as packaging, distribution, resource intensity during usage, and other environmental and social externalities that may arise throughout use phase or end of life. SBs indeed, evaluate the entire lifecycle of their offerings- from design to end-of-life- thereby minimizing negative externalities and maximizing utility for both users and the broader ecosystem.

Numerous Società Benefit actively develop products and services designed to have a reduced environmental impact, promote social inclusion, and offer educational value. Such companies frequently embrace principles of the circular economy, ethical sourcing, and social equity.

An illustrative example of product and service innovation within the SB framework is Herbatint, the flagship brand of Antica Erboristeria SpA. The company, SB since 2017 and certified B Corp, demonstrates how sustainability-oriented commitments can translate into tangible innovation.

[20] See supra note 12.

Figure 13 Key points of Herbatint's purpose

In 2023 the company launched a new haircare line grounded in sustainability and technological advancement. The formulations are COSMOS ORGANIC certified by ECOCERT, composed of 99% ingredients of natural origin, suitable for vegans and tested on sensitive skin. Several key ingredients come from upcycled sources of certified ethical supply chains, reflecting a deep integration of circular economy principles.

Beyond formulation, Herbatint also innovates in packaging by using post-consumer recycled plastic that is fully recyclable and lightweight, reducing both raw material use and CO_2 emissions during transport. [21]

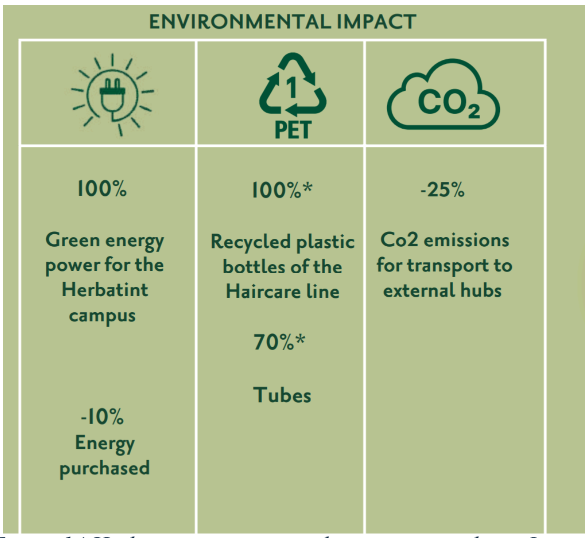

Figure 14 Herbatint environmental impact in numbers- Impact report Herbatint

[21] Antica Erboristeria S.p.A. (2023-2024). *Herbatint impact report*.

This holistic approach- spanning R&D, procurement, production and logistics- show how Società Benefit like Herbatint can align product innovation with their common benefit objectives. Their legal status structurally blinds the company's mission to ongoing improvements in health, sustainability, and transparency.

Another notable example of product innovation is Save The Duck, a brand that has revolutionized outerwear by eliminating animal-derived materials from its products.

The company's signature PLUMTECH® technology replicates the thermal insulating properties of down feathers while being completely synthetic and free of animal products.

This approach not only embodies an ethical position but also represents a concrete product innovation aligned with the company's SPCBs. In its 2024 Sustainability Report, Save The Duck highlights the continuous improvement of its materials, such as the introduction of Recycled PLUMTECH®, made from 100% recycled polyester sourced from post-consumer PET bottles. This innovation enabled the company to reduce its carbon footprint by 39% compared to virgin polyester and contributed to the avoidance of approximately 4, 785 tons of CO_2 emissions in 2023 alone. [22]

By aligning technological development with sustainability metrics, the company exemplifies how innovation can serve broader environmental and ethical goals without compromising product performance.

57%	recycled fabrics out of total fabric consumption
94%	certified fabrics
100%	certified padding
34%	fabrics without the intentional use of PFCs

Figure 15 Highlights 2023-2024- Sustainability report Save The Duck

[22] Save The Duck S.p.A. *Sustainability Report 2024*.

3.1.3. Process and organizational innovation

The adoption of Società Benefit model represents a significant transformation in how companies approach their internal processes and organizational structures. Traditionally, business processes have been designed to optimize efficiency, reduce costs and maximize profits for shareholders. However, by incorporating broader social and environmental objectives, SBs are compelled to reform their processes to fully integrate these new purposes across the organization. [23]

For a Società Benefit, rethinking processes entails more than simply aligning with a new set of goals; it necessitates a comprehensive structural transformation.

These companies must adapt their operational frameworks - from human resources practices to marketing strategies and supply chain management - to ensure that their impact on people, society and the environment is measurable, responsible, and sustainable. This kind of innovation is about embedding impact into the very way the business functions. Processes are restructured so that every action taken by the company—whether it involves product development, supplier selection, or employee performance evaluations—can be traced back to its mission.

The SPCB must be involved in the daily operations of a Società Benefit. This requires an adaptive approach to processes: every decision-making step should align with the company's purpose, from procurement to employee evaluation.

Several Italian companies offer compelling examples of this approach. For instance, Renovit, a company specialized in energy efficiency, has completely redefined its operational model to ensure that every building renovation project aligns with its environmental objectives. They create tailored solutions to reduce environmental impact and improve energy performance. [24]

This approach is more than just an incremental change; it represents a fundamental rethinking of how projects are planned, executed, and ultimately decommissioned.

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[23] See supra note 5.

[24] Renovit S.p.A SB- *Annual Sustainability Report 2024*

Every project is designed to maximize energy savings and reduce emissions. This includes integrating environmental key performance indicators (KPIs) into engineering workflows and project financing decisions.

By embedding sustainability into every phase of its value chain, Renovit aligns its processes with the Specific Purposes of Common Benefit outlined in its bylaws.

Another example is represented by Save The Duck that has revamped its supply chain to eliminate animal products, minimize environmental impact and uphold ethical labor standards. [25]

In addition to its renowned product innovations, Save The Duck has transformed its supply chain by implementing zero-animal and zero-harm protocols. This process entails the selection of suppliers based on their environmental performance, the conducting of third-party audits, and performing lifecycle analyses of materials.

The "Ricerca Nazionale sulle Società Benefit" presents numerous SBs that explicit their dedication to human resource development, employee well-being and sustainable operations as integral to their mission. The SBs integrate their SPCBs into strategic planning processes.

These changes in internal processes fulfil a function that is both normative and ethical; they frequently lead to concrete competitive benefits as well. Companies that prioritize these objectives not only make a positive impact on society but often achieve better overall performance as well.

Organizations that integrate sustainability and social responsibility into their everyday activities experience increased resilience, reduced reputational risks, and strengthened connections with stakeholders.[26] For instance, ethical procurement policies- such as those implemented by Save The Duck- allow companies to choose suppliers based not solely on price but also on environmental and labor criteria.

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[25] See supra note 22.

[26] See supra note 12.

This enhances transparency and accountability across the entire value chain, thereby positioning the company favourably in the eyes of consumers and partners, who are becoming increasingly focused on ESG criteria.

Likewise, companies that emphasize inclusive human resource practices, prioritize employee well-being and offer purpose-driven training are becoming more attractive to younger generations, as stated in the Ricerca Nazionale.

In sectors characterized by intense competition and where differentiation is challenging, aligning internal processes with clearly stated social and environmental goals can reinforce brand positioning and customer loyalty. In this context, process innovation serves as a strategic lever for long-term growth and value creation.

3.2 Economic-financial performance

The innovative approach of Società Benefit is also reflected in their economic and financial performance. According to the "Ricerca Nazionale sulle SB", these companies exhibit greater dynamism compared to their non-benefit counterparts.

Turnover growth is notably higher, primarily driven by investments in critical strategic areas, such as innovation, internationalization, and sustainability (figure 16). This dynamism is particularly evident in revenue growth, job creation, and salary adjustments.

Between 2021 and 2023, Società Benefit achieved a cumulative average turnover growth of 26%, significantly exceeding the 15% growth rate of non-benefit companies.

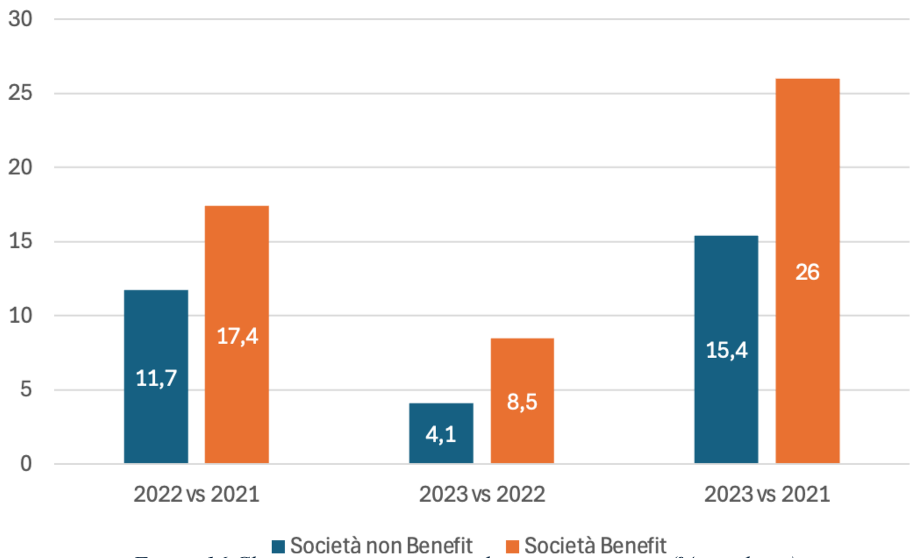

Figure 16 Change in turnover growth at current prices (%; medians)

These companies demonstrate strong growth throughout all size categories, with a larger performance gap observed in the microenterprise segment. This trend suggests that smaller companies are particularly adept at harnessing this governance model, which has a more pronounced impact on their strategic profile, especially in less complex environments compared to larger firms (figure 17).

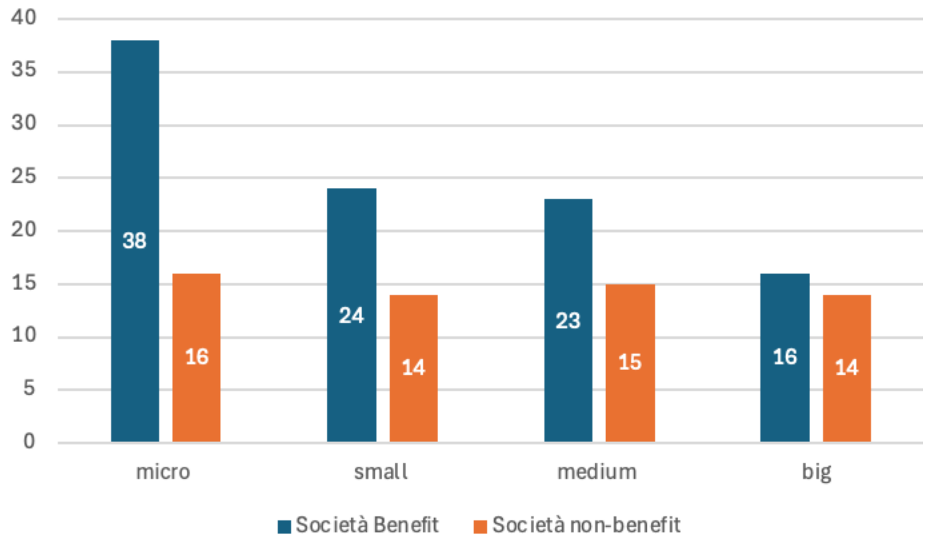

Figure 17 Change in turnover 2021-2023 by size

In addition to demonstrating superior turnover growth, SBs exhibit notably stronger dynamics in terms of value-added generation and labor cost evolution. See figure 20 and 21.

From 2021 to 2023, the median growth in value added for SBs reached 26.1%, compared to just 16.3% among non-benefit companies. See figure 18.

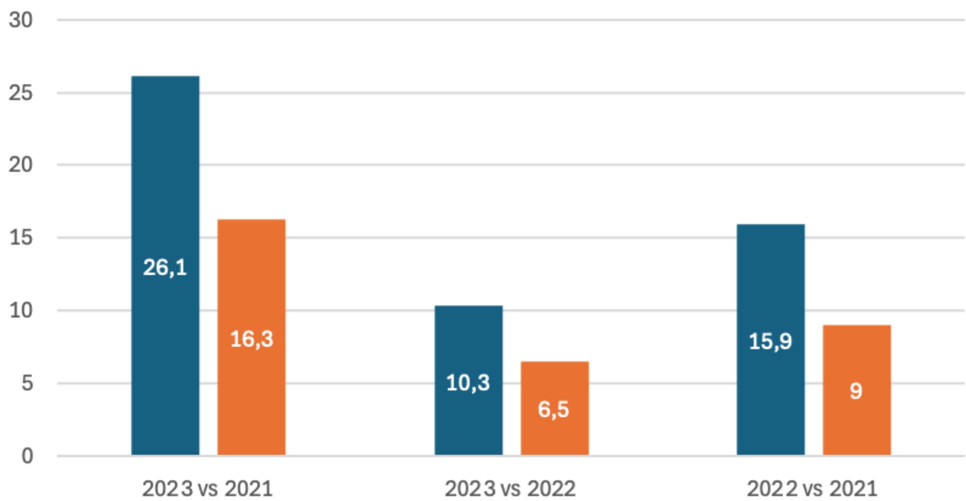

Figure 18 Added value (%; medians)

The disparity in labor costs is even more pronounced: SBs experienced a 25.9% increase, which is more than double the 12.5% rise seen in the control group. See figure 19.

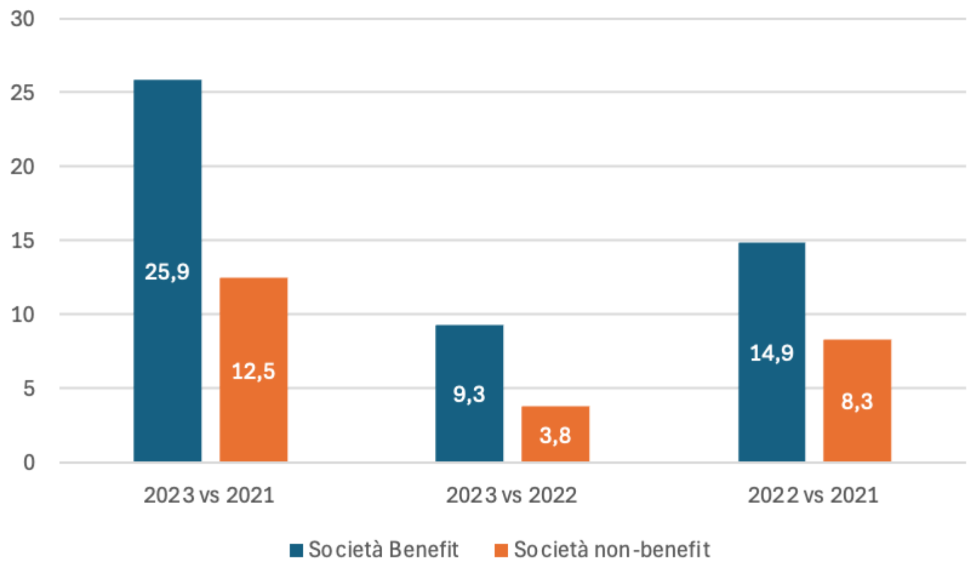

Figure 19 Labor cost (%; medians)

Such correlation between growth in value added and labor costs indicates that Società Benefit tend to reinvest a significant portion of their productivity gains in their workforce. This indicates a tendency to prioritize economic support for their workforce, even at the expense of some profit margins.

From 2019 to 2022, the added value per employee in Società Benefit reached €61,000, whereas non-benefit companies recorded €59,000. See figure 20.

This increase in productivity allows Società Benefit to maintain an average labor cost per employee of €41,000, which surpasses the €38,000 of traditional companies. See figure 21.

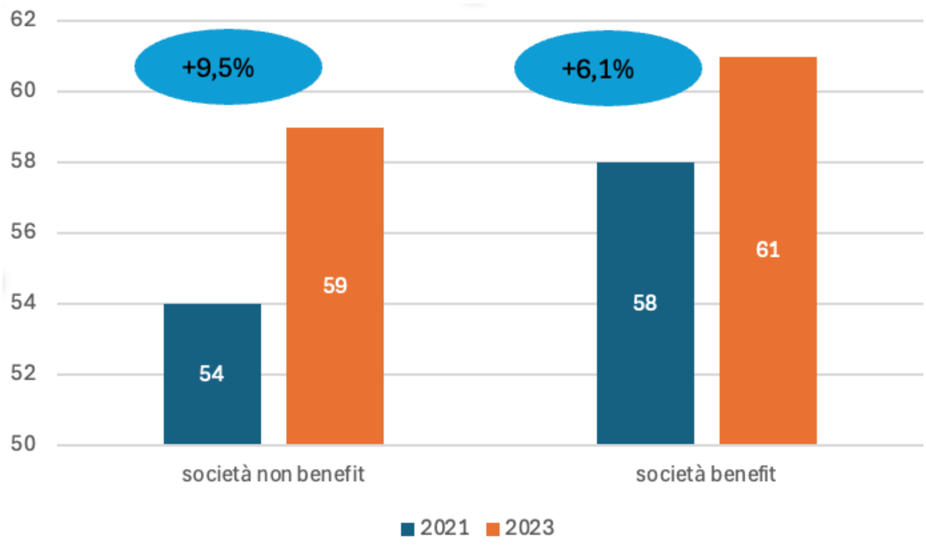

Figure 20 Added value per employee (thousands of euros- median)

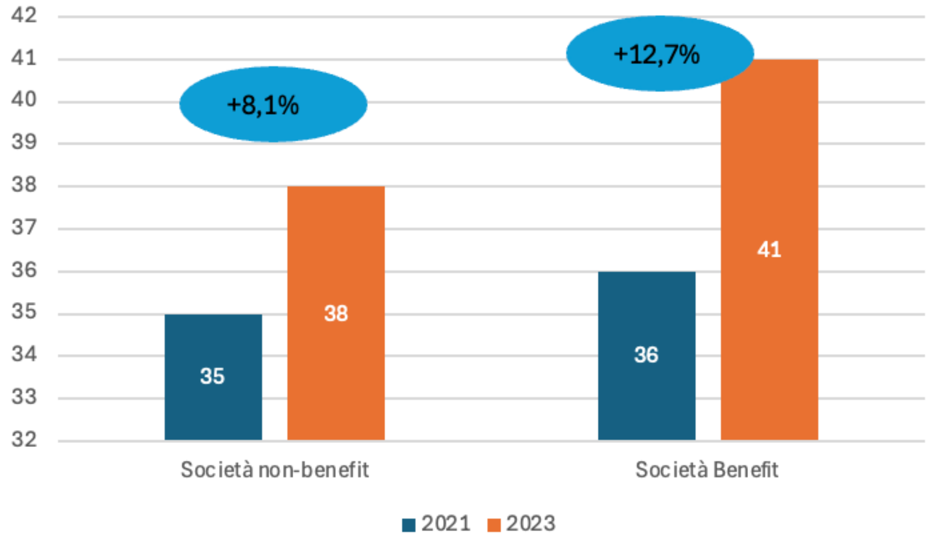

Figure 21 Labor cost per employee (thousands of euros- median)

These figures highlight a more equitable distribution of economic value, reflecting the SB model's fundamental commitment to stakeholder well-being and long-term shared prosperity.

Despite a greater redistribution of resources toward employees, SBs continue to maintain competitive levels of profitability. The same study shows that the EBITDA margin- a key indicator of operating profitability- remains largely consistent across both groups, with no significant decline observed among Società Benefit. This suggests that prioritizing social and environmental objectives does not necessarily undermine operational efficiency. On the contrary, the ability to blend strong economic performance with impact-driven management appears to be a distinctive advantage of Società Benefit model.

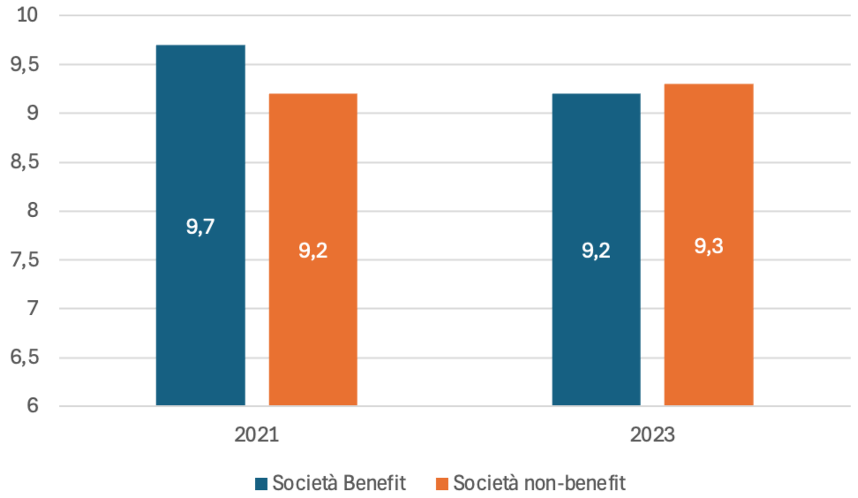

Figure 22 EBITDA margin (%, medians)

The "Ricerca Nazionale sulle SB" outlines four key strategic drivers that distinguish SBs from traditional firms. The study delves into the reasons why these companies have a greater profitability.

The core strategic drivers, such as internalization, intellectual property, sustainability investments and human capital development, enhance both innovative capability and

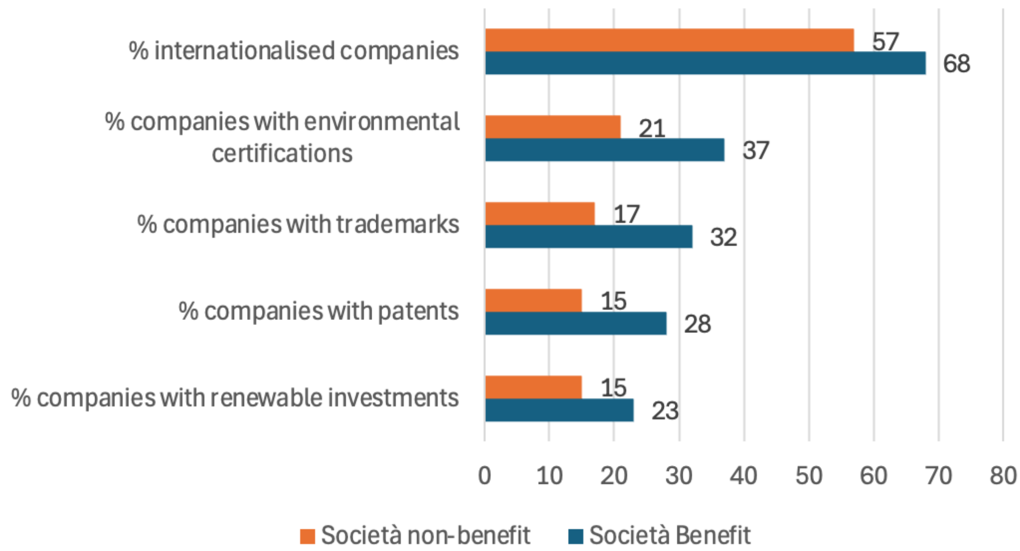

Figure 23 Core strategic drivers' analysis (% of companies by adopted strategies)

financial performance. SBs overperform non-benefit companies across all innovation metrics (figure 23).

SBs not only adopt these elements more frequently but also integrate them more effectively into their business models, thanks to their legal commitment.

The weight of evidence points to a clear conclusion: SBs are not just keeping pace with traditional companies; they are leading the way in innovation. Their commitment to sustainable business practices, the creation of new intellectual property, international expansion, and team growth is being pursued with remarkable fervour.

A notable aspect of SBs is how their dedication to a broader mission seems to enhance their capacity for innovation. This matter extends beyond ethics; it encompasses intelligence, strategy and preparedness for the future.

A noteworthy example that highlights the success of Società Benefit in Italy is the case of Feudi di San Gregorio, a prestigious winery producer located in Campania. In recent years, the company has made a significant commitment to sustainability, resulting in tangible and measurable outcomes.[27] While it is a common belief that pursuing sustainability incurs higher costs, Feudi's experience suggests a different narrative.

Between 2017 and 2022, their EBITDA nearly doubled, rising from €3.5 million to €6 million. Moreover, margins saw substantial improvement, climbing from 13% to 20%.[28]

These achievements follow a five-year period dedicated to investments in environmental and organizational practices. The adoption of photovoltaic energy, water-saving systems, and lighter glass bottles allowed the reduction of operational risks and costs.

As part of its sustainability efforts, Feudi reduced the weight of its bottles by 25%, which proved to be a major competitive advantage when raw material prices – particularly glass – surged. Whilst a significant proportion of competitors experienced considerable

[27] Feudi di San Gregorio S.p.A. SB. Impact Report 2024.

[28] Dell'Orefice, G. (2023, 19 gennaio) - Feudi di San Gregorio: ecco come la sostenibilità fa crescere gli utili. *Il Sole 24 Ore*. Retrieved from: https://www.ilsole24ore.com/art/dalle-bottiglie-leggere-risparmio-idrico-la-sostenibilita-secondo-feudi-san-gregorio-AE8zSBYC

difficulties due to rising costs, Feudi's strategic approach proved to be effective in minimising the repercussions on their operations.

Moreover, the retail price of their bottles increased by a minimal amount (the average price per bottle rose from €5.30 in 2017 to €6.10 in 2022), while competitors experienced significant price escalations amounting to several euros per unit.

Consequently, what was initially perceived as a sustainability investment ultimately manifested also as a long-term cost advantage, thereby reinforcing the notion that environmental responsibility can serve as a tangible competitive advantage.

The transition towards sustainability prompted the company to reconsider its mission and values. This redefinition of purpose made the organization more aligned and efficient.

Feudi’s story serves as compelling evidence that sustainability, when well-integrated, can enhance profitability.

CHAPTER 4: THE REASONS FOR THE SPREAD AND SUCCESS OF SOCIETÀ BENEFIT

4.1 The point of view of Società Benefit: Interviews with Italian entrepreneurs

To enhance the theoretical and empirical analysis presented in the first three chapters, this section features two interviews with sustainability directors from two leading Italian Società Benefit: Renovit and Save The Duck.

The interviews delve into how the legal, strategic, and innovative dimensions previously discussed are realized in real-world managerial experiences and operational decisions.

By engaging directly with professionals at the forefront of the Benefit model, the aim is to explore how this legal status shapes company identity, governance, innovation and internal processes.

The interviews offer valuable insights into the practical implications and advantages of being a Società Benefit, illustrating how the model not only ensures adherence to social and environmental objectives but also catalyzes a strategic transformation in business practices.

These insights, may provide elements to critically reflect on the model's dissemination and impact, thereby bridging the gap between theory and practice.

Renovit is an energy efficiency company that offers solutions to improve the environmental performance of buildings and infrastructures. I had the great opportunity to talk with Isabella Merli, Renovit's Senior Manager Sustainability.

What interested me about Renovit is that their commitment to sustainability is not just skin-deep: it's embedded in how they design, implement and measure their projects.

As a Società Benefit, Renovit incorporates environmental goals directly into its business model. Speaking with their Sustainability Director provided me with a clearer understanding of how this model operates in practice, influencing internal processes, shaping company culture and supporting long-term impact rather than short-term results.

Save The Duck is a fashion brand renowned for its animal-free, eco-friendly outerwear. They were one of the first Italian fashion companies to eliminate all materials of animal origin from their products, and they continue to invest in sustainable, high-performance alternatives. In our interview Silvia Mazzanti, Sustainability manager, explained their view of being a Società Benefit.

I chose Save The Duck because their values are genuinely reflected in their actions — there is a strong coherence between their mission and their operational practices. From the beginning, they have taken bold steps, such as eliminating all animal-derived materials, and have remained steadfast in this commitment as the company has expanded. Engaging with their sustainability director provided me with insights beyond what is conveyed in their reports.

Herbatint, the main brand of *Antica Erboristeria*, is an Italian company with over 50 years of experience in natural hair care. Known for creating the first ammonia-free permanent hair color, it has built a reputation for combining scientific research with a strong respect for health and the environment. Today, its products are sold in more than 40 countries.

What makes Herbatint particularly interesting is how naturally its values align with those of a Società Benefit. The company became a B Corp in 2016 and a Società Benefit in 2017. Evidence of their commitment is visible across the board, including the sourcing of certified organic and fair-trade ingredients, investment in solar energy and low-impact packaging, and the education of consumers through initiatives such as the Herbatint Open Academy. Their latest haircare line, certified Cosmos Organic and made with upcycled ingredients, reflects a clear intention: to offer safe, effective products while reducing environmental impact. I had the great opportunity of speaking with the company's CEO, Benoit Doithier.

The interviews have been organised into three sections, each corresponding to one of the three innovation areas discussed in Chapter 3: governance, product/service innovation, and internal organisational processes. The first question covers the broader topics of competitive advantage and company identity.

1. Competitive advantage and Company Identity
   In choosing the legal form of Società Benefit, do you believe it has given your company a competitive edge? If yes, in which key areas—such as market positioning, recruitment of talent, or client perception—have you seen the greatest advantages?

Isabella Merli -Renovit S.p.A. SB

"For Renovit, the decision to become a Società Benefit was not just a starting point; it was a natural progression in alignment with our well-defined mission, which is already recognized through our B Corp certification.

We did not adopt this legal structure for strategic reasons per se, but to safeguard and solidify our commitment to a just and inclusive energy transition. However, formalizing this approach has significantly enhanced internal engagement and increased our appeal to new talent. More people, particularly from younger generations, are seeking work environments where purpose, impact, and values are clear, measurable, and consistent.

In this regard, becoming a Società Benefit has further strengthened our identity as a workplace where individuals can actively contribute to a shared mission. This aspect not only fosters a sense of belonging but also provides a competitive advantage in the labor market."

Silvia Mazzanti- Save The Duck S.p.A SB

"Internally, it serves as a lever that facilitates numerous changes in terms of quality and reporting. It has influenced the kind of individuals who are attracted to the company, both those currently working there and potential employees. However, the end customer does not yet fully recognize this.

When comparing Save The Duck to other companies in the market, it does have a competitive advantage. Being a SB serves as an initial lever, driving the evolution of our reporting and data collection practices.

This approach acts as a catalyst for various processes and mechanisms that position our company favourably against competitors.

While many companies produce outerwear and clothing like ours, Save The Duck has dedicated significant effort towards fulfilling its mission, from achieving the B Corp certification to becoming a SB."

Benoit Doithier- Herbatint Antica Erboristeria S.p.A SB

"Using business as a force for good: in May 2017 we set this goal by becoming a Società Benefit and have been striving to achieve it every day since.

In addition to the pursuit of profit, the SPCBs have been established with the objective of promoting social inclusion, transparency and environmental sustainability as core values for our company.

The annual impact report serves as a crucial instrument, enabling the measurement and monitoring of progress against the SPCBs outlined in the charter. Furthermore, it facilitates the dissemination of progressively ambitious targets.

The adoption of sustainable practices, environmental responsibility and the respectful use of energy resources are the basis for the improvement of our industrial performance and a healthy and positive corporate image.

The company's adoption of this business model, coupled with the integration of its values into the design stage of its products, has resulted in a competitive advantage. This is attributable to an increased level of trust among customers, who are increasingly aware of ethical and environmental choices."

2. Governance and Company culture

   Becoming a Società Benefit entails changes in governance and accountability structures. Has this transformation made your company a better version of itself? In what ways has it helped you express your identity and values more authentically?

   Isabella Merli

   "Renovit was born with a natively regenerative business nature, oriented from the outset towards promoting the decarbonisation of the system-country. In this sense, we felt we were a Società Benefit well before we formally became one.

   The legal transformation did not therefore mark a change of course, but was a step of consistency, which allowed us to write our SPCBs in black and white. This moment of formalisation was also a valuable opportunity for internal reflection, which helped us to orient ourselves with greater awareness even choices not strictly related to business.

   It was in this context, for example, that we identified the fight against energy poverty as our main social battle, thus broadening our vision of impact.

   At the same time, the SB's model has given us a clear framework for reinterpreting, ordering and strengthening all internal initiatives: from training to engagement, to *growth paths, which we now know how to better frame with respect to their positive impact on people and communities.*

In this sense, we believe that the SB model will help us safeguard our mission in the long term, making it even clearer - internally and externally - that our way of doing business is based on environmental and social responsibility and on the desire to contribute to the system-country."

Silvia Mazzanti

"Before 2019, before becoming a SB, the company was navigating by sight, looking for a way forward to find a systematisation of its activities. From the beginning, we had the purpose of improving the way we make clothes. We proceeded somehow tentatively, trying to shape these attempts to improve things.

The transformation into SB served as a driver, since setting SPCBs in the bylaws, mandatory for SBs, was very helpful in giving the project greater consistency.

The compliance to the reporting requirement has been crucial because it allowed us to put everything in order and define a direction for the business plan.

As far as governance is concerned, many changes have been made, starting with the creation of the impact manager, which has led to different derivations, such as monthly meetings with the sustainability committee.

This transition has also driven significant evolutions at the policy and procedure level.

Furthermore, at the governance level, the company has developed a greater sensitivity to all sustainability issues, due to this self-imposed regulatory obligation.

This regulatory obligation gives the sustainability manager and the sustainability team extra leverage to be more incisive with their colleagues and partners."

Benoit Doithier

"The decision to be Società Benefit, coupled with the daily commitment to authentically embodying this ethos, results in the comprehensive integration of all stakeholders within a positive and innovative process of growth.

Our governance and strategy place nature, the community, partners and customers at the centre, with the interests of shareholders being secondary to these values.

Our concrete commitment to the SPCBs brings with it maximum transparency and accountability towards all stakeholders, strengthening corporate identity, credibility and authenticity of communication."

3. Product and service innovation
   Given your company's innovative product or service, has the Società Benefit status influenced the way you develop and design your offerings? Has it reshaped your approach to R&D or product responsibility?

   Isabella Merli

   "Our offer - focused on energy efficiency and decarbonisation - was conceived from the outset with a strong commitment to making a positive impact, fully aligning with the principles of a Società Benefit. As a result, the adoption of SB status has not fundamentally transformed our approach to innovation, but it has significantly influenced our decision-making process, making it more conscious and systematic.

   Today, the formalisation of the SPCBs has fostered a collective focus across teams, encouraging us to consider and measure the environmental and social impact of our actions.

   We are actively integrating non-economic factors into our business plans to guide the future development of our offerings more coherently. In this context, being SB has provided us with a common language and a clear framework for directing innovation in a regenerative way."

   Silvia Mazzanti

   "Save The Duck started with the idea that animals should not be regarded as raw materials to be exploited at any stage of the supply chain. This philosophy has fundamentally disrupted the traditional landscape of outerwear featuring synthetic padding.

   Our core business is the production of goods, which has led us to invest in creating products that redefine the fashion industry. The brand has indeed revolutionised outerwear by entirely removing animal-derived materials from our offerings- a pioneering move that no one had undertaken before.

   We've engaged with suppliers to enhance chemical practices and have developed guidelines aimed at decreasing and replacing harmful substances.

Consequently, our transformation into a Società Benefit was fundamental to evolving the product itself, setting us apart from our competitors."

Benoit Doithier

"A Life Cycle Assessment (LCA) is conducted for each product of the company to periodically question all the phases involved in the project. These phases include the conceptualisation stage, the materials used, the production processes, the supply chain, the transport of the product to the customer, and the subsequent disposal of the product by the customer.

The objective is to ascertain the sustainable evolution of our Herbatint product lines, integrating innovative developments with a reduction in impact on the environment and people as common denominator.

This approach to R&D has enabled us to transition to PCR materials in its product packaging over the past few years. Furthermore, it has led to the elimination of all forms of overpackaging. The company has also defined a consistent increase in product volume by reducing the size of packaging distributed worldwide.

The result is a reduction in the CO2 emissions associated with Herbatint's product, and an offering that provides the consumer with greater usability and ease of end-of-life management."

4. Processes & Internal Organization

What concrete improvements have you observed in your internal processes since adopting the SB status—for instance, in decision-making, human resources, or supply chain management?

Isabella Merli

"The adoption of the SB status has not led to a radical transformation of our processes; however, it has succeeded in enhancing clarity and consistency regarding what we are, what we do and how we do it.

At the decision-making level, the model has fostered a more explicit and shared perspective of impact, which now increasingly informs both our strategic and operational assessments. Specifically, we are focused on integrating our SPCBs into *our planning and measurement processes, allowing us to make more intentional choices for the medium to long term.*

Also in the HR sphere, the formalisation of our values has enabled us to clarify and structure, in a better way, the significance of our initiatives aimed at our people-spanning career paths, training, and engagement. Today, these actions are part of a shared framework, that amplifies their positive influence on internal well-being and corporate identity.

Finally, we are progressively extending this vision to our supply chain by applying selection and collaboration criteria that consider value alignment, and the impact generated together."

Silvia Mazzanti

"The company has observed a transformation in its working methods and a heightened awareness among various teams, since becoming a Società Benefit. This increased sensitivity has been fostered by ongoing training programs, the establishment of an academy, and the publication of a quarterly magazine.

Additionally, the sustainability team's report to the Board of Directors has been shared with management and, subsequently, made available to the public: a document that talks about the company in the most transparent and detailed way.

Human resources play a crucial role in shaping the brand, as the company's identity is a reflection of its people. This emphasis on human resources has been reinforced through the adoption of the SB status, leading to a significant formalization within the organization."

Benoit Doithier

"The careful management of resources (energy, water and waste products) has resulted in the attainment of LEED certification (Leadership Energy Environmental Development) for the entire Herbatint site.

This achievement aligns closely with the principles of the SB model, contributing to enhanced efficiency in industrial processes, optimisation of resources with reduced operating costs, and the establishment of more comfortable working environments compared to conventional ones.

A structured decision-making process, with defined objectives in the impact report, facilitates the management of more complex decisions by enabling a focus on strategic key points.

Sharing the corporate values underpinning the SB model with all stakeholders increases employee awareness and involvement in the life of the company and enables the creation of a shared value supply chain."

4.2 Key Learnings and Main Outcomes

The conversations with the leaders of Renovit, Save The Duck and Herbatint highlight how Società Benefit status is not merely a formal designation but a transformative force capable of shaping company identity, strategy and operations across diverse industries.

One interesting aspect of these conversations is the diversity of the companies involved. Renovit, Save The Duck and Herbatint operate in different sectors offering products and services that are unrelated. However, despite these differences, this status proved to be equally effective and meaningful across all three contexts. This suggests that the value of the legal status is contingent on how committed a company is to align its business model with its core values.

Key insights that emerged from these discussions are illustrated in the table below.

Use of Legal Status as a strategic lever	Whilst the adoption of the Società Benefit status frequently represents a natural evolution of an already purpose-driven identity, the legal framework has provided a structure, direction and coherence. It has encouraged companies to formalize their mission, improve internal alignment, and increase stakeholder trust. For Save The Duck, it has catalysed the transition from intuition to strategy, enabling transparent reporting and goal-setting.

Governance anchored in purpose	The SB status has been instrumental in transforming governance models. All three interviews show how embedding SPCBs into their bylaws strengthens internal accountability and encourages the integration of sustainability into strategic decision-making. This shift also empowers sustainability teams and elevates their influence within the organization.
Innovation Driven by responsibility	Renovit's systemic decarbonization efforts, Save The Duck's use of animal-free materials and Herbatint's product development focus on the entire lifecycle and demonstrate that being a SB means to integrate innovation into the company's mission. Product development is now seen not just as a commercial function, but as a way to achieve measurable social and environmental impact.
Processes as a Reflection of Values	The interviews confirmed that internal processes change when a company genuinely embraces its purpose. This commitment leads to improved employee engagement, enhanced human resources practices and more transparent and participatory decision-making. Being Società Benefit fosters cultural transformation; it is not merely about compliance but about identity- reflecting who the company is and how operates, from the boardroom to the production line.

Competitive edge beyond profit	Although customers may not always directly recognize SB status, its clearly enhances employer branding, investor relations and stakeholder loyalty. In this way, this model creates a competitive advantage based not on price or promotions but on sharing of values, transparency and a long-term vision.

The insights reported indicate that SB status is an effective driver of strategic alignment and organizational innovation. Benefit model serves a unifying force across various sectors, aligning purpose, governance and operations with a shared commitment to creating sustainable and inclusive value.

The success of these companies shows that when purpose is embedded into legal structures and daily practices, it not only fosters ethical progress but also enhances tangible economic performance.

Conclusion

The present thesis began with the hypothesis that Società Benefit are more innovative than traditional companies, particularly in governance, product and service development, and organizational processes and that this innovation contributes to better economic and financial performances.

The objective of the study was to evaluate whether the legal status, in the Italian case, could act not only as a formal recognition for purpose-driven businesses but also as a tool to generate measurable social and economic benefits.

The research confirms this hypothesis. Drawing on national data, case studies, and direct interviews, the analysis demonstrates that Società Benefit are not only capable of aligning purpose and profit, but also of doing so in a way that drives real competitive value.

From an economic perspective, the findings indicate that Società Benefit tend to outperform traditional companies. They exhibit more robust growth dynamics, invest more consistently in their employees and successfully integrate financial sustainability with social and environmental objectives. Notably, they achieve such results without sacrificing profitability, demonstrating that purpose-driven strategies can align with strong economic performance.

In an increasingly complex and uncertain world, being a Società Benefit may provide strategic agility, grounding businesses in a long-term thinking while allowing them to adapt to short-term changes.

The companies' representatives interviewed- Renovit, Save The Duck and Herbatint-provided compelling evidence that aligning profit with purpose is both feasible and advantageous.

Their insights revealed that when purpose is integrated into a company's governance, it does not compromise business performance; rather, it enhances it. Purpose serves as a guiding compass for decision-making, attracting talent, fostering transparency and driving innovation that is both responsible and competitive.

The narrative unfolds throughout the four chapters of the thesis: we examined the origins of the Italian law, the global diffusion of the Società Benefit model, the mechanisms through which SBs innovate and the daily practices of the companies that embody this status.

What emerged is that the Società Benefit framework serves as a comprehensive response- legal, cultural and strategic- to the constraints imposed by shareholder primacy and short-term thinking.

In conclusion, Società Benefit model presents a persuasive response to the challenges of the 21st-century economy. It invites the world to reconsider the true purpose of business, not just as a generator of profit, but as a potential engine for positive change benefiting people- shareholders, communities and the planet.

The model appears to be a powerful driver of both innovation and performance. It allows companies to formalize a dual mission- economic and positive impact- and integrates this mission into their governance, strategy and daily operations. The SB status can serve as a genuine strategic advantage, particularly in an environment where consumers, employees, and investors increasingly seek purpose alongside profit.

This model appears to be powerful driver of both innovation and performance. It allows companies to formalize a dual mission- economic and positive impact- and integrates this mission into their governance, strategy and daily operations. The SB status can serve as a genuine advantage, particularly in an environment where consumers, employees and investors increasingly seek purpose alongside profit.

The result of this research emphasizes how Società Benefit model represents a solid alternative to traditional business paradigms, being capable of addressing today's most pressing challenges while fostering sustainable, long-term value.

It offers a concrete framework for transitioning from an extractive economic system to a regenerative one, where businesses are responsible to actively contribute to the well-being of people, communities and the environment.

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