

# Bollettino



**SUSTAINABILITY** — Protecting the environment, people, and the economy is the long-term path to creating value. For everyone.

2-19

# Bollettino



Generali Group Magazine since 1893

# Sustainable companies can count on long-term benefits and a new breed of responsible consumer: the millennial.

During a meeting with the top management and Board of Directors of Generali at the CityLife Tower last July, BlackRock CEO Larry Fink, the world's largest asset manager, emphasised that companies that act in accordance with their purpose and follow the principles of responsibility towards all stakeholders, will reap long-term rewards.

In a world dominated by geopolitical tension and market volatility and struggling with the rapid introduction of new technologies, climate change and demographic transition, we are witnessing the rise of a new, responsible consumer, one who makes their decisions based on increasingly rigorous sustainability criteria. Millennials make up 35 percent of the modern workforce, and they have brought with them new expectations of the companies they work for, buy from and invest in.

The insurance sector continues to be an oasis of resilience and reliability in the midst of the widespread unpredictability surrounding the future. Generali's purpose is to replenish trust in the system: we are dedicated to working with people in creating a more secure future for themselves and safeguarding their lives and their dreams. To assist us in this goal, we place the creation of long-term shared value at the heart of everything we do. Using our unparalleled professional network, our longstanding tradition of high-quality risk management, and our constant focus on innovation, we accurately analyse and manage the risks and rewards in the great global challenges currently facing us all. This is not a slogan for a marketing campaign – it's our *raison d'être*, and has been since 1831.

Millennials have brought with them new expectations of the companies they work for, buy from and invest in

Sustainability is a pact between present and future generations, reconciling economic development with an eco-friendly culture. It is no coincidence that this year's Nobel Prize for

Sustainability is a pact reconciling economic development with an eco-friendly culture

Economics was awarded to Michael Kremer, Abhijit Banerjee and Esther Duflo, for their experimental approach to the global war on poverty, and that in 2018,

one of the recipients of the prize was William Nordhaus, for his research on economics and climate change. It is part of a wider awakening: from global leaders – as seen in the support for green movements in the recent elections to the European Parliament – to popular movements such as Fridays for Future and Extinction Rebellion, which brought millions of people into town squares around the world. The future of the economic system runs through a regenerative phase that will enable us to tackle the big issues of contemporary life and to overcome the challenges of our times. We will need to work with the perseverance and the care of those who are planting the seeds of the future.

*Simone Bemporad*

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A tulips field is seen near the city of Creil, Netherlands April 19, 2019.

REUTERS / YVES HERMAN



# Planting the seeds of a sustainable future



# The ongoing impoverishment of our planet affects not only our resources, but also our rights, our opportunities, and the struggle for equality. Hope lies in a new culture of responsible consumption that's reaching adulthood.

by Luca Mattiucci

A human being uses approximately 1500 litres of water every year. The average family in Europe consumes an average of 60 thousand litres a year. Water takes up 1.4bn square kilometres of planet earth, but only 3% of this is fresh water. Of this small percentage, once you remove unobtainable sources such as glaciers and polar ice caps from the equation, we are left with 0.3% for all our cooking, washing and manufacturing needs<sup>1</sup>. We could each reduce our consumption by 66%. And it is a similar story when it comes to metal, forests, energy and land. We consume at such a rate that nature is unable to recover the necessary reserves to regenerate its “production cycle”. We lose an average of 10 days every year of nature’s ability to regenerate the resources we consume.

The wooden spoon undoubtedly goes to the United States; if Europe was to burn through resources at the same pace, it would take five planets to meet the needs of 1.5bn people. It is only 20% of the world’s population that is responsible for the consumption of a disproportionately large quantity of the world’s raw materials. Of the 7.5bn people in the world today (10% of the total of *sapiens sapiens* to have ever existed), the largest concentration can be found in areas where poverty is increasing in inverse proportion to the increasing wealth in highly developed areas.

This affects not only the basic need for food, but also carries consequences in terms of legal rights, gender inequality, lack of access to education and adequate healthcare, as well as

## ↓ Under

Tom Szaky, CEO and founder of TerraCycle, a company that makes consumer products from waste. The company has won more than 200 awards for entrepreneurship, sustainability and innovation, including one from the United Nations for work integrating beach and ocean plastic into new products.

## ↘ Next (p.15)

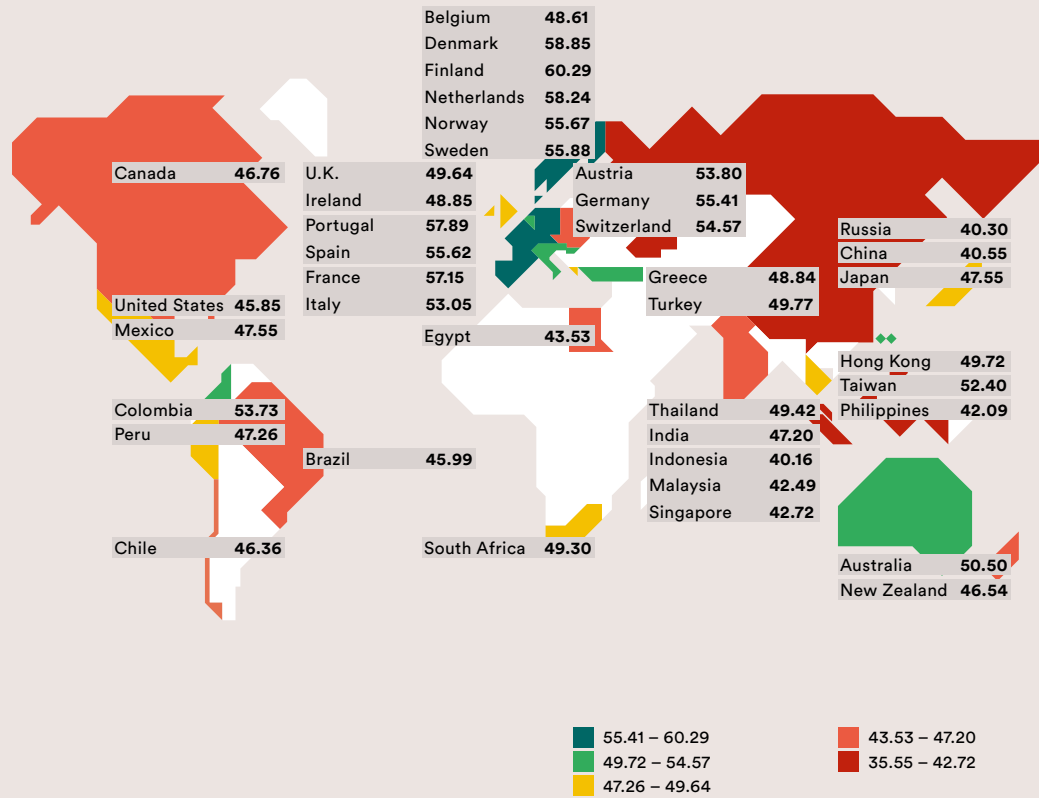
Vendors use solar powered lights at an open air evening market as customers buy fruits and vegetables in the western Indian city of Ahmedabad.

<sup>1</sup> American Geophysical Union, Water Resource 2017

AP PHOTO / MELEVANS



## Map of Morningstar Country Indexes' Sustainability Scores



<sup>2</sup> European Environment Agency

2014 update

<sup>3</sup> Doxa – CSR 2018

## Global sustainability scores: Finland comes out on top; China in the bottom quintile

The Morningstar Sustainability Atlas uses the constituents of Morningstar country indexes to examine the sustainability profiles of 46 country-specific equity markets. The company-level scores are sourced from Sustainalytics, which also powers the Morningstar Sustainability Rating™ for funds.

As shown on the map, the Nordics and eurozone came out on top of sustainability rankings. Specifically, Denmark scored highest on social criteria, the Netherlands on governance criteria, and Portugal on environmental criteria. On the other hand, China, Russia, and Middle Eastern countries assumed the lowest sustainability ratings.

Source: Morningstar Direct

trampling on the most fundamental human rights. It is the difference between living and merely surviving<sup>2</sup>. Essentially it is as if we have become burdened with a debt that has been incurred, whether consciously or otherwise, by people whose names and identities we will never know, one that we know we will be unable to repay, and now we are anxiously waiting for the creditor to show up with the bill. Luckily, things have slowly been shifting over the past decade, above and beyond the wave of ecological populism.

The change is currently too slow to be able to say that the process is making a real change, but it has at least begun.

## The rise of the responsible consumer will save us

And it all began in the small room of an 18-year-old boy, who today is almost thirty, educating himself and using technology to keep himself informed. He will share everything, including things that the media either failed to pick up on or chooses not to publish. In just under a month from sharing information, this boy will no longer be alone. He will influence 50% of the global population and enter the markets, his decisions worth 1.3bn dollars. He will seek out eco-friendly

We lose an average of 10 days every year of nature's ability to regenerate resources

products (45%), whether they are the end-product of an ethical supply chain (92%), or produced by companies that have corporate social responsibility programs (66%) and will accept a lower salary to be part of an "ethical" company (86%)<sup>3</sup>. Young people, responsible consumers, will be our saviours, but they alone will not suffice. Luckily, the market works on supply and demand. It's no coincidence that Larry Fink, co-founder of BlackRock, has been repeating the same mantra over and over again in recent months:



“Is your business sustainable, or is it simply taking a bite out of the very society it seeks to serve? This will be the question in the coming years.” The response from multinationals, investors and European entrepreneurs, has been largely unequivocal: measuring, describing and increasing the social impact of their companies and their investment programs. The surprise is not so much the rush for social responsibility, which has long moved on from planting a tree in front of cameras for a moment of greenwashing, so much as the sudden rise of social welfare up the corporate agenda. It would be too reductive to consider the simple opportunism, which also gets caught up in the consumer’s attention span, as a

**We must return to expanding our time, evaluating how we spend it, with who, what we do with it and where**

spark of this social awakening, and it has become necessary to understand the other causes that have produced this change. One possible, and even probable, reaction has been the steep price that we find ourselves paying today, not so much for our inability to plan for a sustainable world as for our inability to have foreseen the damaging consequences of the model of economic development to which we have become accustomed over the last fifty years.

This is creating a new “impact economy”, led by those same millennials who are driving the change in demand. The reform at the heart of this new economy is focusing the gaze of the financial and business sectors towards environmental and social concerns, even at the expense of increased profits. This change is occurring at the same time as the relentless rollback of welfare state policies. There is an absence of this “public component” that on the one hand drives financial institutions and business to constant innovation, diversifying their product range and identifying cost-effective solutions, while on the other hand increasingly pushing the private sector into becoming a central cog in the development of collective welfare, starting from their own employees and their immediate geographical surroundings. The Italian landscape of the 16th century was one of independent city-states. Today, the political challenge is to agree to what extent we can accept a social system that sees the private sector as its primary protagonists, without relegating the ethical implications.

#### The new sustainable approach

This, then, could not be further removed from militant environmentalism or a neo-pauperism. Rather, it is about being able to restart and redefine a balanced approach that retains the sustainability of our human condition. Bringing us closer to new philosophies that do not merely return us to the past, but rather enable us to meet our







The mission of IIT – the development of science and technology for human needs – carries social and environmental values with it, and sustainability first and foremost. It has been at the forefront of numerous projects and initiatives surrounding energy, new materials and the sustainable use of natural resources, as part of the circular economy approach.

During 2019 IIT, headed by Gabriele Galateri di Genola, launched its “Going Green” campaign, with the goal of reducing single-use plastics and improving recycling figures among staff and researchers. IIT supported the Ministry of the Environment’s “Plastic Free” campaign, which encouraged public offices to lead by example, banning single-use plastics. So far, an estimated 2000 aluminium flasks have been distributed, cutting 15,000 plastic bottles in the first semester of 2019.

The IIT has been a member of the Alleanza Italiana per lo Sviluppo Sostenibile (ASviS) (Italian Alliance for Sustainable Development) since 2017. The organisation was founded in 2016 with the goal of raising awareness within Italian society, business and institutions of the importance of the 2030 Agenda Sustainable Development Goals.

IIT is an active participant in a circular economy pilot project attempting to create bioplastic from vegetal waste from Genoa’s fruit and vegetable market. The IIT’s Centre for Sustainable Future Technologies in Turin, which has its laboratories in the city’s science and technology-based Environment Park, is committed to applied research and technology transfer in sectors producing and using sustainable energy sources and primary materials and in innovative processes of capturing and reusing CO2. One of the ongoing EU-funded projects, Recode, is seeking to convert the carbon dioxide produced in cement factories into a resource for the production of additives that improve the quality of the cement itself.

## The Italian Institute of Technology: an example of sustainability

<sup>4</sup> Milano e le sue rotte obbligate, Fiorenzo Galli, Guerini e Associati 2016

obligation to protect and renew our surroundings.

Launching a powerful cultural revolution that pushes back against the idea that quality of life is intrinsically tied to assets that are simply “more”: more expensive, more exclusive, and more in number. To quote Professor Bellavista from the De Crescenzo book, *Così Parlò Bellavista*, “There is a need to expand our lives, rather than merely

### Laying the foundations for employee welfare as the lynchpin of the business of tomorrow

extending them”. Likewise, today we must return to expanding our time, evaluating how we spend it, with who, what we do with it and where. These questions open a social and economic debate about the “essential pathways”<sup>4</sup> on which our new business models are based.

These models are able to create long-term economic value, protect the environment and generate value for clients, while also investing in employees, laying the foundations for employee welfare as the lynchpin of the business of tomorrow. This means abandoning once and for all the outdated views that sustainability does not generate business and that corporate responsibility is no more than an optional extra. Today we understand that those who invest in sustainability and CSR improve their

business and also generate social value. In professional parlance: “an ESG approach” (Environmental, Social and Governance).

In 2005, then-Secretary General of the United Nations, Kofi Annan, asked the biggest investors in the world to set out the basic principles of responsible investment. In the 25 years since, close to 2,000 investors have voluntarily adopted those values. All of them committed to respecting the three corners of the triangle: evaluating the water footprint of their potential investment, whether they contribute to deforestation, how they dispose of waste, whether their business has a structural reliance on fossil fuels, any conflicts with local communities, health and safety issues in the workplace, whether executive bonuses are proportionate compared to the salaries of their employees, whether they have any offshore subsidiaries and whether the company has been implicated in any corruption scandals.

Effective ESG management means understanding that financial performance cannot be taken as the only relevant factor to be assessed, but rather that the focus needs to shift from the shareholder – the traditional heart of the corporate vision – to employees, local communities and stakeholders.

An economy that serves humanity as a whole, the same one that lies at the heart of the Sustainable Development Goals, the document adopted by the United Nations in 2015 that sets out 17 interconnected targets to be met by 2030. These are intended to resolve a wide range of socio-economic concerns, including famine, health, education, climate change, gender equality, water,



# OU Original Unverpackt



Milena Glimbovski is a Russian-German entrepreneur, author and zero-waste activist. She became known mainly through the founding of the Berlin grocery store Original Unverpackt (Original Unpacked), in which goods are sold without disposable packaging.

In November 2018, a jury of the Berlin Senate, the Investitionsbank Berlin and the Berlin IHK voted Glimbovski "Entrepreneur of the Year 2018".



sanitary services, energy, urbanisation, the environment, social equality and poverty.

This last one was given pride of place in the original version of the document, as meeting this goal was seen as the key to all the others. The data available today indicates that levels of extreme poverty have been more than halved, but despite this, one in five people in the 19 countries identified as developing countries still lives off less than 1.25 dollars a day. This adds up to

of increased dignity. Until a few decades ago, many Italians saw poverty as a problem afflicting someone else, outside the walls of their own city. Today, increasing poverty levels means that, for many, it's suddenly not so far from their own front door. The 4.6 million Italians living in poverty serve as a reminder of how this phenomenon is global and domestic all at once<sup>5</sup>. The global crisis we are living through in recent years goes far beyond the one overcome by our financial systems, and

## A possible solution: a union of millennials and responsible corporations

more than 400 million people, not including those who earn just above the 1.25 dollar threshold. This number has increased disproportionately over the last three years, as a result of what the FAO has defined as “protracted crises”: wars, land-grabs, droughts and floods. None of which takes away from the responsibility to continue to commit to reducing the number of people living in conditions of abject misery, implementing social protection systems, enabling easier access to financial resources, private property, basic services, natural resources, microfinance and, last but not least, new technologies. This entails supporting processes that are able to provide suitable means, developmental cooperation first and foremost, to restore hope to people who today may not even be aware of their right to a life

REUTERS / PAULO WHITAKER



<sup>5</sup> Istat, December 2018

### ↓ Under

Employees of Eldorado shopping mall harvest vegetables from an organic vegetable garden on the roof of the mall in Sao Paulo, Brazil. According to a spokesperson from the mall, the remains of 10,000 meals served each day from its food courts are used as garden compost to produce vegetables on its roof top, which are later harvested and distributed to the mall's employees.





Luca Mattiucci

Luca Mattiucci is a journalist specialising in economics, with a background in banking foundations. He founded and ran the multi-author blog, "Buone Notizie" ("Good News") for Corriere della Sera, as well as its section dedicated to volunteering, cooperation, sustainability and the third sector. He was among the creators of the TV feature "TG2 - Tutto il bello che c'è" ("All That's Good"). He was a member of the Pubblicità Progresso foundation, the Gruppo Media Areté founded by Abi, Confindustria and Agcom, the organising committee of "Giorno del Dono" ("Day of Donations") and the FOCSIV International Volunteering Award. He published "L'arte della sostenibilità" ("The Art of Sustainability") with Egea (AAVV 2017). He teaches social communication at the University of Rome Tor Vergata. He is considered one of the leading Italian experts on social information. Since 2017, he has been the editor-in-chief of Italo Treno's fortnightly magazine, NTV *Il Paese della Sera*, in collaboration with the Community of Sant'Egidio.

Olympus. Porus, who was particularly happy on that day, drank too much nectar, until he reached a state of what we would today recognise as inebriation. Exhausted by the festivities, he goes to relax in the garden of Zeus. Here he encounters Penia, the unfortunate goddess of poverty, who is often kept apart from the other gods as a result of her condition. Penia, who has always been in love with the son of Metis, seduces him that same evening. Eros, the god of love, is born of this union. Their love is a reminder to us not to treat poverty as an affliction whose sufferers should be ostracised, but rather to understand that mutual assistance and an understanding that we all live on the same planet and share a common destiny is what makes us human, that emotion that is so foreign to the gods, and yet to us is more important than any other.

REUTERS / ANUSHREE FADNAVIS



↑ Above  
Students shout slogans during a "Fridays for Future" march calling for urgent measures to combat climate change, in New Delhi, India, September 27, 2019.

**it cannot be defeated by setting us against each other; poor against rich, the wealthy west against disadvantaged countries, those who control the resources against those who have nothing beyond the clothes on their backs.**

**A casual glance through the classics presents a possible solution: a union of millennials and responsible corporations, together with those who are forced to live in poverty every day of their lives.**

**This is the story told by Plato in his Symposium. Porus is the Greek personification of resourcefulness, who many treated as expedient. According to legend, to celebrate the birthday of the goddess Aphrodite, the gods held a large feast on Mount**

# The 4 challenges to face. And overcome.

The cover illustration designed by Marta Signori for this issue of the Bollettino.



Marta Signori

Born in Bassano del Grappa in 1990, Marta Signori lives and works in Milan. Following a degree in Architecture, she went on to study Communication Design at IUAV University of Venice. She began her career as an illustrator as part of the

staff of the IL magazine of Il Sole 24 Ore. Since 2017 she has collaborated with Repubblica on various inserts. Her clients include Rolling Stone Italia, L'Officiel Italia, Icon Design, Monocle, D.it, Los Echos Weekend, and Airbnb.

Text  
by Alessandra Gambino

Illustrations  
by Marta Signori

**The simultaneous convergence of multiple global megatrends is bringing about structural changes and a reassessment of the drivers of profit in many sectors.**

**Generali is actively engaged in researching these shifts, and has initiated a series of discussions on the matter within its business units and with its primary global stakeholders. These discussions have identified several priorities for the insurance and finance sector.**

**In the following pages we have set out four overarching trends, through the medium of illustrations provided by Marta Signori: she interprets these challenges through her art, with each illustration providing a positive message of hope for the future.**





- ( 1 ) Natural catastrophes due to climate change, including flooding, droughts, storms, water stress, sea level rise, heat waves
- ( 2 ) Carbon tax, emission caps and public opinion pressure halting fossil fuel development and deforestation
- ( 3 ) Transition towards cleaner energy and green tech, decarbonisation of the economy

# Climate change

High concentrations of CO<sub>2</sub> in the atmosphere, rising temperatures and sea waters, dwindling natural resources and inequality in their global distribution are indicators of a trend that ultimately leads to an increase in extreme weather events and heightened risk to human life. This trend is not irreversible, however: reviving the delicate environmental balance is possible via a transition to a circular, sharing and decarbonised economy and reliance on cleaner energy sources, to achieve the ultimate goal of keeping global warming to below 1.5 °C.

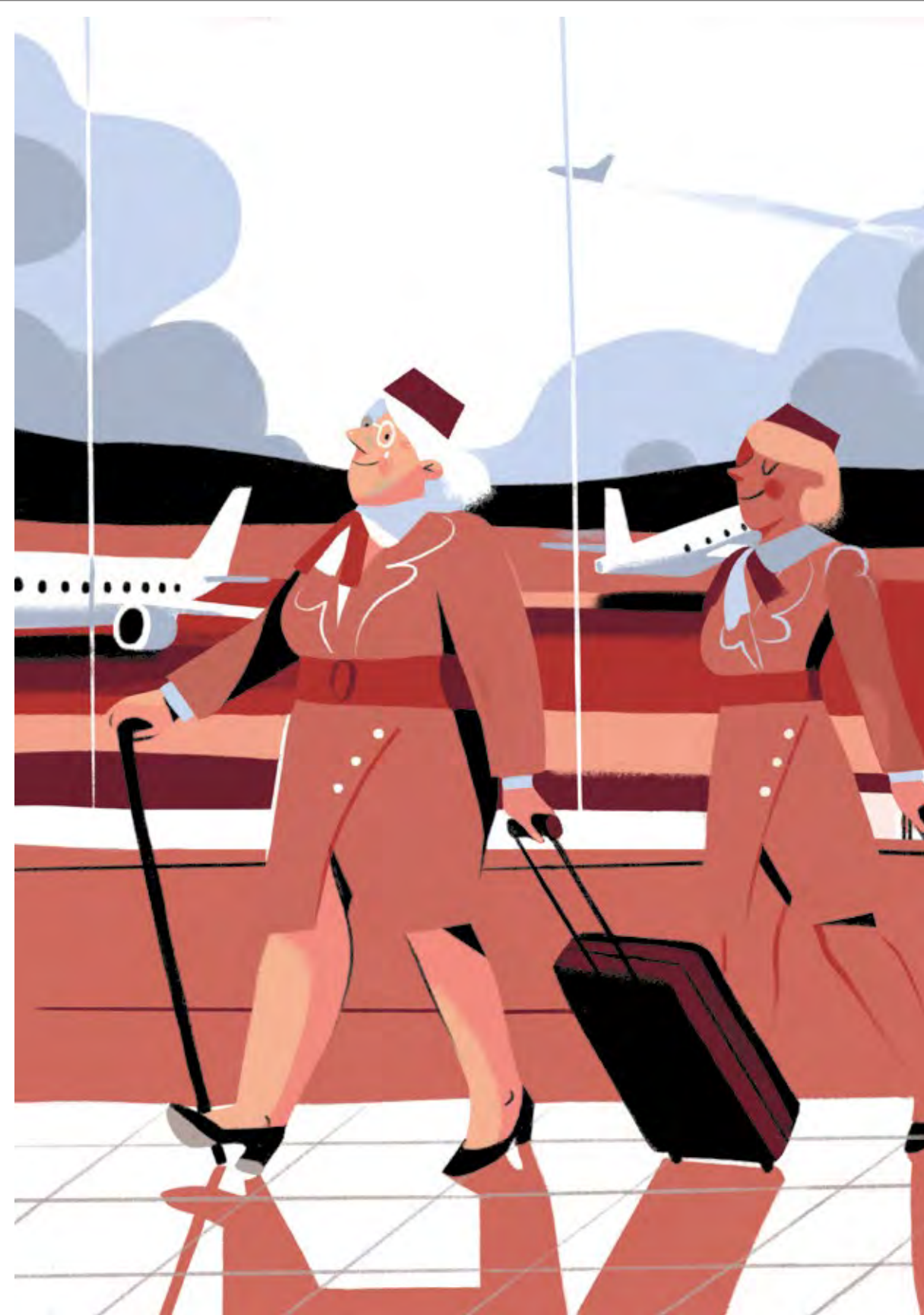




- ( 1 ) Increasing longevity and declining birth rate
- ( 2 ) Changes in state-funded pension system
- ( 3 ) Increasing elderly dependency on working population

# Ageing and evolving social security

Most of the largest global economies are currently undergoing a demographic revolution. The percentage of the population above 60 years old is expected to double between 2000 and 2050, rising to 22% of the global population. Ageing, coupled with an increase in longevity, a drop in the fertility rate and growth of the ratio between the elderly and the working population have a significant impact on the financial sustainability of welfare systems. The insurance industry has a role to play by providing assistance to people, augmenting these systems.





- ( 1 ) Big data, AI, IoT, Automation, Blockchain, Cybersecurity
- ( 2 ) On-demand online services, personalisation, access anywhere/anytime
- ( 3 ) New skills, new market players and impacts on traditional jobs

# Digital transformation and cybersecurity

Big data, artificial intelligence, the Internet of Things, Blockchain, cybersecurity: the rapid spread of technology is redefining corporate models in many sectors, with disruptive consequences. For a sense of the scale of this revolution, recent studies have hypothesised that the amount of data available globally, estimated today at more than 30 zettabytes, will increase at a head-spinning rate of more than 50% annually, with artificial intelligence alone generating an increase in global GDP of 16% by 2030. This revolution is breeding new, highly personalised on-demand services, accessible anywhere and at any time. This is giving rise to a whole new generation of companies and consumers.







- ( 1 ) Crisis of multilateralism and international agreements, protectionism, populism and crisis of liberal democracies
- ( 2 ) Prolonged low interest-rate scenario
- ( 3 ) Advance of a global governance and coalitions led by civil society and business leaders

# Geopolitical, macroeconomic and financial instability

According to a recent survey by McKinsey, approximately one in two corporate executives sees geopolitical instability and shifts in trade policies as the issues that will have the biggest impact on the global economy, and four out of five expect increased economic and financial volatility. The Institute for Economics and Peace, an independent organisation, confirms that peace levels have dropped worldwide in the ten years from 2008 to 2018, with the situation worsening in the last four years. There are an estimated 70 million refugees in the world, equivalent to 1% of the global population! The insurance industry undeniably has a vital role to play in minimising the impact of the increasing geopolitical risks. For people and companies whose work takes place across borders, it is the task of insurance to mitigate these uncertainties.





**For a sustainable  
world, act  
immediately  
and look ahead**





# The issue of sustainability is a strategic imperative for Generali, and one that is raised more than almost any other.



## The interview with CEO Philippe Donnet.

the Editorial Office

**(Q) Mr Donnet, what is sustainability?**

(A) Sustainability refers to the ability of a company to create long-term economic value, while at the same time taking care of the environment and creating a collective sense of wellbeing. It's a shared value that appeals to a wide group of stakeholders: not only shareholders and clients, but also employees, suppliers, local communities and society as a whole.

**(Q) Does this change the shareholders' position as the primary stakeholders?**

(A) No. Quite the opposite. Shareholders remain vital stakeholders. Without shareholders, there's no share capital, and without share capital there's no company. Ensuring a return on capital is still an essential objective of any company. I don't see it as being mutually exclusive. Acting sustainably over the long term is good for the company, and nobody is happier than shareholders when a company is doing well.

**(Q) And yet there are those who say that in order to be sustainable, it is necessary to sacrifice some profit for the general good.**

(A) It's a question of good intentions. A company's profits never end up going entirely to dividends; they're also diverted towards investments, acquisitions, capital optimisation etc...but the point I'm making is something else; that if we don't examine the interests of all the stakeholders who have some form of relationship with the company today, and we don't take them fully

into account, we risk doing financial damage to the businesses over time. Today, a business has to take a wider view: investing in properly managing the risks and opportunities of all our stakeholders must become part of our routine. Might this result in reduced profits? I prefer to look at it the other way, and say it will ensure more meaningful profits in the long term.

**(Q) What does that mean for Assicurazioni Generali? Everywhere you look, sustainability is a buzzword. The new EU Commission has placed it at the heart of its agenda, Business Roundtable USA has redefined its mission, placing all stakeholders in the centre, and so on and so forth. But what are the practical implications for AG?**

(A) My commitment – and my invitation to all our colleagues – is to think and act sustainably in everything we do: it's a question of mindset, and one that has to filter into every area of our business. When we hire someone, are there parameters for the choice of candidates that measure their awareness of issues surrounding sustainability? Are the bonuses tied to sustainability targets? When I create a new home insurance product, am I taking climate change and the consequences of flooding or hydrogeological hazards into account? Do our investment strategies take social and environmental factors into account? When I choose a supplier through a tender, have I included sustainability parameters through which to assess them? These are questions that I would like us to ask ourselves within the company, at every level. When we said, at the launch of

the Generali 2021 strategic plan, that sustainability is one of three enablers of the plan, this was exactly what we meant: achieving a significant transformation of the company in terms of sustainability.

**(Q) What is already happening in Generali from among the examples you've just given?**

(A) Among the targets in the plan, there are two very specific ones: increasing premium income from so-called green and social products to 7-9% by 2021. And there is also the commitment to allocate € 4.5bn in green and sustainable initiatives. These two elements – products and investments – are considered “core” to the group, and therefore it was right and proper to have specific objectives in these areas. This is how we get the message out there that, for us, sustainability isn't just some nice-to-have accessory to the business, but rather it is the business. The acquisition of a majority stake in Sycomore Asset Management, a leading French company in the field of Socially Responsible Investing (SRI/ESG), is also part of this trend. But we've also gone further, launching two important initiatives to meet the objective I mentioned earlier, and to think sustainably. The first is called EnterPrize. We want to reward the best small and medium enterprises in the field of sustainability from around the world: whether they're leading on climate change, health and safety, or welfare, we're going in search of those who have developed important initiatives, to give them global recognition. In Italy we already do this via the Welfare Index, and in France

with Generali Performance Globale. Now we want to scale it up to more countries, and we're planning to reach seven by 2021. Our hope is the prize incentivises positive behaviour among SMEs, which are one of the primary targets of Generali under this plan.

**(Q) And the other one?**

(A) The other initiative is called Responsible Consumer, and this one

**“Reduced profits?  
I believe it will  
ensure more  
meaningful profits  
in the long term”**

should also be finalised by 2021. We aim to provide a commercial solution with a strong appeal to those clients who take a deep interest in issues of sustainability, based on products for the home, the individual, healthcare etc... We're seeing a rise in global attention on this topic: citizens are increasingly holding governments and corporations to account for their actions surrounding the long-term wellbeing of the planet and its inhabitants. If we can have a product portfolio that provides a suitable response to this trend, it will give us a headstart with a huge group of potential clients, one that is destined to continue to grow.

**(Q) But sometimes integrating matters of sustainability throughout an entire business requires a governance model...**



(A) It's absolutely vital to adopt a system of governance and accountability to ensure the sustainability standards are upheld. We have created a Committee of Governance and Sustainability both at Board of Directors and at top management level; we also have policies and guidelines to support us, such as the 2014 “Group Policy for the Environment and Climate” that guides us on matters of energy consumption and reduction of greenhouse gasses.

**(Q) The movement that has built up around Greta Thunberg is taking on significant global dimensions...**

(A) Global warming is a fact, the only debate surrounds our impact as human beings on the causes of it. I would argue that there are measures we can take regardless of anything, without running the risk of one day discovering that those

↑ Above

Marco Sesana, Country Manager & CEO of Generali Italia and Global Business Lines in a speech at the 2018 edition of the SME Welfare Index, organised by Generali at the Salone Delle Fontane at Rome on April 10.



## ↓ Under

An environmental activist holds a board showing images of Swedish climate activist Greta Thunberg, left, South Korean President Moon Jae-in and U.S. President Donald Trump, bottom right, as she marches toward the presidential Blue House during a rally demanding the escape from the climate crisis in Seoul, South Korea, Friday, Sept. 27, 2019.

## ↘ Next

Pranom Chartyothin, bus conductor born in 1944, poses for a portrait while selling and collecting bus tickets in downtown Bangkok, Thailand.

who said that climate change is not a man-made phenomenon were wrong. We have taken a rational approach to guiding our behaviour as Generali.

(Q) **Which is?**

(A) Regarding coal, the Group is in the process of divesting € 2bn of coal-linked activities currently in its portfolios. On the insurance front, in addition to committing to not raising our already minimal exposure to the industry, Generali has taken a decision not to insure any new coal-based power plant or mining facility, even those belonging to existing clients. We're committed to pulling out of the coal mines in Poland. In those countries that are heavily dependent on coal and

in which the Group has a presence, either as an investor or as an insurer, we have undertaken steps alongside our counterparties linked to the coal industry. These steps apply the principles of a "just transition".

(Q) **You recently launched your first green bond...**

(A) That's right, and we're the first insurance group in Europe to do so. We defined a Green Bond Framework, which sets out in clear terms the sectors and investment processes of the assets involved. Six specific asset categories have been defined, including green buildings, clean transportation, sustainable water management and recycling,

evaluate and monitor investments that are exposed to increased risk, not only on environmental issues, but also social and corporate governance ones. We gathered these criteria in the Responsible Investment Guideline. The analysis we do when we have to invest is intended to evaluate not only the performance, but also the sustainability policies of the company in question, to exclude those that don't align with our principles. For example, we consider financial instruments from weapon manufacturers to be at risk, and the same applies for companies that might be involved in human rights violations, environmental harm or corruption scandals.

(Q) **Other than climate change, are there any other global challenges facing Generali that you have identified?**

(A) Some time ago, like many companies both large and small, we adopted a so-called materiality matrix. What does that mean? It means that we asked our external stakeholders (clients, communities, associations, institutions etc...) and our management what they consider to be the big issues that will impact on Generali's business over the next decade. We identified the megatrends and decided to focus on three priorities: climate change, the digital transformation and the ageing population, as well as obviously the ongoing geopolitical, macroeconomic and financial instability.

(Q) **What does that mean?**

(A) As things stand, there's no gold standard for sustainability. It's not like accounting, for example, where we have the IFRS. Each company must

**“My commitment – and my invitation to all our colleagues – is to think and act sustainably in everything we do”**

and a selection and oversight process assigned to an interfunctional committee of the company – the Generali Green Bond Committee.

(Q) **On the subject of investments, Generali manages more than 500bn in assets. Aside from the new green direction, and risk analysis and financial performance, are there additional drivers?**

(A) We have set out criteria, instruments and measures to identify,

AP PHOTO / AHN YOUNG-JOON





therefore evaluate those areas and measures that best fit it in terms of contributing to long-term sustainable growth. That is the foundation of the matrix approach, which allows us to work on something that is of material impact for us. Ageing population, for example, is highly relevant to an insurance company, while it might be less so for a company in the energy sector. Each company acts on those challenges that fully intersect with its own business.

**(Q) What kind of concrete steps can be taken on a subject such as ageing population?**

**(A)** We do it through a lens of risk and opportunity. Over the coming years, our society will have increasing numbers of elderly people, with realistic expectations of leading healthy, active and independent lives, far more so than a few generations ago, but we will also have fewer working-age adults there to support them, in the face of changes in public services compared to those we have had until now. It will be of vital importance to assess the needs related to this and participate in creating new models of welfare. That will influence everything we do: the products we create, how we communicate with our agents and our clients, how we structure our company etc... Ultimately it's about finding ways to support all those who have a relationship with the company.

**(Q) What is Generali's commitment to the community?**

**(A)** Here we're looking at one of the most innovative projects in recent years, The Human Safety Net. This is a global initiative, part of the

Group's DNA, that takes a pragmatic approach to resolving some of the challenges facing the communities in which we live, especially those in

**"Ageing population, for example, is highly relevant to an insurance company"**

the most vulnerable circumstances, such as refugees and families with children.

**(Q) What does that mean in practice?**

**(A)** The programs are designed to have a lasting impact on the lives of their participants, enabling them to unlock their potential. By mobilising the manpower and resources of Generali, we are launching a movement of people dedicated to helping other people around the world. Its center will be Venice, where Generali is refurbishing the Procuratie Vecchie in Piazza San Marco, a building of inestimable historical and artistic value, and a symbol of the mercantile and cosmopolitan heritage of our company. In 2021, the Procuratie Vecchie will be opened to the public for the first time in 500 years, and they will house the global headquarters of The Human Safety Net.







# Virtue or hypocrisy?

Rolled steel at Hyundai Steel Co leads the Steel industry in SAM Corporate Sustainability Assessment based on its Total Sustainability Score in 2019.



# The energy transition promised by national governments is taking too long. By learning to identify those companies taking meaningful action, the private sector can provide the necessary stimulus.

by Alberto Clò  
– Managing Editor, Energia Magazine

There is no term more frequently used and abused today than sustainability (1,570 million results in Google) and sustainable (766 million). Nowadays, they are slapped on to the marketing pitch of every product, marking it out as eco-friendly. Robert Engelman, of the Worldwatch Institute, recently declared that “we live today in an age of sustainababble”. The definition of sustainability is admittedly unclear. Proposed around four decades ago, it first gained widespread attention following the Brundtland Commission’s 1987 report for the United Nations, entitled “Our Common Future”.

The definition provided in the report can be summarised as “development that meets the needs of

the present without compromising the ability of future generations to meet their own needs”. This definition was later frequently altered and contorted, ultimately becoming so vague that the winner of the 1987 Nobel Prize for Economics, Robert Merton Solow, ironically wrote of it: “the less you know about it, the better you like it”.

The concept was sound, he argued, if it was taken to refer to intergenerational equity. If, on the other hand, it was referring to an obligation to leave the world in exactly the same state in which we found it, that was unreasonable, bearing in mind the vast array of objects, natural resources, fauna and flora, and so on and so forth. “Our sustainability commitment,” concluded Solow, “is not to leave specific assets to future



REUTERS / STEFANO RELLANDINI

generations – with a few rare exceptions – but to provide them with everything they need to achieve a standard of living that is at least equivalent to our own, while still being able to provide for future generations.”

This is unquestionably the right approach for the global promise to protect the planet from climate change. To tackle the threats, 196 states, almost the entire world, soberly endorsed the Paris Agreement on 21 December 2015. The stated objective of this was “limiting global temperature increase to well below 2 degrees Celsius, while pursuing efforts to limit the increase to 1.5 degrees.”

This agreement represented a global understanding of the vital importance of modifying the existing models of

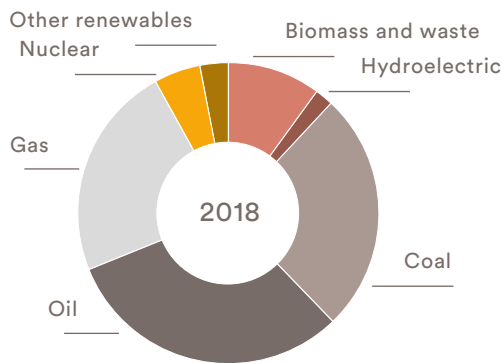
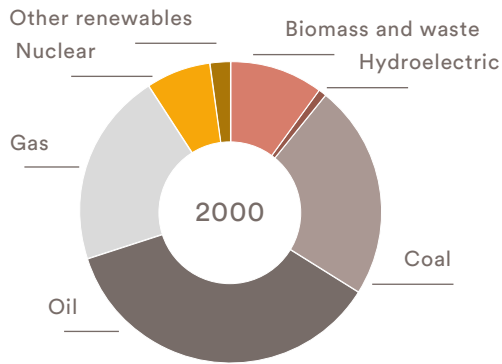
## ↑ Above

Moncler has been declared the industry leader in the “Textiles, Apparel & Luxury Goods” sector by the Dow Jones World and Europe Sustainability Index. Reasons for this award include the use of renewable energy, the commitment to becoming carbon neutral by 2021 for its global direct emissions, care for the wellbeing of employees in the workplace and its corporate welfare policies.



Global demand for primary energy 2000 – 2018

|                   | 2000 | 2018 |
|-------------------|------|------|
| Coal              | 23%  | 26%  |
| Oil               | 36%  | 31%  |
| Gas               | 21%  | 23%  |
| Nuclear           | 7%   | 5%   |
| Hydroelectric     | 2%   | 3%   |
| Biomass and waste | 10%  | 10%  |
| Other renewables  | 1%   | 2%   |



production and consumption that impact on the warming of the planet. For the first time, all the member states – including their constituent local communities, social organisations, universities and industries – agreed to work to reduce emissions of greenhouse gases, despite the non-binding nature of the agreement. The accord restored faith in the ability of United Nations multilateral diplomacy to identify and achieve collective solutions to issues of global concern.

Unfortunately, things have not turned out as expected. The situation has since worsened and the anticipated trajectory has not been achieved. Global consumption of energy is increasing once more after briefly flat-lining. Economies took a temporary pause for breath, and they've now returned to increasing their consumption (2018: +2.3%, source: Paris Agency) through the continued dominance of fossil fuels (2000: 80%, 2018: 80%), the persistently low scale of new renewable resources (2018: 2%) and an increase in carbon dioxide emissions (2018: +1.7%), the primary driver of climate change. In short: the “energy transition” to post-fossil fuels is not going well, proceeding far slower than expected and anticipated by the United Nations.

Despite relying on goodwill alone, Paris could – and should – have been a political foundation stone for concerted action by state entities. In practice, their actions over the past four years have been nowhere near what was necessary and what they had promised. In retrospect, Paris was not the universally-acclaimed turning point, but rather yet more empty

words: collective promises destined to be ignored, as Nobel winner Jean Tirole put it in 2018. Many meetings with few outcomes: manifestations of the organisational hypocrisy that typifies so much of international relations.

There are many explanations for the gulf between the steps promised and those implemented. Firstly: Time. It takes a long time to move energy/ industrial/economic systems towards full decarbonisation, overturning the current split between fossil fuels and renewable energy sources (80% vs 2%). It took a century for coal to overcome wood, and similar for oil to dethrone coal. For (irregular) renewable energy sources to replace carbon, methane and oil in every area of our lives with a

**Paris was not the universally-acclaimed turning point, but rather yet more empty words**

snap of the fingers is impossible – whatever people may say. Secondly: The need to commit financial resources on a scale of tens and tens of billions of dollars, all of which must be siphoned away from other commitments. Thirdly, and perhaps the most difficult of all: the necessary drastic changes to our daily routine and our lifestyle.

The business sector could provide one substantial source of support, although there are substantive differences in the strategic approaches of different companies. Alongside one

subset that is genuinely committed to researching innovative solutions and changing production methods to reduce carbon footprints, there are others behind whose grandiose statements lies only rank hypocrisy. The former category have various motives for their actions: improving their reputation in the eyes of the public, politicians, investors and markets; pressure exerted by shareholders or environmental organisations; potential competitive advantages in the race to adopt new technologies or best practice in the battle to lower greenhouse gas emissions. The Dow Jones Sustainability Index conducts an annual census of the performance of 2,500 listed companies, picking out positive measures in the field of environmental sustainability. There are more than a few Italian companies and service providers on the list, including Generali, Banca Intesa, Saipem and Pirelli.

All of the positive measures reported are contrasted by distinctly less favourable ones. The neologism greenwashing, coined to describe this second group of measures, is described by Wikipedia as “a form of spin in which green PR or green marketing is deceptively used to promote the perception an organisation’s products, aims or policies are environmentally friendly.”

Put simply: faking environmentally friendly credentials to obscure negative intentions or interests. There are countless examples of this in action, although pointing the finger of blame could appear unforgiving. It would also be unfair to put these actions down purely to cynicism and

Source: Author’s elaboration of IEA data (2018), Global Energy & CO2 Status Report

hypocrisy. There are many legitimate explanations for the challenges faced by many companies. For example, the tangible possibility of having to abandon their traditional core business at short notice, as well as the contractual obligations that come with it and existing investments that would be at risk of being written down (“stranded assets”).

If the 2°C scenario deemed necessary to reduce the climate risks outlined by the IPCC, the scientific body of the United Nations, were to come to pass, the energy industry would find itself with a whole lot of stranded assets: 82% of carbon reserves, 49% of methane and 33% of oil, all of which has an estimated value (at current market prices) of 11 trillion dollars. The same is true for the automotive industry, constrained as it is by the rhetoric of electric vehicles being just around the corner, and having to manage a drastic downturn in sales by accelerating the conversion to electric vehicles as quickly as possible, a process that will inevitably take decades.

Another explanation is the struggle many businesses face in financing the necessary investments into new, low-carbon technologies without public policy incentives. There is no question that international finance has provided increased contributions through new methods of raising capital, but market risks have nonetheless held back that contribution, when compared to other sectors such as telecoms or information technology. Following a study of 15 cases of clean energy technology development, the Indian economist Srinivasan Sunderasan reached the conclusion that the closer the moment

of the final investment decision, the more investors changed their behaviour, going from “a genuine business opportunity, especially when attracted by favourable conditions, to a secondary part of other businesses with the sole purpose of greenwashing”.

While some have plausible explanations, there are also those whose intentions are unequivocally less positive, and there are perhaps no more glaring examples of environmental hypocrisy than what the New York Times defined “The Norwegian Paradox”: Norway was the first state to ratify the Paris Agreement, as a means of demonstrating its environmental credentials (it also set a target of being

## The energy industry would see 82% of carbon reserves stranded

fully carbon-neutral by 2025). A few short days later, it opened the waters of the Arctic Sea – one of the ecosystems most affected by climate change and most vulnerable to it – to exploratory oil drilling. As a consequence, the state was sued by Greenpeace and other environmental groups for violations of the Paris Agreement and the Norwegian constitution.

Likewise, the Norwegian Central Bank-owned Norwegian Government Pension Fund, the largest sovereign wealth fund in the world, with close to 900 billion dollars in holdings,

instituted a blacklist of businesses that failed to meet strict standards of “environmental responsibility”. This despite its own coffers being regularly replenished by methane and oil money from Statoil (now Equinor, to remove any reference to oil), which is also state-run. Or the decision of the Rockefeller Brothers Fund and the related Rockefeller Family Fund to divest from high-carbon companies, including the heir to Standard Oil (today ExxonMobil) founded by David Rockefeller.

This hypocrisy is no different to that of the University of Cambridge, where the academic senate deliberated – for reputational reasons – to divest the part of its vast endowments

↓ Under

Volkswagen released an ad campaign to debunk the fact that diesel was bad and that it used a technology where it emitted fewer pollutants. Later, the truth was revealed that Volkswagen rigged 11 million of its diesel cars with “defeat devices,” or technology designed to cheat emissions tests and that the vehicles emitted pollutants at levels up to 40 times the U.S. limit. The federal agencies forced the company to pay \$14.7 billion to settle the allegations of cheating emissions tests and deceptive advertising. An example of greenwashing.

REUTERS / LUCY NICHOLSON





## ↓ Under

For the fifteenth consecutive year, the Air France-KLM Group has been reaffirmed as the world leader in air travel by the Dow Jones Sustainability Index 2019.

KLM launched the “Fly Responsibly” initiative, a program that offsets the CO2 emissions of every passenger on board, and has committed to purchasing 75,000 tonnes of sustainable jet fuel (biocarbon). KLM also collaborated with the Delft University of Technology on developing an aircraft with the V-shaped aerodynamic structure, with the cabin, hold and fuel tanks all perfectly integrated into the wings.

(totalling over 6 billion pounds) that originated in the fossil fuel industry. This invoked the ire of the university administration, which reminded them of the significant sums invested by BP in the University of Cambridge BP Institute that bears its name, in addition to investments by ExxonMobil and Shell.

These examples of greenwashing are deplorable but overall do not directly harm the environment. There are others that are much further beyond reproach. Multinationals that attempt to paint themselves green despite accusations of collusion in the illegal destruction of the Sumatran rainforests, a truly unique global ecosystem that is home to elephants, tigers and orangutans. Vast expanses of natural vegetation destroyed to plant oil palms to supply the famous brands that adorn our dinner tables.

The rise in public concern around environmental issues is becoming increasingly hard to ignore, and yet the responses of the political, industrial and scientific communities are very

often inadequate. Despite all of this, yielding to the sense of impending catastrophe would be a mistake, because we should not forget that significant

**The New York Times defined “The Norwegian Paradox” as the most glaring example of environmental hypocrisy**

victories have been won along the way: hundreds of millions of people lifted from energy poverty; the almost complete elimination of the hole in the ozone layer and of acid rain; the sharp fall in pollutants emitted from thermic vehicles. Technological innovation, growth and economic freedom were at the heart of these victories. If it happened once, there is no reason why it should not happen again.



Alberto Clò

Born in Bologna in 1947, Alberto Clò is married with two children. He has a degree in political sciences from the University of Bologna, and later studied at the Enrico Mattei School. He has held positions as a professor of Applied Economics at the universities of Trento, Modena and Bologna, served as Minister of Industry and Foreign Trade from 1995 to 1996, and as president of the Council of Industry and Energy Ministers of the European Union in the first half of 1996. For his service, he was awarded the honorary title of Cavaliere di Gran Croce (Knight of the Great Cross) by the President of the Republic. In 1980, he founded the magazine *Energia*, of which he is still the managing editor. He has worked with various national and international magazines and research institutes, and has also published numerous books and articles on the economics of energy, most recently the book “Energy and Climate: The Other Side of the Coin” (Il Mulino 2017).



# A shared passion





# “The Scent of a Dream” is a photographic journey into coffee-growing countries.

Text  
by Andrea Illy

Photography  
by Sebastião Salgado



If you had come to me when I was a young boy studying chemistry and told me that within the space of a few short years, I would be collaborating with Sebastião Salgado, one of the most famous photographers in the world, I would not have believed you. I am a dreamer, and I believe that behind every milestone reached lies an ambitious vision. Nonetheless, if someone had told me ahead of time that in 2001 I would become the promoter of this exciting adventure in search of images from the coffee paradises of the world, I would have shaken my head, as I did when first faced with my grandfather's highly ambitious dream of making the perfect coffee. As with that dream, which today has become my own and is coming ever closer to fruition, so when I first met Sebastião Salgado, I instantly fell in love with his photographs and his story. His project became our project, and our project became his. We dedicated ourselves to this project wholeheartedly, because at its core lay a shared vision: an ideal of bounty, beauty and fairness. In practical terms, this meant respect for the environment and for people. Sebastião was familiar with the world of coffee-growers: his life intersected with it from a very young age, until the

moment he decided to fully dedicate himself to the world of photography.

This brave decision, taken in 1973, came upon his return from a particularly troubling trip to Africa, one that convinced him to turn his passion for photography into a profession, to

At its core lies a  
shared vision: an  
ideal of bounty,  
beauty and fairness

document the most unsettling aspects of contemporary life. Following this, as is now well known, he became the most popular photographer in the world – bearing witness to injustice and desperation, environmental exploitation and suffering of entire populations. He depicted gold miners in Brazil, the Sahel region, migration flows, the genocide in Rwanda and ethnic cleansing in Bosnia. But he also highlighted the wonders of the world before humanity's destructive interventions: the tropical rainforests of the Amazon, Congo, Indonesia and New Guinea, the Antarctic glaciers.

In addition to the extraordinary visual impact of his images, what always struck me about Salgado was the courageous and inspired decision to tell stories through the language of beauty. This decision is also our shared one, and it represents the key to our incredibly durable collaboration, one that began almost by chance.

Some years ago, Sebastião founded the Instituto Terra in Brazil, in his father's *fazenda* (plantation), launching a huge project of reforestation with the devoted support of illycaffè as a partner. This challenging goal was immediately revealed to be full of pitfalls: the land, once covered by a lush forest, had been reduced to faded yellow scrub, and no sooner had the first plants begun to grow when a ravenous army of ants swarmed

over them, frustrating any progress. Relaunching the reforestation program in these conditions took five years of effort. After this false start, Sebastião invited me to come back to observe the area again, and I was amazed by what I saw. In place of the sun-dried hills that had been further eroded by the few grazing cows, now there stood a forest of green as far as the eye could see, with two million trees and plants, small lakes, streams and even jaguars. Our collaboration began in the wake of those first few journeys to the plantations, and the many more that followed – with Sebastião almost always accompanied by my sister Anna, who has a deep familiarity with these areas. This collaboration culminated in the wonderful exhibition at the 2015 Milan Expo.



SALGADO / AMAZONAS IMAGES / CONTRASTO

Our collaboration has held firm over the course of the years, much like our dream of creating a more sustainable planet in both economic and environmental terms, led by three core values that have increasingly come to guide our path: shared value, growth, and environmental sustainability. For us, this means a commitment to creating economic value for all those who participate in the global coffee chain, from producers to agronomists, roasters to consumers, one link after another. Our emphasis on the environment includes tackling waste by relying on renewable resources wherever possible.

Ours is a new way of growing and selling coffee, based on forging stronger ties with the growers on the plantations – this is the objective that we set

ourselves thirty years ago, and it is also the purpose of the photography project we developed together with Salgado. Because the places where coffee grows may look like “paradise”, with man and nature interacting in perfect harmony, but the legacy of their colonialist past means they can often also be places of exploitation and poverty at the very limits of subsistence. This is an unacceptable contradiction.

In this regard, 2015 served as a watershed year, with Salgado's exhibition opening to the public for the first time, the conclusion of the UN Millennium Goals and the introduction of the Sustainable Development Goals, as well as the Paris Climate Conference. International discussions were opened, with coffee production at the heart of an

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international strategy for the fight against poverty.

Coffee is also often considered the official beverage of culture: ever since the Enlightenment, every artist and every work of art has been closely linked with it: Salgado's exceptional work is a new tribute to these ties, expressed through art and beauty.

The culture of coffee creates wellbeing in the countries of consumption, bringing joy to twenty percent of the global population. The same cannot always be said for the countries of production. I often found myself wondering what conditions were like in the plantations in Brazil, India, Ethiopia, Guatemala and many other places. Visiting a plantation is an experience of powerful contrasts: these



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are extraordinary, inspiring places on the one hand, but on the other, there is an acute sense of inequality, as they are almost always located in developing regions and countries, some of which struggle with significant levels of poverty. My conviction, and the hope that I share with Salgado, is that coffee will bring new wealth and new opportunities for socio-economic development in these places, relying on sustainable development.

The time has come for us all to do our part to introduce a new awareness of the global importance of the coffee trade. This is the only way to ensure a new dignity for workers throughout the sector, all the way to the lowliest harvester.

In 2002, the coffee market went through a crisis following a crash in market prices, in what was a dark patch

for the entire sector. For some multinationals, this was merely a momentary financial blip, but for workers in some countries, it meant getting very close to the subsistence level, if not reaching actual levels of famine. Some producers and workers even abandoned coffee cultivation during this period. For us, this was a moment to reflect on the role of business in society.

It very quickly became clear to us that reducing poverty and improving the quality of life of producers was – and still is today – an unquestionable ethical imperative. First and foremost, it meant restoring a sense of pride in their work to entire communities, with the respect and appreciation they deserve. This was the spirit that drove our ambitious



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Restoring a sense of pride in their work to entire communities, with the respect and appreciation they deserve

project with Salgado, in which we asked for permission to take photographs of the workers in the plantations in each of the countries that contribute to the illy blend. Credit for the idea of reaching out to him belongs to Sergio Silvestris, a creative genius who I greatly admired and who passed away before his time. He participated in the early phases of the

project, with a passion for elegance and an eye for beauty. These provided everyone, but especially me, with many vital opportunities for personal growth and development.

Years later, Salgado launched and oversaw the Genesis project: eight years and thirty-two trips around the world to report on the health of the planet. An unbelievable human and personal commitment that contributed in a meaningful way to focusing the spotlight on the consequences of man-made environmental issues. His works make Sebastião an unrivalled innovator: he realised that the language of beauty is the most valuable means of communication to bring people closer to an understanding of the significant human and natural challenges we face,





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and he made the most of it by exploiting his powers of expression to the fullest. In order to raise awareness of the environment, he chose to take pictures of as-yet uncontaminated places of sheer wonder, in the same way as we chose to tell the story in this issue, of the incredible power of coffee and the hopes and contradictions behind it, showcasing the workers who are an integral part of the industry and the paradise landscapes in which it is cultivated.

Salgado's photographs are first and foremost a depiction of the environment, but they also tell a story of the people; their gestures, their expressions, and their dignity. And the dignity of the work they do. They are photographed while growing, harvesting (either by choosing the ripest cherries one by one through a

Salgado's photographs are first and foremost a depiction of the environment, but they also tell a story of the people

technique known as selective picking, or by removing all the cherries from branches full of fruit and letting them fall into baskets on the ground, known as strip picking) and drying the cherries. Salgado's lens, illuminating their faces and bodies, gives their labour a sense of importance, value and beauty. It helps us

to appreciate that the true protagonists in the coffee production process are the people behind it: this approach and these photographs represent the conviction that for the end product to leave a good taste in the consumer's mouth, it must also do the same for those producing it. Salgado's snapshots demonstrate to us that coffee is a treasure, a conviction that I share. This, however, can only be true when the coffee is cultivated in accordance with the principle laid out in the Brundtland Report, namely that it "meets the needs of the present without compromising the ability of future generations to meet their own needs". In other words, that it is sustainable. And how do we do this?

I am a firm believer in the value of meritocracy, and we have outlined

tangible support, a signal of our intentions. To give an initial push to sustainable growth, we created a prize: the Ernesto Illy Award has been awarded to the most deserving coffee growers since 1991. Over two thousand producers have taken part, with overall prize money in excess of two million dollars. Whole regions of Brazil, such as the areas around Pirajú (in the State of São Paulo), the hinterland of Cerrado, and the mountainous regions in the State of Minas Gerais, have improved the quality of their produce and, as a result, also their earnings.

In 2016, 25 years after the creation of the Brazil Award, we extended the recognition for the best quality sustainable coffee to the other countries from which we purchase, with the



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Sebastião asked why nobody was singing. Soon after, he began to sing himself

launch of the Ernesto Illy International Coffee Award, which today is in its 4th edition and has become known as the “Coffee Oscars”. Every year, at the United Nations building in New York, it celebrates the three best cultivators from the nine countries that contribute to the creation of the illy blend and anoints the creator of the best sustainable coffee.

Coffee can have an immeasurably large impact on people’s lives. And it starts from the small things. During his trip to Ethiopia for our project, Salgado visited many small villages where the huts were surrounded by small parcels of agricultural land where coffee plants are grown. These also have a significant symbolic meaning attached: a coffee tree is planted with every birth, and the child must then look after “their” tree for their whole lives. During this trip, Sebastião visited a church and a school. Outside them stood a crowd of children, while inside, more children and adults were crammed in like sardines. There was not enough space for everyone, and so the idea was born to build a school to enable everyone to study.

There is a sensitivity to Salgado that reminds me very much of our own family, and it has been visible ever since our 2003 trip to India. My sister, Anna, remembers how at the time, Sebastião’s camera of choice was a Leica, exactly like our father had. Just like him, he was

also bald, wore baseball caps and always carried a Swiss army knife with him. He was uncertain about going to India, and it was Anna who finally convinced him of the wonders of the coffee estates there. Anna told me how they would go to the plantations at first light to wait for the harvesters. Soon they would arrive, a stream of women dressed in brightly-coloured saris, and Salgado took photographs while they walked up from the access road. Silence reigned in the picking area, the only sound that of the mature coffee cherries falling into the baskets. Sebastião asked why nobody was singing: in Brazil everyone would sing during the harvest. Soon after, he began to sing himself. At first his voice was the only one, but soon an old man piped up and joined him, and soon the whole field was singing along. It was a remarkable scene, as if a single voice was rising up from the land, bringing all the workers together, even those from different countries, in a shared dream of harmony.

For the common good, including that of the businesspeople, it is vital to understand that global interactions are founded on complex structures that are an integral part of our lives, wherever we call home. We can neither stay out of these nor remain neutral in the face of them.

The history of coffee and its gradual improvement in quality must also be seen through this lens: it has gone from being a commodity to a specialty, and we look towards a future where I fervently hope that it reaches true excellence. When coffee reaches the right price and has a guaranteed source, no longer engaged in a race to the bottom and when we are able to guarantee not only its quality, but also its sustainability, it





After studying Economics, Salgado began his career as a professional photographer in Paris in 1973, working with the Sygma, Gamma and Magnum Photos agencies until 1994, when he founded Amazonas Images, an agency set up exclusively for his own work, together with Lélia Wanick Salgado.

He has travelled through over 100 countries to bring his photography projects to life. As well as appearing in various issues of international magazines, many of these have also been collected in books such as *Other Americas* (1986), *Sahel: l'homme en détresse* (1986), *Sahel: The End of the Road* (1988), *Workers: An Archaeology of the Industrial Age* (1993), *Terra* (1997), *Migrations and The Children* (2000) and *Africa* (2007). His works continue to be exhibited around the world. Sebastião Salgado has received many prestigious photography awards in appreciation of his craft. He is also a UNICEF Goodwill Ambassador and an honorary member of the American Academy of Arts and Sciences.

In 2004, Sebastião Salgado began the Genesis project, which went on display in exhibitions around the world. The concept behind the collection of images is designed to bring to mind a journey of discovery of the true role of the human being in nature. Lélia and Sebastião have worked together since the early nineties to rehabilitate part of Brazil's Atlantic Forest.

In 1998 they created the Instituto Terra, transforming this area into a natural reserve. Today, Sebastião Salgado lives in Paris.

## Sebastião Salgado



Andrea Illy

Andrea Illy is the chairman of illycaffè S.p.A., a family corporation founded in 1933. He served as CEO of the company for 22 years, until 2016. His roles outside the company include: President of ASIC (1999-2014); chairman and advisor of the Sustainability Committee of D.E. Master Blender 1753 (2012-2013); chairman of the Promotion and Market Development Committee of the International Coffee Organisation (2012-2015). He is also: Chairman of the Altagamma Foundation (since 2013); a member of the Board of Governors of Banca d'Italia (since 2013) and of the Consulting Committee for Internal Audits (since 2015); member of the Advisory Board of Assolombarda (since 2017). Andrea Illy regularly publishes written pieces and contributes as a speaker in various global forums. In 1995, he published *Espresso Coffee: The Chemistry of Quality* for Academic Press. He is also the author of *A Coffee Dream*, first published by Codice Edizioni in 2015. In 2018, together with the Piemme publishing house, he published *Italia Felix*, a conversation with the economic journalist Francesco Antonioli. As an entrepreneur, he is an unwavering supporter of companies as stakeholders and of their responsibility to create a better society. A "humanist scientist", as he likes to call himself, he is also a patron of culture and the arts, a landscape in which illycaffè has always been active. In 2018 he was awarded the Order of Merit for Labour by the President of the Italian Republic, conferring him with the title *Cavaliere del Lavoro*.

**will become an engine for growth in economies throughout the supply chain and in all the producing countries.**

**Luckily, this process of change and evolution has already begun, and today the international community, together with many stakeholders in the coffee sector – from industry to institutions, to the consumers themselves – is increasingly aware of these issues. And yet the road ahead is still a long one, with much to be done to emphasise the three virtues of coffee – enjoyment, health and sustainability.**

**This is why we chose Sebastião's art: he is able to conjure up the most evocative depictions of the exoticism of coffee, while also being able to describe the ethical value of the product to perfection through his powerful use of symbolism.**

**Sebastião's images are a constant reminder to be grateful for the world we have, and for the twenty-five million families in over sixty countries who produce the coffee we drink. The wise and careful eyes and hands of the growers are our allies in the extraordinary challenge to produce the best coffee in the world, with mutual respect and to everyone's satisfaction.**

**I was told how, in one of his first trips with us, as soon as he arrived in India, Salgado asked how to say "thank you" in Hindi, and he wrote the word "dhanyavad" on the back of his hand, so that he could thank every person whose picture he took. A gesture that was at once simple yet significant, one which is worth more than a thousand words about this man's heart.**

**I wish to thank him, and through this project of his, also to thank all those working in the coffee industry.**

REUTERS / SERGIO MORAES



# How design can repair our broken nature

Text  
by Simona Galateo

Photography  
by Delfino Sisto Legnani

**In one of the most complex moments in human history, with increasingly urgent and disastrous environmental issues, what role can design play as an experimental and restorative tool for a new, more evolved relationship between individual and nature? How can we repair these ancestral ties between mankind and our natural environment, that for centuries have been gradually stripped of their deeper significance in favour of a simplistic narrative of supremacy of man over his surroundings? Is there a more approachable middle ground to be found with a fate that can sometimes appear sealed?**

STUDIO FOLDER



These are the questions that the XXII Triennale of Milan, *Broken Nature: Design Takes on Human Survival*, curated by Paola Antonelli, Senior Curator at the Department of Architecture and Design and Director of the Research and Development Department at the MoMA in New York, sought to grapple with. The event, produced by Studio Folder and Matilde Cassani, began on the first of March and ran until the first of September of this year.

In a world where the anthropogenic and natural biomes can no longer be viably separated, *Broken Nature* has chosen to use the spaces of the Triennale to display an in-depth exploration of the ties that bind humans to the natural environment. As the curator puts it, “these ties have been significantly compromised, if not severed, over the years.” The principle of

“restorative design” around which this exhibition has been conceived is told through the stories of objects and concepts that reevaluate the relationship between human beings and their surroundings on every level, including natural and social ecosystems.

The definition of the term *design* was deliberately left open for this exhibition, allowing it to borrow from forms including architecture, industrial design, interfaces and visualisation. The displays in the exhibition are united in a celebration of the revolutionary power of imagination and creativity. *Broken Nature* takes inspiration from a diverse range of disciplines, including biology, science, astrophysics, geography, geopolitics, ornithology, oceanography, architecture, design, art, experiments, research and projects from around the world,



combining to create an anthology of abstract reflections and tangible proposals. This is divided into one part speculation and condemnation, and one part resolution and restoration, all woven together with an inclusive and wide-ranging vision of design, as perceived by Paola Antonelli.

The programme is made up of additional elements: the themed exhibition, with contributions from 23 international participants who were invited to participate via official state channels under the auspices of the Bureau International des Expositions; the installation entitled *The Great Animal Orchestra*, created by Bernie Krause and United Visual Artists and based on a Fondation Cartier contemporary art initiative; and a special exhibit entitled *La Nazione delle Piante*, curated by Stefano Mancuso. The themed exhibition produced four commissioned works as well as a further collection of over 100 projects from all over the world. The four commissioned pieces were entrusted to international designers Accurat, a New York based research and data visualisation studio, Formafantasma by Andrea Trimarchi and Simone Farresin, Neri Oxman and the MIT Media Lab's Mediated Matter group, and Sigil, a design collective based in Beirut and New York. The 100 projects put on display in Broken Nature include installations and new pieces, such as Paola Bay and Armando Bruno's *Reliquaries* and Aki Inomata's *Think Evolution #1: Kikuchi (Ammonite)*; research projects such as Estudio Teddy Cruz, Fonna Forman and the UCSD Cross-Border

Initiative's *The Political Equator*, Monsoon Assemblage's *Monsoon Transmogrification of Land, Air, and Sea*, Anthony Acciavatti's *Gange's Watermachine: Designing New India's Ancient River*, Studio Folder's *Italian Limes*, Forensic Oceanography and Forensic Architecture's *The Crime of Rescue – The Luventa Case*; regeneration and repurposing of nature such as Chiara Vigo's *Il Leone delle Donne*, Anna Citelli and Raoul Bretzel's *Capsula Mundi*, and Julia Lohman's *Oki Naganode*; and design and architecture pieces such as Martino Gamper's *100 Chairs in 100 Days* and Elemental's *Quinta Monroy Incremental Housing Project*.

The team of curators envisioned the exhibition as an open project that extended its research and reach beyond its physical location via a website that brings together not only the exhibited projects, but also a detailed bibliography of references, articles and images on the theme of Broken Nature, with the goal of providing materials with which to construct new futures and new directions of development with their own defined destination, but which could still be worked on.

<http://www.brokennature.org/>



↑ Above  
Entrance to the themed exhibition.



↑ Above

*Think Evolution #1: Kiku-ichi (Ammonite)* by Aki Inomata. A study of the transmission of human knowledge via evolution, portrayed through the reconstruction of an ammonite fossil – a shell that was part of the cephalopod family in natural history – using scanning and 3D printing technique and placed within an aquarium alongside a baby octopus, highlighting the links between it and its ancestral habitat.

↓ Under

First floor, *Oki Naganode* by Julia Lohman. This installation, first created for the artist's residence at London's Victoria & Albert Museum, uses Japanese algae that is treated to ensure it retains the flexibility of a fabric and can be used as a design material.

Second floor, *The Great Animal Orchestra* by Bernie Krause and United Visual Artists, based on a Fondation Cartier contemporary art initiative, with graphics by Studio Folder.









### ↖ Previous

*100 Chairs in 100 days* by Martino Gamper. This project involved building a chair a day for 100 days, assembling and recycling materials and chairs and other disused furniture to create original pieces that borrow from and combine various stylistic approaches and structural elements.

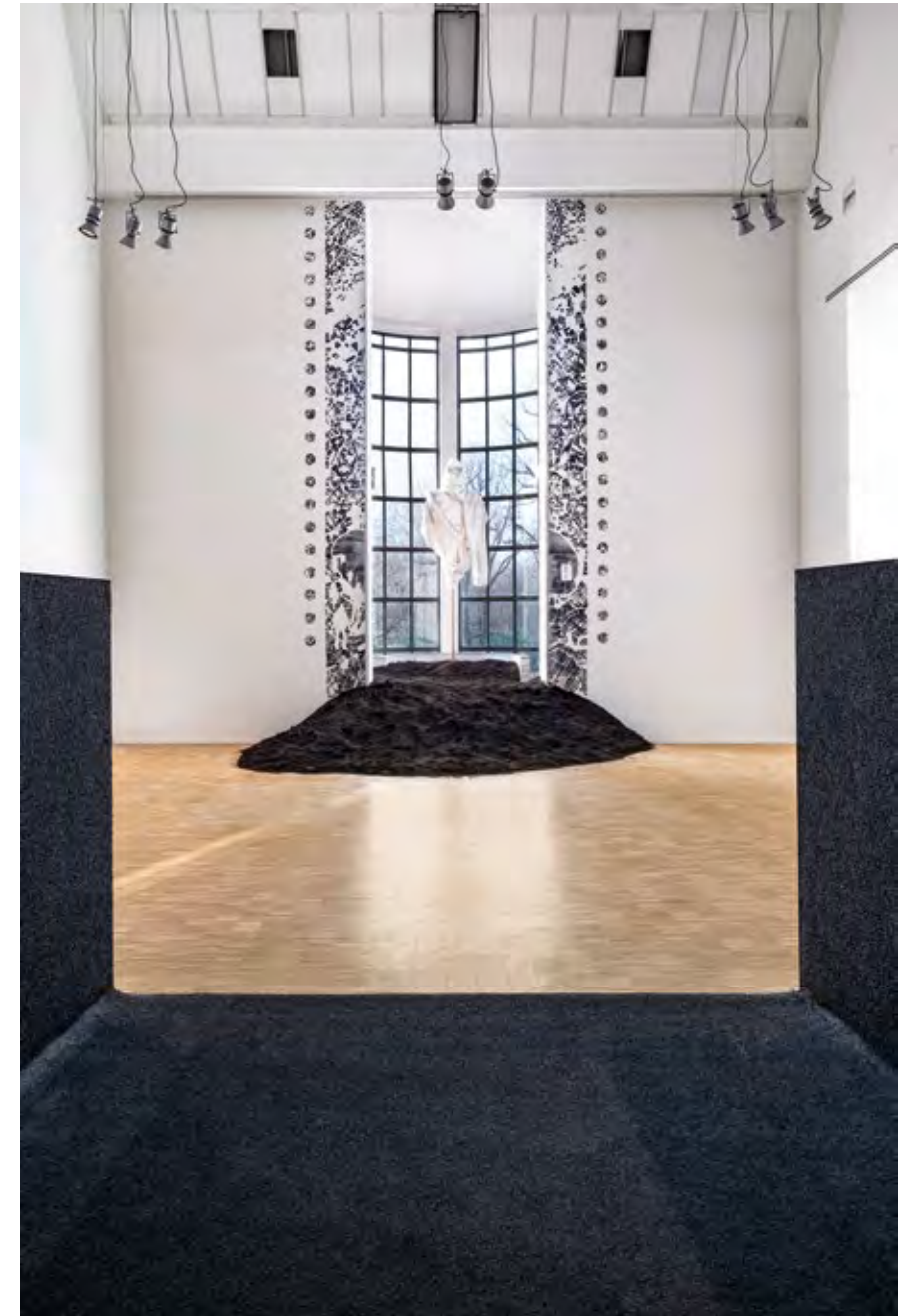
### → Right

*Birdsong* by Sigil, Khaled Malas, Salim Al Kadi, Alfred Tarazi and Jana Trabousi, with Aamer Igtahim and Emad Madah. This work explores the role of design in the realisation of spaces, people and their imagined future, via the medium of an agricultural monument that is highly common in Syria: a scarecrow.

### ↘ Next

To the left, *The Political Equator* by Estudio Teddy Cruz, Fonna Forman and the UCSD Cross-Border Initiative. This installation explores the social, economic and political interdependence behind some of the most contested borders in the world.

To the left on the second floor, *The Crime of Rescue – The Juventa Case* by Forensic Oceanography and Forensic Architecture. This video retraces the voyages of the NGO vessels working in the Mediterranean Sea, and acts as a counterweight to the accusations that they facilitate human trafficking.







→ Right

First floor, *Capsula Mundi* by Anna Citelli and Raoul Bretzel. This piece explores the subject of death through the medium of an egg-shaped vessel, made of biodegradable material and containing the ashes of a deceased person, planted into the ground like a seed from which a tree grows.





↓ Under

To the right, *Emergent and Erratic: Monsoon Transmogrification of Land, Air, and Sea by Monsoon Assemblage*. An installation that uses mapping instruments and narratives to visualise interdependent terrestrial systems and human infrastructure that contribute to changes in the outcomes of monsoons.



DELFINO SISTO LEGNANI



DELFINO SISTO LEGNANI

↑ Above

First floor, *Italian Limes* by Studio Folder. This study investigates the subject of geographical borders between nation-states in the context of the environmental and physical elements of the natural formations that shape them ([www.italianlimes.net](http://www.italianlimes.net)).



Introduction Introdusione  
Before/After Prime/Dope  
KMG Amazon KMG Amazon  
Oceana Oceani  
Algonquin Park Algonquin Park  
Ozanga-Sangha Ozanga-Sangha  
Yukon Delta Delta della Yukon  
Mungwezi Sangha Mungwezi Sangha  
Crescent Meadow Crescent Meadow

Amazon Prime  
KMG Amazon

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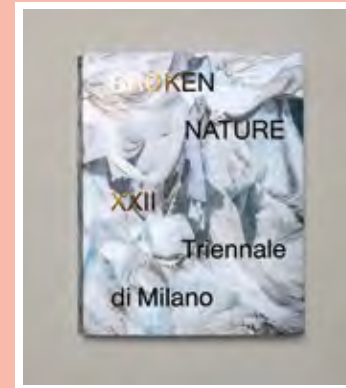


## ↖ Previous

*The Great Animal Orchestra* by Bernie Krause and United Visual Artists, based on a Fondation Cartier contemporary art initiative, with graphics by Studio Folder. This is a visual installation of soundscapes from seven territories documented by Bernie Krause. They were chosen for their ecological and biophonic variety, from Canada to the Central African Republic, from the United States to Zimbabwe, and from Brazil to the oceans.

## ↓ Under

Entrance to the international participation section.



## Broken Nature

Exhibition Design  
Studio Folder  
and Matilde Cassani

Catalogue  
Studio Folder  
and Anna Kulachek

Axonomic Drawings  
Studio Folder

## Studio Folder

Studio Folder is a design and research agency founded by Marco Ferrari and Elisa Pasqual in 2011, and based in Milan, Italy. The studio's work spans between the cultural and commercial domains and the investigation of autonomous research paths, while working through a diverse range of outcomes - from data visualisation to the design of exhibitions, editorial products and digital platforms. [www.studiofolder.it](http://www.studiofolder.it)



## Simona Galateo

PhD architect and curator, Simona has edited books and written articles for magazines (both paper and online), including *Abitare*, *Domus*, *Arquitectura Viva* and *Artribune*. She has coordinated communications projects for private companies and various exhibitions on fundamental topics of discussion in contemporary architecture. She has also had works displayed at the Venice Biennale di Architettura and the Milan Triennale.



# How much is risk prevention worth?



A man transports metal sheets swept by Typhoon Hagupit on the sidecar of a motorcycle in San Julian, Eastern Samar in central Philippines December 9, 2014.



# We have been discussing the true extent of natural disasters for a long time. Why not reduce the risks (and costs) instead?

by Paola Amicucci  
– Journalist, humanitarian aid expert

According to the findings of a report by the Global Commission on Adaptation, “investing \$1.8 trillion over the next decade - in measures to adapt to climate change - could produce net benefits worth more than \$7 trillion”. The aforementioned commission includes 34 global leaders from politics, business and science, including such luminaries as former UN Secretary General Ban Ki-Moon and business magnate Bill Gates. This is the latest of many appeals designed to convince us all – from national governments to individual citizens – to change the way we assess the increasingly tangible threats of climate change and natural disasters. To see what we can do to stop events from overtaking us, and to see how we can intervene to minimise the impacts. In a word: prevention. Until a few years ago, discussions surrounding approaches to tackling the consequences of extreme weather events appeared to be limited to the most economically fragile countries, ones with weak systems of civil protection. Now, climate change is increasingly focusing minds in the developed world.

← Left

Workers roll advertising billboards along main road EDSA in preparation for the coming of Super Typhoon Mangkhut before it hits the main island of Luzon, in Quezon City, Metro Manila, Philippines.





The turning point came in 2015, when the United States paid the highest economic price for natural disasters. 44% of the \$66.4 billion in financial losses were in the USA.

This was a wake-up call not only for those striving to save lives and reduce greenhouse gases, but also for those such as research companies, responsible for guiding investments and developing strategies to tackle environmental risks, pointing companies in the direction of low-risk profits. This has become such a core issue, that in August of this year, the ratings agency Moody's purchased Four Twenty Seven, the Berkeley initiative that serves as the largest centre for assessment of the financial consequences of climate change. The climate and its violent consequences have become an inescapable factor in the geographical considerations guiding investment by businesses and investors.

And if we have finally reached a point where the spotlight is shining on this area, it is largely down to the behind-the-scenes work of those who have spent the best part of the last two decades emphasising the important role played by DRR (Disaster Risk Reduction) – the sector committed to mitigating the risks of natural disasters. The often sudden and unexpected events leave a trail of damage, destruction and victims in their wake. Floods, earthquakes, hurricanes and fires can only be tackled by resilient communities – those where the individual and the collective have the ability to face crises that pose potentially devastating consequences. The primary goal of risk reduction and prevention is to create

resilience among individual citizens and collective societies.

The aim is to create a global framework that brings together the different prevention measures taken by governments, civil society and the private sector, as well as the risk reduction measures outlined in the Sendai Framework for Disaster Risk Reduction 2015-2030, introduced on 18 March 2015 in the Japanese city of Sendai with support from the United Nations Office for Disaster Risk Reduction (UNDRR). That same year, seven goals were introduced to limit the damage from natural disasters and to improve international cooperation in the face of threats from climate change. Over 180 countries, including

## Every dollar invested in prevention would produce savings of 7 dollars in assistance and reconstruction

Italy, signed up to the commitment to reduce the number of victims and to limit economic damage, by promoting cohesion between the national, regional and local risk reduction policies, resting on a “community-based approach”. This approach is based on the direct participation of local communities in identifying and defining responses and solutions to their own needs, recognising their own challenges and their requirements for solving them.

### Is risk reduction worthwhile?

Reducing the risk is obviously a worthwhile process, but turning back the clock still seems to be beyond our capabilities. The statistics are unequivocal: disasters carry significant long-term economic consequences, in developed as well as developing countries. Global losses caused by disasters have increased by over 200% in the last 25 years. Since 1981, the economic damage caused by disasters in OECD countries is growing at a faster rate than GDP per capita. This means that the risk of loss of wealth resulting from disasters is now higher than the rate at which that wealth is being created. The economic consequences also go beyond the direct

### ↓ Under

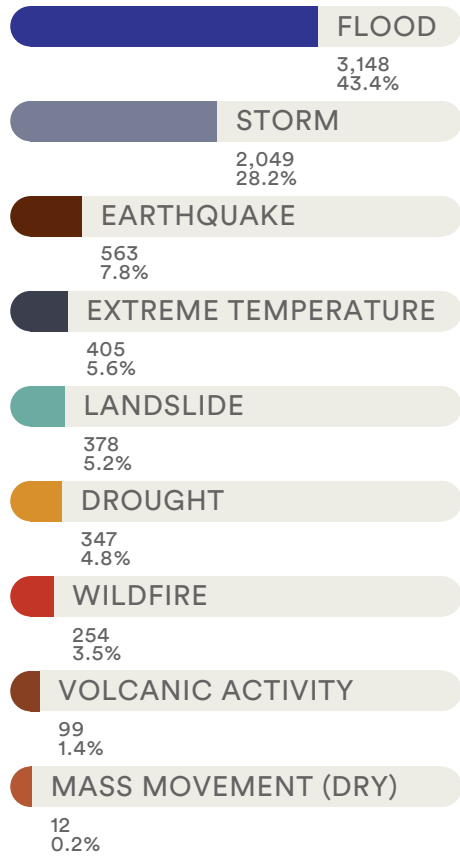
DRR flood-risk exercise: a woman shows how to create life vests out of plastic bottles.

AGIRE / S. FERRETTI





Numbers of disasters per type 1998 – 2017



Source: CRED, UNISOR, 2018

damages incurred by natural disasters. There are also indirect costs, such as interrupted public services and commercial activity, loss of industrial production capacity, the impact on the environment and ecosystems, reduced arrival of tourists etc... Broadly speaking, the United Nations Office for the Coordination of Humanitarian Affairs (OCHA) estimates that every dollar invested in preventing emergencies saves seven dollars in humanitarian assistance and reconstruction further down the line. Despite these forecasts, the numbers provided by the UNDP underline just how far we have yet to go. Between 1991 and 2010, a mere \$0.40 of every \$100 spent on providing support went towards disaster risk reduction. And in our current decade, we are yet to successfully resist the tendency to underestimate the importance of prevention.

Italy, for example, is among the G8 countries with the most widespread damage and fatalities arising from natural disasters, and yet it has still failed to learn the necessary lessons. Italy's National Council of Engineers (CNI) estimates that, between 1968 and 2014, the belpaese has spent an estimated 120 billion euros on post-earthquake reconstruction. This works out as 2.4 billion euros every year. The cost of prevention measures to improve the safety of public and private buildings and save lives would have been slightly less than 94 billion euros. Losses from the earthquake that struck central Italy in 2016 alone were estimated by the government to have reached 23.5 billion euros.

Over the last 150 years, our country has experienced earthquakes with loss of life and severe damage to people and objects an average of once every five

years. Over 21.5 million people live in at-risk areas (zones 1-2), and three million of them live in zone 1, the most dangerous. The most recent violent tremor that struck central Italy in 2016 laid bare the need to initiate a programme of prevention to provide safety from seismic incidents for residents, as well as safeguarding the architectural heritage and cultural assets of the area. According to an assessment by the National Council of Engineers, an effective strategy of prevention and containment of the risks would cost an estimated 100 billion euros. This is significantly higher than the amount allocated by the fund for the prevention of seismic risks. To take just

**The turning point came in 2015, when the United States paid the highest economic price for natural disasters**

one example, one in three schools in Italy are located in zones with increased seismic activity (zones 1-2) yet only eight percent were designed in accordance with anti-seismic regulations. Furthermore, according to data from Cittadinanza Attiva, two thirds of schools do not hold a "fitness for use" certification. This is why hundreds of citizens, municipalities, local businesses, committees and associations have come together to work on a bottom-up process of consultations and proposals and to agree on the key points for national policies for risk

reduction. This inclusive project, supported by the ActionAid NGO and going by the name #sicuriperdavvero ["truly safe"], places the communities themselves at the centre. The project will be stopping in small villages and resilient cities for the rest of the year and into 2020. The goal is to demand a framework law regarding issues of reconstruction and regulation, financing and more effective methods of oversight for risk prevention and mitigation.

There are examples of virtuous countries that have already taken the decision to invest in policies of prevention, with clear economic benefits. And these are not only – as one might think – so-called "developed countries". The government of Sri Lanka, for example, paid a premium of 300 million rupees (approx. 2 million dollars) to purchase insurance coverage from a national insurance trust fund. In May 2016, the country was struck by torrential rainfall, causing widespread damage and landslides in the Aranayake region. The central government immediately filed an insurance claim worth approximately one million dollars, using the money to provide food and assistance to the approximately 300,000 people affected by the disaster. The insurance fund also provided financial help to rebuild destroyed properties, reopen small businesses, and avoid the losses resulting from impacted harvest yields. This type of investment provides immediate benefits to those coping with the fallout in countries that often find themselves on the receiving end of natural disasters. The Philippines, which has the dubious distinction of having the highest number of environmental incidents from 2008 to 2013, has also begun to take effective



REUTERS / ELOISA LOPEZ

↑ Above

A policewoman prepares boxes of relief goods for victims of Super Typhoon Mangkhut at the Department of Social Welfare and Development, National Relief Operations Center in Pasay City, Metro Manila, Philippines.

preventative action. In December 2014, only one year after Typhoon Haiyan swept through the country and left over 6,000 victims in its wake, Typhoon Haguit was on course to be a disaster of similar magnitude. The alert systems and risk reduction measures put in place as a response to the events of Haiyan ensured this was not the case. Over a period of 24 hours, the areas of highest risk saw 1.7 million people evacuated to 687 evacuation centres as a preventative measure. As a result, we can now talk about 1.7 million lives saved, in what the UN has described as one of the most significant peacetime evacuations in human history. Prevention is possible, and no matter where in the world, it is possible to avoid having a natural weather event turn into a disaster.

These measures are often overseen by civil society actors, such as humanitarian organisations. In Haiti, for example, struck by two powerful hurricanes in less than a year (Matthew in 2016 and Irma in 2017), Italian NGOs involved in long-term disaster prevention programs activated early warning systems to protect the population and provided emergency supplies to the victims. To take just one example, an online mapping platform of resources for disaster preparation and response created for Haiti by the Italian COOPI NGO was ranked in the top 10 for the 2017 Risk Awards, an award honouring

Over a period of 24 hours, 1.7 million people were evacuated as a preventative measure

innovative programs for risk reduction and reinforcement of disaster management capabilities.

Whether through agricultural or environmental projects assisting us in adjusting to climate change, reinforcement of buildings and infrastructure, or innovation and technological research into alert systems and civil protection management processes, it is becoming increasingly clear that the path to tackling extreme climate and natural events has to be a serious and prolonged investment in prevention measures, by states as well as the private sector. Protecting lives, communities and regions that lie at risk ultimately means creating a safer future for everyone; including those who are yet to hear the alarm bells ring.



Paola Amicucci

A freelance journalist, she has augmented her journalism work with direct experience in international cooperation and humanitarian assistance with on-site missions in South Sudan, Democratic Republic of the Congo, Kenya and Afghanistan. She coordinated the AGImondo information portal, worked with the Italian Gruppo Repubblica L'Espresso publishing group on creating and launching the Global Solidarity section dedicated to issues of cooperation, and worked as a contributor for the Corriere Sociale online section of Corriere.it. In addition to her journalistic background, focusing on social issues as well as non-profits, the environment, humanitarian affairs and sanitation, analysis of the migration issue and climate change, she also works with various non-profit organisations in shaping their communications and media relations strategies.



# Back to (the future of) the real economy



Fish retailer in Chinese market with a Wechat QR code payment in front.



# The disconnect between the economy and finance is one of the causes of the recent financial crises. The two need to reunite with each other and with the real world.

Luca Testoni  
– Editor in Chief | ETicaNews  
& ESG Business Review

If sustainable finance means anything at all, it is the following: accepting that finance exists as part of the real world. In all its complexity. With all its contradictions. And with its increasingly rapid evolution. This means bidding farewell to an overly-long period of disconnect between the economy and finance; a disconnect that is rightly held up as one of the primary causes of the financial crises of recent years.

It also means preparing for an economic-financial system of increased complexity, one that will need to be able to integrate a vast range of variables into its operating mechanisms. All those

factors that, until today, existed outside the balance sheets, the university textbooks, and the financial analyses of the bankers and the brokers. These are the so-called “non-financial” factors, which until recently were not considered a necessary part of the calculation for a potential investor. Today, however, they already have an equal (and often superior) impact on the value of an asset. And what are these factors? Put simply: issues of everyday life.

**The system should take into account all “non-financial” factors**

## Political complexity

At first glance, it may appear obvious. But on the contrary – it is a matter of extreme complexity. Today, the value of a company is not measured solely by the first and last lines on its balance sheet (profit or loss). Environmental, social and governance issues, known by the acronym ESG, are also playing an increasingly significant role in the equation. In simple terms, the value of a company is also determined by its reputation in the community or communities in which it is based, the level of pollution it produces, the wellbeing and trust of its

employees, the openness and transparency of its actions, the quality of its suppliers, and the impact of its products and those of its clients. Quantifying these variables clearly presents challenges. But this is only the start. First of all, each of these variables can be further broken down into dozens, if not hundreds of sub-variables. Furthermore, and no less important, these are not static variables. They are fluid and dynamic. As a result, a business must be able to guarantee these “real-life” factors over time. This means setting up an organisational and governance structure that is equipped to maintain them for the long run. And this is how we reach the complete social transformation of the business. This governance in pursuit of the “purpose” of the business, its *raison d’être*, requires a new set of regulations, procedures, people and production systems designed to ensure coherence between the corporate objectives and those of the business’ real world ecosystem. Business can no longer be an isolated social subject; rather, it must become a “political” subject, as an agent of the “polis” – the people. This is a point raised by Larry Fink, CEO of BlackRock, among other people, in his CEO letter of 2019.

## The motives of yesterday and today

Socially responsible investing (SRI) has its roots in the latter stages of the last century, developing as a response to the gradual disconnect of finance from its real-world ecosystem, the foundations of the present corporate and systemic structures. The initial



evolution of sustainable finance was most likely a kind of balm for the conscience, taking refuge in ethical activities, while the business world became increasingly based on speculation.

The radical change as compared to this ethical approach is that the drivers of sustainable finance are no longer the moral (quasi penitential) imperatives, but rather the powerful levers of the system: the market, investors, the regulator. The net result of this is that, today, finance is no longer striving for sustainability out of moral considerations, but rather as the result of a strategic imperative.

From the market's point of view, it is sufficient to read the daily newspapers to grasp the essential importance of sustainability in the contemporary discourse and in the commercial positioning of products of every kind;

## Finance is no longer striving for sustainability out of moral considerations

from vehicles to snacks, and from houses to clothing. This sustainable positioning also impacts investors. According to available data from ETicaNews' Atlante SRI, as of June 2019, SRI-compatible financial products reached over 100bn in managed assets. On a global scale, approximately 31 trillion dollars have been invested in accordance with ESG-compliant criteria.

The impact of this emphasis on ESG has a direct influence on the reputations of company CEOs. Nowhere



REUTERS / CHARLES PLATIAU



GETTY IMAGES / EDUARDO MUNOZ ALVAREZ

was this clearer than in the October 2019 edition of Harvard Business Review's "CEO 100", a ranking of the top leaders of the biggest global businesses. Points are allocated using four financial parameters, taken from each CEO's first day and until April 30 of this year: total shareholder return (TSR), country-adjusted TSR, industry-adjusted TSR, change in market capitalisation. Today, however, environmental, social and governance factors are also taken into account. And they're becoming an increasingly important metric. This year, the Harvard Business Review adjusted the weighting for ESG factors in their rankings from 20 percent to 30 percent. This means that just under a third of a CEO's value is determined by variables

The CEO 100, 2019 Edition of Harvard Business Review lists Jensen Huang (NVIDIA) topping the list, Marc Benioff (Salesforce) in 2nd place above Francois-Henri Pinault, chairman and CEO of the luxury-goods conglomerate Kering, which includes Gucci, Saint Laurent, Bottega Veneta and Balenciaga.

← Left

Francois-Henri Pinault, chairman and CEO of Kering since 2005.

↑ Above

Gucci Store at Fifth Avenue, at the Trump Tower in New York.

tied to their company's corporate social responsibility policies. Only four years ago, the ranking focused exclusively on financial parameters. In 2015, HBR introduced the ESG factor, giving it 20 percent of the weighting. Now it has increased that even further.

In the accompanying introduction to the research, HBR emphasise how "the shift reflects the fact that a rapidly growing number of funds and individuals now focus on far more than bottom-line metrics when they make investment decisions." It also cites the position taken last August by 181 US CEOs belonging to the Business Roundtable, adjusting the priorities of the corporate purpose and placing all stakeholders first, instead of shareholders alone. In other words, for the first time in its history, the Business Roundtable abandoned the principle that a company's objective was to increase earnings and profit, and recognised instead that a company has a primary responsibility to act as a social subject.

### The role of the law

The regulator has a crucial part to play in this profound revolution. There are two main reasons for this: 1) Accelerating the transition to a more sustainable system, first and foremost from an environmental perspective, considering the urgency of the threat from climate change; and 2) ensuring that this transition, which requires a significant push to successfully bring about change, is not reduced to ineffective and opportunistic PR manoeuvres (so-called greenwashing).

Europe, more than anywhere else, has begun a root-and-branch process of change of continental finance, led by its Action Plan, launched in Spring 2018. This is a multi-year plan of regulatory measures and reorganisation of the

## The sustainable finance measures will affect all existing financial regulation

relevant authorities that is destined to overhaul the entire dominant economic-financial model. "The sustainable finance measures, which have either already been launched at the EU level or are about to be launched, will affect all existing financial regulation", stated Professor Anna Genovese, Acting President of CONSOB, in the opening keynote speech of last June's ESG Business Conference. This one sentence underlines the formidable ESG transition that awaits both individual companies as well as the entire finance industry. The list drawn up by Genovese of the guidelines, regulations, standards and procedures in the crosshairs is all-encompassing: corporate governance of issuers and financial, banking and insurance corporations; MiFID II compliance of financial instruments; fact-sheets for placements, shares or bonds (starting with green bonds); periodic financial reports; engagement of institutional investors in long-term policies of participating companies; the role of stewardship codes; the benchmark



Source: [www.aics.gov.it](http://www.aics.gov.it)

In September 2015, over 150 global leaders met at the United Nations to contribute to global development, promote human wellbeing and protect the environment.

The community of States has approved the 2030 Agenda for sustainable development, based on the 17 Sustainable Development Goals (SDGs) and 169 targets, intended to put an end to poverty, tackle inequality and promote social and economic development. They also target elements of fundamental importance to sustainable development, such as tackling climate change and creating a peaceful society by 2030.

The SDGs are of universal relevance, and all countries must provide a suitable contribution within their means to achieving the goals.

It will not be easy to meet the goals within the prescribed fifteen-year period. However, our previous experience of working towards predefined global goals demonstrated that this method is effective. The Millennium Development Goals, adopted in 2000, improved the lives of millions of people. Global poverty rates continue to decrease; ever-increasing numbers of people have access to cleaner sources of water; more children attend elementary school, and a series of investments in the fight against malaria, AIDS and tuberculosis have saved the lives of millions.

## Sustainable Development Goals | SDGs

AP PHOTO / KYODO EXTRA





reference indexes for financial tools and contracts; the role of proxy advisors and rating agencies; the role of external auditors who are called in to assess the non-financial reporting of issuers and of all internal company oversight procedures.

In short, the entire finance chain, from investors (institutional or retail), to fund managers; from consultants to bank account holders; all the way to the final assets. These are the ultimate objects of the investment: the companies. Everyone will be forced into a rethink of the basic operating model of their organisation. Not only that, they will also have to review their methods of data collection, management and sharing (externally and internally). As mentioned at the beginning, the term “data” should be understood to refer to a wider range of variables; any that fit into the definition of ESG.

The Action Plan is an ambitious – some would say almost utopian – goal: seeking to regulate the infinite variety of the world. It is no coincidence that it has already met with resistance and been subject to delays to its original implementation schedule. However, it has also generated positive discussion and reflection on the opportunities (or feasibility) presented by certain suggestions contained therein. Above all, one question started to form in people’s minds: is it really possible to identify something sustainable from something that isn’t? And furthermore: would the ability to create official labels to guarantee the environmental credentials of a product or an item really make a difference?

The variability of the real world and its ongoing evolution feeds the conviction that the only right path

through the new dimensions of sustainable finance is as deep an understanding of the issues as possible. This, however, must be joined by an understanding that the complex reality ensures something will always be missing, incomplete and evolving.

And this is how we reach a paradoxical return to the past with an eye on the future. While finance once more seeks to rebuild its historical ties with real-world economics, there is a recognition that managing this relationship in the present today unequivocally necessitates “sci-fi” technological equipment.

### Back to the future

“Without finance, there is no feasible pathway to sustainability. But hold on. We have to learn to think on the basis of the financial model of tomorrow, not that of yesterday.” These are the words of Simon Zadek, Sherpa and co-chair of the “Task Force on Digital Financing of the SDGs (DFTF)”, set up by the United Nations Secretary General towards the end of 2018. The message here is to

**We have to learn to think on the basis of the financial model of tomorrow**

understand how and to what extent the UN’s sustainability goals (SDGS) necessitate financial technology. Blockchain, big data, artificial

intelligence, mobile payment. But also so much more. “Fintech – explained Zadek – are those people who download an app to compensate for emissions; those who make purchases via their mobile phones in the middle of the African savanna without any credit in the bank; those who start to calculate how much you’re polluting without your knowledge.” In short, those who use algorithms to evaluate your ESG compatibility. They monitor it, store it and share it.

In short, sustainability is a path that must be walked in the company of advanced technology, in industrial output and corporate HR, but above all and to a growing extent, in the management of ESG data. In gathering it. In checking it. In storing it. In sharing it. In comparing this data.

Today, these challenges may appear to be a case of mission impossible, but this is because we are observing them using the financial metrics of the past. As Zadek said, fintech will enable more information to be made available cheaper, faster and better.

That will ensure the mission becomes possible with the “finance of tomorrow”.



Luca Testoni

Co-founder and editor in chief of ETicaNews, an online newspaper born in 2011 thanks to the collaboration of a group of journalists willing to bet on a different model of journalism, society and business. In 2018, ET.group also launched ESG Business Review, the first print magazine dedicated to environmental, social and governance factors. Today, ETicaNews and ESG Business Review are the Italian benchmark for Socially Responsible Investing (SRI) and Corporate Social responsibility. Previously, Testoni spent over ten years in financial journalism on the ground. He has been chief editor at Finanza e mercati, then director at TopLegal and coordinator at the monthly economic magazine Pambianconews. Author of the books “L’ultima sfilata”, a highly critic inquiry about Italian fashion, and “La legge degli Affari”, an accurate insight into Italian legal firms.

# The knights of the Roundtable

A worker climbs outside an Apple store in Hong Kong.



At UPS Worldport in Louisville, the company's Transitional Learning Center provides hands-on training and a pathway to UPS employment to those with disabilities.

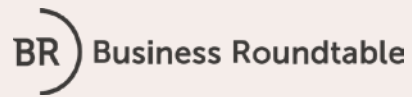
**In August, the American Business Roundtable released a statement of purpose, signed by over two hundred companies. And in doing so, triggered the debate.**

the Editorial Office

**Ongoing and transparent research in support of social welfare**

The role of business and its *raison d'être* in contemporary society are occasionally revisited and reassessed. Sometimes, it's the result of initiatives by academics, valiantly struggling to expand the horizons of research. Other times, the interventions are institutional or collective in nature, aiming to set the tone of the public discourse and to influence the decisions of policy-makers.

AP PHOTO / PATRICK SEMANSKY



### Statement on the Purpose of a Corporation

Americans deserve an economy that allows each person to succeed through hard work and creativity and to lead a life of meaning and dignity. We believe the free-market system is the best means of generating good jobs, a strong and sustainable economy, innovation, a healthy environment and economic opportunity for all.

Businesses play a vital role in the economy by creating jobs, fostering innovation and providing essential goods and services. Businesses make and sell consumer products; manufacture equipment and vehicles; support the national defense; grow and produce food; provide health care; generate and deliver energy; and offer financial, communications and other services that underpin economic growth.

While each of our individual companies serves its own corporate purpose, we share a fundamental commitment to all of our stakeholders. We commit to:

- Delivering value to our customers. We will further the tradition of American companies leading the way in meeting or exceeding customer expectations.
- Investing in our employees. This starts with compensating them fairly and providing important benefits. It also includes supporting them through training and education that help develop new skills for a rapidly changing world. We foster diversity and inclusion, dignity and respect.
- Dealing fairly and ethically with our suppliers. We are dedicated to serving as good partners to the other companies, large and small, that help us meet our missions.
- Supporting the communities in which we work. We respect the people in our communities and protect the environment by embracing sustainable practices across our businesses.
- Generating long-term value for shareholders, who provide the capital that allows companies to invest, grow and innovate. We are committed to transparency and effective engagement with shareholders.

Each of our stakeholders is essential. We commit to deliver value to all of them, for the future success of our companies, our communities and our country.

Released: August 19, 2019

Updated with New Signatures: September 6, 2019

### Shareholder vs stakeholder?

Such is the case of the Business Roundtable in the United States, which last August published their “Statement on the Purpose of a Corporation”, signed

“Delivering shareholder value is not enough”

Tom Wilson

by executives from over two hundred companies. In the New York Times Tom Wilson, Chief Executive of the Allstate Corporation and one of the signatories to the Business Roundtable statement, described the declaration in the opinion pages of the New York Times: “The Business Roundtable, which represents the largest corporations in the United States, published a new, broader statement about the purpose of business, declaring that delivering shareholder value is not enough...accomplishing these aspirations requires more dialogue and action, and there is much more that we can do.” The aspirations in question? “Values”, instead of value alone. Social responsibility, not profit alone. Sharing and raising awareness throughout the supply chain, from management to shop floor, from the largest client to the smallest supplier.

The Business Roundtable’s “Statement on the Purpose of a Corporation” could not be clearer: it outlines how businesses “play a vital role in the economy by creating jobs, fostering innovation and providing

essential goods and services.” More must be done, however, and “while each of our individual companies serves its own corporate purpose, we share a fundamental commitment to all of our stakeholders...”

### A study of prosperity

In 2018, Colin Mayer, a lecturer at the University of Oxford’s Saïd Business School, published *Prosperity: Better Business Makes the Greater Good*, with the stated purpose of offering a new model of corporate development. This new model places economic and social wellbeing first, re-evaluating the received wisdom of generations that saw maximisation of profits as the leading corporate objective. Mayer analyses the damaging consequences of restricting a company to one narrow purpose within an economic, environmental, political and social context, challenging the very foundations of the traditional business model. In his piece, he outlines a radical and thoroughly-researched agenda for these companies and regulatory frameworks, drawing from knowledge from the worlds of business, jurisprudence, economics, science, philosophy and history.

A new model of development that places economic and social wellbeing first



Coca-Cola has long protected employees from discrimination based on sexual orientation and gender identity and expression, having scored 100 percent on the Human Rights Campaign's Corporate Equality Index every year since 2006.

#### ↓ Under

A billboard, part of a campaign by Coca-Cola promoting gay acceptance, which has prompted a political backlash. The writing on the billboard reads: "Zero sugar, zero prejudice".

REUTERS / BERNADETT SZABO



### Nobel decisions

This year, the Nobel Prize for Economics was awarded to Michael Kremer, Abhijit Banerjee and Esther Duflo for their experimental approach to the global war on poverty. In 2018, one of the recipients of the prize was William Nordhaus, for his research on economics and climate change. It is a sign that, at the highest levels, the public and academic debate today revolves around the ability of economic systems to reinvent themselves and to adequately contend with burning contemporary issues.

In this regard, the winners chosen by the Royal Swedish Academy of Sciences could represent an

### An ongoing problematic tension regarding issues such as social wellbeing

interesting means of evaluating the degree of emphasis on “heterodox” issues over time. One potential criterion in this regard is the string of Nobel Prizes awarded from 1978, the year before the election of Margaret Thatcher. In the eyes of many, this was a period heavily intertwined with the neoliberal paradigm. Over the 41 years since, it has been possible to identify a core group of “non-aligned” economists, who, according to Joseph Stiglitz (in *Rewriting the Rules of the American Economy*), depart from the standard economic model (that

of perfect information and competition): Stiglitz himself, George Akerlof and Michael Spence (asymmetric information), Jean Tirole (markets and regulation), Daniel Kahneman (cognitive economics), Oliver Williamson (economic governance), Douglas North (economics and institutions), John Harsanyi, John Nash and Reinhard Selten (non-cooperative game theory), Elinor Ostrom (common pool resources). There are other names that could also be added to this list: Amartya Sen (economics of wellbeing), Vernon Smith (experimental economics), Robert Aumann and Thomas Schelling (cooperative game theory), Paul Krugman (international commerce), Herbert Simon (decision-making processes) and the aforementioned Nordhaus, Kremer, Banerjee and Duflo. Is this a sufficient proportion to signal a new paradigm shift in research in the “dismal science”? Perhaps not. However, it is undoubtedly an indication of a problematic tension, one that is permanently present to differing degrees, regarding issues of social wellbeing and the long-term durability of economic systems in generating value for all their participants.

# I have the opportunity of witnessing and contributing to the change

by Lucia Silva  
– Group Head of Sustainability  
and Social Responsibility Generali



*I've had the honour of being Head of Sustainability and Social Responsibility for the Generali Group for the past four years. These four years have been intense, with the perception of sustainability changing radically within our company and around the world. Today, open any newspaper, search the internet, or switch on the television, and you will immediately understand the extent to which "sustainability" has become an everyday part of our language and our lives.*

*2015 was the turning point: the COP21 Climate Change Conference, launch of the 17 United Nations Sustainable Development Goals, and Pope Francis' Laudato Si' encyclical were the launch-pads of a constant, ongoing discourse surrounding the issue, one in which I have been involved. The new paradigm for the creation of value increasingly focuses on the "three Ps: People, Planet and Profit".*

*The change that's currently taking place is real, and my good fortune – as well as my challenge – is being in a position in which I can make a tangible difference.*

*I'm increasingly seeing legislators, regulators, investors and civil society coming together with a shared goal. The timetable for transforming these good intentions into concrete actions is the single most critical issue affecting our future.*

*Through its Action Plan on Sustainable Finance, the European Commission is actively bringing together national governments and supervisory bodies – the EIOPA chief among them – and pushing them to recognise the link between economic stability, prosperity and sustainability.*

*In his annual letter to the executives of the largest companies in the world*



*(including Generali) on the subject of entrepreneurship, profits and big money, Larry Fink, founder and CEO of BlackRock, emphasised the importance of combining “profit” and “purpose”. This was a call to arms for those who manage global corporations to take responsibility. There is a clear demand for responsible and farsighted leadership that is able to generate shared, long-term value while continually questioning the impact of its strategic decisions – as well as its everyday pattern – on the environment and on individuals (not only shareholders, but also employees, clients and local communities).*

*Civil society also considers these issues to be of the utmost urgency, as seen by the Fridays for Future and Extinction Rebellion movements which brought millions of people into town squares around the world. This has also begun to impact on the makeup of our political representation, as evidenced by the success of green movements in the recent elections for the European Parliament.*

*In this context, the Generali Group has taken these shifts, stimuli and debates, and used them to drive forward and achieve significant, tangible results. The Generali Group is the first insurer in Europe to issue a green bond. It also features in the Dow Jones Sustainability Index, and has included sustainability as a foundational principle of the Group’s strategy for 2021, with specific targets for investment and insurance products. We are transforming the way we think about value.*

*The enthusiasm and the expertise of our employees, who are committed to putting sustainability into practice, fuels my conviction that we are on the right track. Every day, I see their awareness of the issues and their pride in being able to contribute on a personal level, being able to make an impact on issues with widespread consequences, and providing a real sense of “business action” within the Generali Group.*

*We must continue on this path. The road to sustainability is not an easy one to travel; it requires us to listen to a wide range of voices, some of which will provide us with contrasting information, and to evaluate them for ourselves. It takes great courage to find new solutions. I believe that what is important is to have the perseverance, the dedication and the attention of those who are planting the seeds of the future, and to keep in mind that “a falling tree makes more noise than a growing forest”. But in the end, when a forest grows, all we hear is the trees breathing.*

#### ↓ Under

Students take part in a "Fridays for Future" march calling for urgent measures to combat climate change, in Kolkata, India, September 27, 2019.

REUTERS / RANITA ROY



# Sustainability for Breakfast!

## Corporate Governance

Key elements include the Board of Directors' diversity, the number of independent directors, the separation of roles of chairman and CEO, shareholders equal voting rights and aligning executive compensation with long-term corporate performance.

## Supply Chain

Making sure the supply chain is sustainable involves setting clear expectations from suppliers regarding human rights, respect for the environment, anti-corruption; preferring suppliers with the best sustainability credentials; training them on specific issues.

## Environment

To reduce their environmental footprint, companies measure and set targets for their use of natural resources and waste generation. They also facilitate the transition to a low-carbon economy in all their spheres of influence.

## Employees

Companies support freedom of association, provide a safe and healthy working environment, encourage diversity at all levels, keep a low turnover, increase employee engagement and motivation, develop training programs, and reward employees based on their performance.

## Codes of conduct

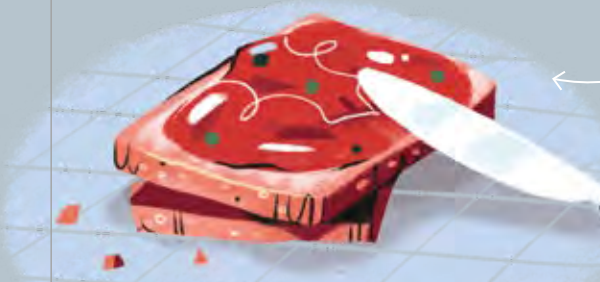
They outline companies' values and expectations, covering fair conduct, anti-corruption and anti-bribery, conflicts of interests and so on. To be effective, internal awareness and training is ensured, and there are dedicated hotlines for anybody to raise concerns.

## Clients

Companies measure customer satisfaction to learn from the feedback, set targets and are transparent about the results. Their product information is easily understandable and clearly priced and the salesforce is trained to sell appropriate products and services to customers.

## Community programs

Corporate philanthropy programs focus on priorities aligned with the business drivers and are assessed in terms of the resources committed and the results achieved.





Slovakian volunteers working as a team, building Montessori toys together for the children.

# Unlocking human potential



# The Human Safety Net is a global movement established by Generali to tackle social challenges and unlock human potential.

the Editorial Office

Ana lives in Indonesia. She is 33 years old, and is married to a husband who works in a warehouse. They have two children aged 12 and 6. “When I suggested to Faqih that he go to school – she says – he refused, because he didn’t want to be left alone. One day, I took him to the Saturday Academy instead. At first he didn’t want to go, but in the end I was amazed...he enjoyed it so much that he found the courage to start primary school. His sister, Alfi, is a different story. She has made a hugely positive change. After participating in the Saturday Academy, she decided to help others by volunteering in the programme”. On Saturday mornings, the children are taken to the Saturday Academy, where

they learn and play together, assisted by the local non-governmental organisations (NGO) and alongside volunteers. The employees of Generali Indonesia also volunteer to teach and play with the children once a month. This all takes place under the umbrella of The Human Safety Net, the program for the most vulnerable families. “This project helped me to better understand how to look after our children” says Ana. “I’ve even been able to save some money and open a warung (street-food stall) to help my husband. I’d like to expand my warung, but more than anything I’d like a better education for my children, because they deserve the best.”

BRUNO ZANZOTTERA



The Human Safety Net (THSN) is a movement of people who assist other people.

It stems from Generali’s mission statement of allowing people to shape a more secure future for themselves by taking control of their lives and their dreams. The Human Safety Net extends the scope of this goal to the most vulnerable in society. The movement gathers the people, skills, resources and distribution networks necessary to meet its objectives. As a result of the strength of these connections, it is able to increase its impact.

The Human Safety Net invests and creates partnerships with non-profit and social enterprises in Europe, Asia

↑ Above

Mother and child joint reading sessions in the THSN Family Centre in Madrid.

↘ Next

Discussions to finalise the business model in a sustainable start-up.





## Generali expects its employees to be an active part of their local community

and Latin America: to date, over 40 enterprises are involved. Together with these partners, they have created three programmes that have the potential to make a long-lasting impact on the lives of vulnerable people and allow them to make the most of their talents.

This is a strategic decision that combines the knowledge and experience of a growing number of NGOs, social enterprises and experts from around the world. A shared platform has been set up to measure the impact of each and every project, helping each NGO to keep track of their results and share the impact: a virtuous circle of learning.

### A network of social enterprises and volunteers

Generali created The Human Safety Net to offer pragmatic responses to these challenges, including based on the active participation of employees, agency networks and clients. One important role is corporate volunteering: a way for Generali to emphasise the values of active citizenship, by encouraging its employees to dedicate themselves to their communities through volunteering activities, even during work hours. From providing healthy

recipes in Argentina, to building Maria Montessori-inspired wooden toys, from providing expert legal and strategic advice for entrepreneurial refugees in Switzerland, to fundraising, the volunteering activities are intended to have something for anyone who wishes to participate and contribute.

### THSN Programmes

#### ENRICHING THE FIRST SIX YEARS

The first six years of life are critical for a child's cognitive and social-emotional development; over this period, approximately 250 million children around the world are at risk of being left behind their age-group contemporaries for the rest of their lives. The first six years of life are when 90% of a child's brain develops, making them of critical importance, and it is therefore vital for them to be able to rely on positive parenting cues that respond to their needs. This is the period when interaction with the parents lays the foundation for future progress. Children thrive on stability, and this is especially vital for those whose families live in vulnerable conditions. The best way to help these children is therefore to support their parents from the children's birth. In the 14 participating countries, the programme allows parents to participate in activities of reading and play, receive advice on critical issues such as health and nutrition, and meet other parents. This lays the foundations for the fundamental developmental capacity of the child by reinforcing their parenting abilities



## SUSTAINABILITY

and creating new informal networks of assistance, reconnecting them with society.

## INTEGRATING REFUGEES INTO SOCIETY

Millions of refugees have arrived in Europe in recent years, and many of them have the desire and the ability to become successful entrepreneurs. Integrating people into the workplace is a fundamental part of their integration into wider society, especially if they are to become a future resource for our economies. The talent and resilience of the refugees are at the root of this programme, with the end goal being

**A dynamic hub in which ideas are raised that have the potential to improve the lives of communities**

to transform their entrepreneurial ideas into reality through training, coaching and access to workspaces and relevant finances. This assists the refugees in developing workable business proposals, bringing their initiatives to life and reaching their first clients, like with the example of Guiti News in France.

And if entrepreneurship is not the right path for them, the refugee program that is presently active in Germany, France and Switzerland

also provides practical training to assist them with workplace integration.

### TACKLING NEONATAL ASPHYXIA

Last October, a Polish newborn became the first to benefit from an ambulance with a special incubator. As a result of this donation from THSN in Poland, the little girl could begin receiving treatment for neonatal asphyxia on the way to the specialist

MARTINO LOMBEZZI



### ↑ Above

The watercolour represents one of the over 200 windows of the Procuratie Vecchie in St Mark's Square. The building will become the home of The Human Safety Net from 2021, as part of the renovation of the building - where Generali first established its offices in Venice back in 1832. The watercolour was painted by Gaspard Njock, a multidisciplinary artist

born in Cameroon. He spent several years in Italy, including Venice, before settling in Paris. Passionate about opera and painting, he graduated in performing arts at La Sapienza in Rome and in musicology at Sorbonne University in Paris. In the context of his work as a cartoonist and as an author his path crosses that of The Human Safety Net activities in France.

He starts a collaboration with a network of refugee journalists that founded GuitiNews, an online news channel incubated within The Human Safety Net Refugee Start-ups Programme in Paris.



## ↓ Under

Emma Ursich, Group Head of Corporate Identity and The Human Safety Net Foundation at Generali.



medical facility. Around the world, an estimated 30 million newborns risk not being able to survive and achieve their full potential as a result of premature birth or complications during childbirth. One of the most severe causes is neonatal asphyxiation. To prevent these risks and reduce the number of cases and the impacts of long-term disability, newborns and their parents require access to high-quality family-focused services before, during and after the moment of birth. This is why THSN works with researchers, healthcare workers, non-profit organisations and parents within hospitals and communities in the Czech Republic, Hungary, Poland, and Thailand.

creativity, resourcefulness and inclusivity, Venice represents the ideal headquarters for The Human Safety Net. The Procuratie Vecchie, where the procurators of the Venetian Republic implemented social welfare activities for the weakest members of society, has set itself the lofty goal of becoming a dynamic hub in which ideas are raised that have the potential to improve the lives of families and communities in different areas of the planet. The third floor of the building will be opened to the public for the first time in over 500 years: an open door to the world that invites people to explore, find inspiration, exchange ideas and take collective action.

“THSN has a presence in 21 countries, with 40 NGOs and social enterprises: thanks to the contribution of our employees, our agents and our network, we’re aiming to have a long-term impact on the lives of the most vulnerable”

Emma Ursich

#### In Venice for a social impact

The Human Safety Net’s headquarters will be in one of Generali’s most prestigious real estate assets: the “Procuratie Vecchie” building on Venice’s Piazza San Marco. A UNESCO World Heritage site, synonymous with

# Welfare and sustainability: the SME challenge



# WHISK

A SUSTAINABLE BAKESHOP

Whisk is a bakery and beverage shop that uses methods that do not completely use up or destroy natural resources such as: composting all of their food waste using recyclable and compostable packaging that is made from at least 90% post-consumer recycled content, utilising in-season ingredients and using ingredients that are all purchased from other sustainable or eco-friendly wholesalers.



# From corporate Welfare to sustainable business. How to support SMEs in the global arena through innovation and integration of environmental, social and governance policies.

the Editorial Office

Micro, small and medium enterprises are the bedrock of Europe. According to a report by the European Parliament in Strasbourg, SMEs make up 99% of businesses in the European Union, employ two thirds of all private sector employees, and contribute “over half of the added value created by EU businesses”. In 2015, the report stated, “23 million SMEs in the EU [...] provide more than 90 million jobs while generating some EUR 3.9 trillion in added value [...] make a vital contribution to economic growth [...] as well as [being] a major source of innovation in the EU”. Europe is focusing its attention on a series of action plans in support of

SMEs, such as the Small Business Act, Horizon 2020 and the COSME programme. Their objective is to increase the competitiveness of SMEs via research and innovation, and ease their access to financial support.

On a larger scale, small and medium enterprises also account for 60% of the global workforce. They play an important role in social stability, equitable growth and reducing poverty, and form the backbone of the working middle class in most countries. According to an OECD report cited by the World Small and Medium Enterprise Forum: “SMEs and entrepreneurs play a key role in national economies

around the world, generating employment and income, contributing to innovation and knowledge diffusion, responding to new or niche demands and social needs, and enhancing social inclusion. However, SMEs are often more affected by business environment conditions and structural policies than larger firms.”<sup>1</sup> In short: “The SME sector is vital for the global economy, and small businesses are the driving force behind employment, innovation and entrepreneurial spirit”.

Their objective is to ease the access of SMEs to financial support

Going beyond. EnterPRIZE as a promotional vehicle for sustainable SMEs

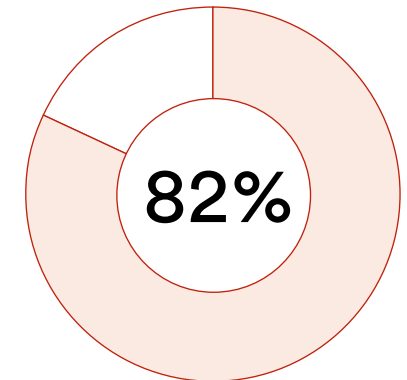
With the impact of SMEs on the integration of sustainability in the real economy in mind, Generali has launched EnterPRIZE, the international award for the best sustainable SMEs, part of Generali’s 2021 strategic plan.

The inspiration for this award comes from the experience of Generali Italia and Generali France, who have been supporting and rewarding sustainable SMEs for many years.

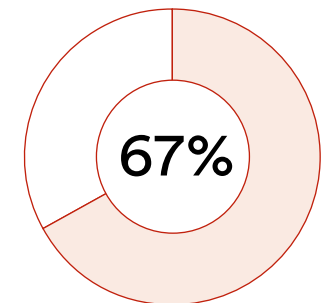
The project is to be implemented on the local level, with SMEs being

## The global SME workforce

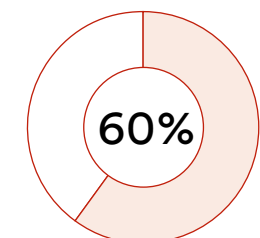
In Italy



In Europe



In the World



### EnterPRIZE is a contest that brings benefits for all involved stakeholders

#### SMEs

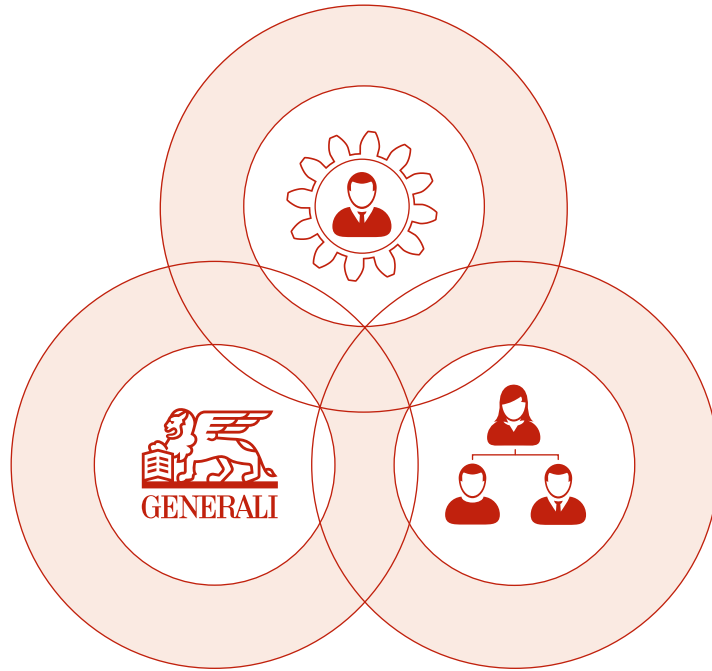
- Increase sustainability knowledge and competitiveness
- Improve visibility and reputation within the local business community
- Raise profile with employees and supply chain

#### Generali

- Have a positive impact in society, environment and real economy
- Enhance Generali reputation
- Establish thought leadership on SMEs and Sustainability

#### Sales network

- Strengthen the relationships with SMEs customers
- Create new contacts thanks to EnterPRIZE purpose-driven value proposition



assessed on their approach to sustainability and initiatives in one of the following areas: environment and climate change, health and safety, employee Welfare, and sustainable innovation.

SMEs that win their local competition will then participate in the international competition in their respective category. Participating SMEs thereby raise awareness regarding sustainability, and the winners will gain national and international visibility, setting a

positive and inspiring example to others.

This award will be an opportunity for Generali to make a tangible contribution to the real economy, on a subject – sustainability – that is only going to increase in importance; becoming a key thread in the entrepreneurial fabric.

#### Italy: an index to monitor Welfare progress in Italian SMEs

Generali Italia has compiled the SME Welfare Index since 2016, together with the leading Italian

### Corporate welfare improves productivity, the corporate environment, and community wellbeing

business organisations, including Confindustria, Confagricoltura, Confartigianato and Confprofessioni.

The index evaluates the corporate Welfare performance of Italian SMEs. Assessments suggest that corporate Welfare can lead to a company's growth: it increases productivity, improves the corporate environment, ensures increased staff loyalty and increases the level of wellbeing in the community.

The SME Welfare Index and the annual survey, which in 2019 included

a sample size of 4,561 small and medium Italian enterprises, is a reliable snapshot of the state of SME Welfare policies in Italy, based on a wide-ranging and in-depth scientific analysis that assigns points based on over one hundred variables. The SME Welfare Index takes 12 factors into consideration, providing a detailed analysis regarding integration of Welfare and how it is applied within the company: integrated Welfare, support services, work-life balance, support for parents, employee training, culture and leisure, safety and incident prevention, integrated healthcare, insurance policies, financial support for employees, educational support for children and relatives, support and social integration for marginalised individuals, community Welfare initiatives.<sup>2</sup>

This index enables us to track and assess the progress made by SMEs in the field of corporate Welfare. The results indicate that, since 2016, businesses have significantly increased the variety and depth of their Welfare policies in the 12 areas identified by the research. The number of businesses that we have defined as active, i.e. with initiatives in at least four areas, was 25.5% in 2016, but has nearly doubled in the three years since, reaching 45.9%. More important yet is the growth of highly active businesses – those with initiatives in at least six of the identified areas: this number has almost tripled, from 7.2% in 2016 to 19.6% in 2019.

<sup>1</sup> Small, Medium, Strong. Trends in SME Performance and Business Conditions, OECD, Paris, 2017

<sup>2</sup> A summary of the SME Welfare Index report can be found here (ITA): <https://www.welfareindexpmi.it/press/>





← Left

Performance in Lighting is an international company that has opened a company nursery with more than 40 children at its Verona headquarters, a third of whom are the children of employees, as the majority of the company's workforce is female.

↓ Under

A moment from the 2019 SME Welfare Index event.

### A leap in quality

The real leap has taken place over the last year, with the number of highly active businesses increasing from 14.4% to 19.6% (+36%). When we take a look at leading examples of corporate Welfare, we see that the value generated by those businesses lies in the bonds they form with their collaborators, creating projects that meet their primary needs. Companies that create Welfare projects able to respond to the needs of employees, their families and their local area generate increased value compared to the financial expense of the initiatives, and people are coming round to it.

### France: an innovative risk management approach for SMEs

Since 2006, Generali France has been developing a solution known as Generali Performance Globale (GPG), intended to assist companies in understanding their exposure to risk and to take the necessary measures to keep their business running.

This approach was the result of research that identified that a third of French SMEs lacked a clear risk management strategy.

GPG is a four-step process:

- 1) gathering data on a company,
- 2) identifying its strengths and weaknesses,
- 3) implementing a program of improvement, and
- 4) signing a charter and awarding a prize to the company with the best risk management system.



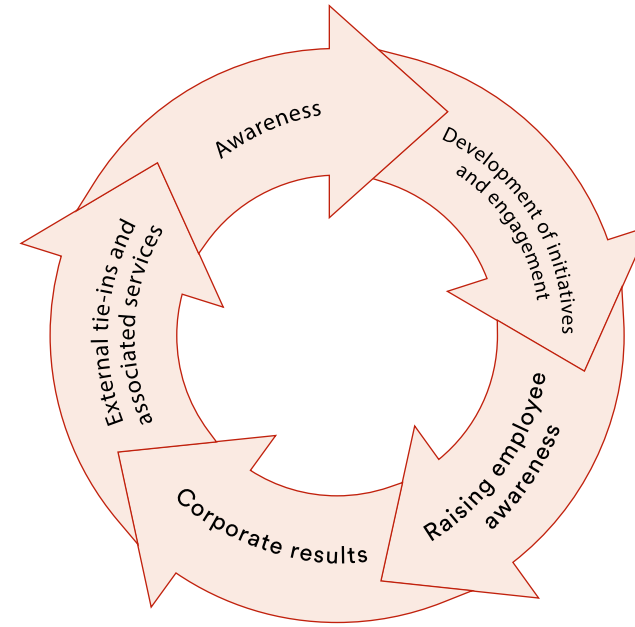
↓ Under

A man works at the "Biere de Groix" beer brewery, on June 19, 2019 in the Groix island, western France. A remarkable natural site, a mineral reserve and a stopover appreciated by sailors before the open sea, the island of Groix in the Morbihan, has, now, its own beer, the "GX", made with barley grown on site.

**This solution transforms perceptions of the service. It is no longer considered an insurance burden, but rather a tool for creating value via a risk management approach that impacts the entire corporate structure. This process also takes into account sustainability criteria such as eco-friendly product planning, quality of industrial relations and green procurement. The stakes are incredibly high: the percentage of claims arising from companies that introduced sustainability criteria into their strategy was 30% lower than those of their competitors.**

The evaluation phase is carried out on over 80 items after which they awarded a score from 1 to 20. Recommendations to assist the SME in improving its risk management are provided on the basis of this score.

**The virtuous circle of corporate Welfare**



The close relationship between companies' awareness of corporate welfare and the extent of the initiatives and their employees' appreciation of them (especially when they are personally involved) has become clear over the four editions of the SME Welfare Index Report (2016-2019). Furthermore, those companies who are most engaged in corporate welfare also demonstrate improved productivity and results. The correlation between these factors represents what is known as the "virtuous circle of corporate Welfare".

Source: welfareindexpmi.it

**An award that assesses and rewards the best sustainable global SMEs**

Companies that achieve the highest scores receive a "Generali Performance Globale" certification. This grants them access to preferential rates on insurance policies and tailored support in setting up a continuity plan.

The GPG certificate is handed out at a special awards ceremony featuring clients, suppliers,

organisations and institutions. It receives widespread media coverage and has a positive impact on the reputation and professional standing of the award-winning companies.

Through this initiative, Generali provides a dual service to its clients; consultancy as well as prevention. It is no surprise that GPG clients have higher brand loyalty, with multi-year policies with an average duration of over 10 years. By encouraging companies to adopt best practice in risk management, Generali contributes to reducing their claims while developing a more sustainable and responsible business model.

GETTY IMAGES / LOIC VENANCE



# Stories of sustainability from around the world



Eskom working maintaining power lines, Johannesburg, Gauteng.



# The public-private model applied to independent energy production: the Globeleq case in Africa.

AP PHOTO / THEMBA HADEBE



Compensating for the drastic energy shortages in Africa and making the renewable energy market in Africa sustainable. It is around these two subjects that the challenge for independent power producers (IPP) in Africa has been concentrated in recent years. These are players in a new dynamic market which, although firmly encouraged by the United Nations' objectives for universal access to electricity by 2030, on the other hand conflicts with the difficulties of financing innovative activities in the area and giving guarantees to local companies in energy

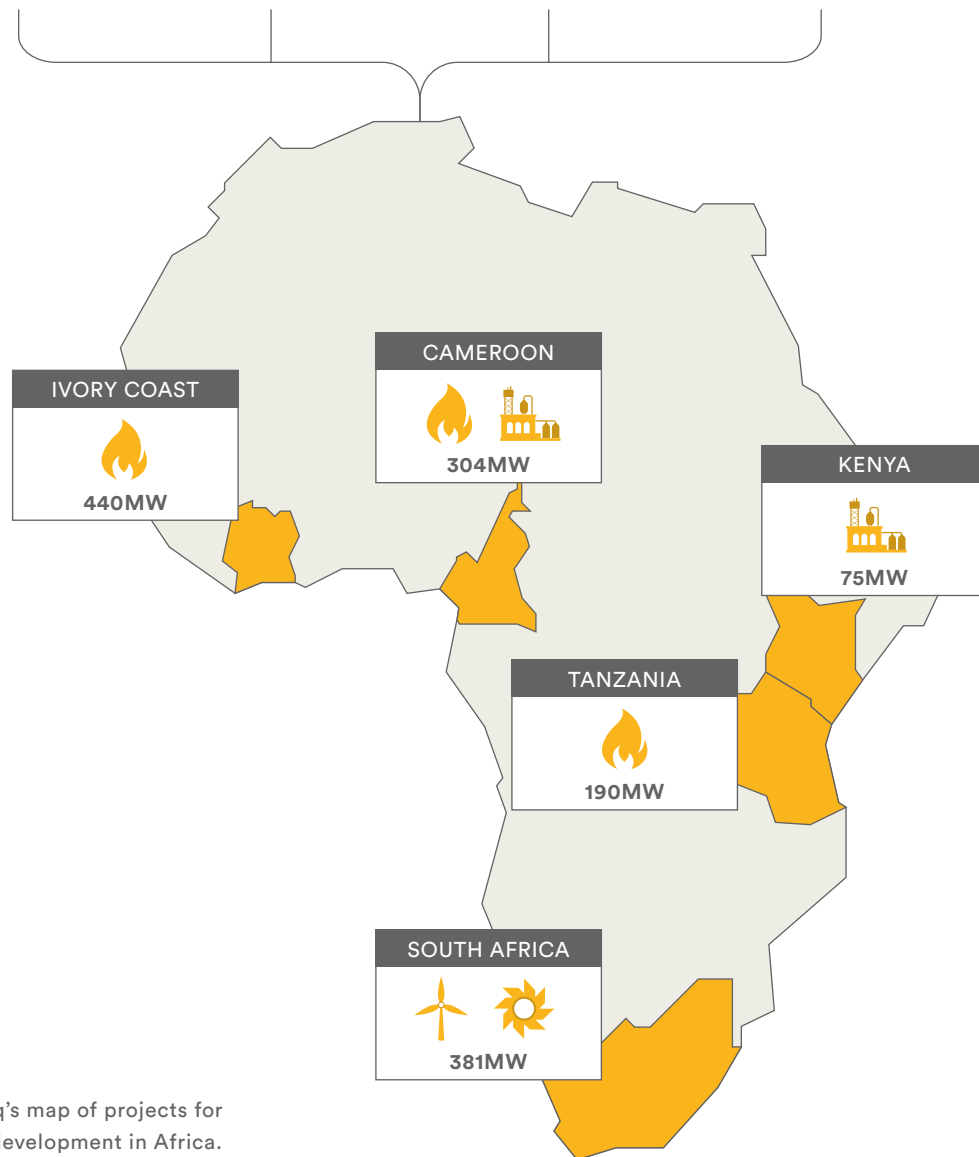
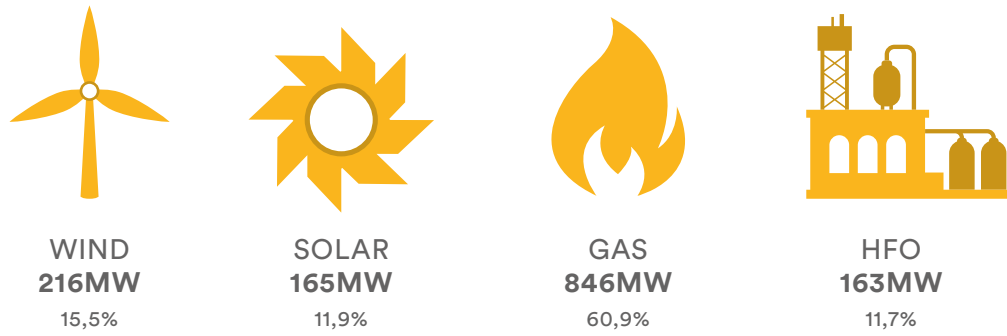
concessions. One interesting example is the IPP Globeleq, a London-based company established in 2002, which is under the ownership of shareholders CDC (70%), the UK government development finance institution, and the Norwegian Norfund (30%). The company is currently involved in the production of 1,400 megawatts (Mw) in the Sub-Saharan region, guaranteeing 30 percent of all the energy produced in the Ivory Coast and 25 percent in Tanzania, as well as numerous projects across South Africa, Kenya and Cameroon, with at least 2,000 Mw in the development phase.

In more detail, Globeleq generates a total of 440 Mw in the Ivory Coast, 304 Mw in Cameroon, 315 Mw in South Africa, 190 Mw in Tanzania and 75 Mw in Kenya. The company has recently initiated the construction of a 40 Mw photovoltaic plant located 50 km from Malindi (Malindi Solar), which should be up and running by mid-2020, while in South Africa it has acquired a rich portfolio (80 Mw) of renewable energy resources: this includes the 11 Mw Aries solar project, the 11 Mw Konkoonsies photovoltaic plant, the 31 Mw Soutpool solar plant and the 27 Mw

↑ Above  
April 30, 2019: an array of election posters from various political parties are displayed on poles in Pretoria, South Africa. As the country's May 8 election approaches, political observers are watching younger voters who say they are eager to end the country's continued economic inequality.



Approximately 1,400MW distributed in 5 regions of Africa



Globeleq's map of projects for energy development in Africa.

Source: Globeleq

Klipheuwel wind farm. The company will also shortly complete a 66 Mw solar project in Boshof.

Globeleq's fast rate of development is due to the public-private model, which is finding favourable conditions on the African continent. Backed by guarantees offered first by the British investment fund Actis, and now (since 2015) by the British CDC credit group, and by the Norwegian Norfund, the IPP works closely with state power companies in the countries where it operates as an energy distributor, fostering the dynamism of sometimes problematic industry contexts: this is the case with the

**The region has the highest percentage of people in the world without electricity**

twenty-year energy purchase agreement signed with the South African Eskom, weighed down by a debt of 30 billion dollars, or the agreement of the same duration entered into with the national utility company Kenya Power. The interest in working mainly in Sub-Saharan Africa also brings the group in line with UN objectives: the region has in fact the highest percentage of people in the world without electricity (600 million out of 1 billion inhabitants). Sixty percent of those live in rural areas.

The challenge of expanding the installed electricity capacity in the continent, driven by a participatory model with local governments, has also led the company to

focus on Angola. During the recent Africa Energy Forum (AEF) held in Lisbon, the group's chairman, Fabio Borba, revealed ongoing talks with authorities in Luanda and in particular with the Minister of Energy and Water, João Baptista Borges, with regard to investing in the expansion of the combined cycle power plant on Soyo, an island located at the mouth of the Congo river. Borba explained that Globeleq is very interested in the project, with a view to helping strengthen the gas sector and abandoning the use of diesel generators. The proposal, which the Angolan authorities have shown interest in, involves private investments, above all in terms of infrastructure and energy production, with a model in line with government intentions, thus freeing up public resources to be invested in other areas where the private sector is less effective. As well as reducing electricity costs, the project also offers the opportunity to incentivise the use of renewable energy, in particular solar and wind, and to reflect on the establishment of a company in which the government would hold the majority capital. Borba values the investment for the organisation of projects in the country at between 5 and 10 million dollars, and at least 100 million dollars for the construction of infrastructure.



REUTERS / ALY SONG

# The Great Wall against fossil fuels: China reducing its carbon dependency.

For many years, China has been making efforts to reduce its dependence on carbon. Counteracting the serious damage to water resources and the atmosphere caused by the excessive reliance on carbon is one of the main medium-term development goals set out by the Chinese President Xi Jinping's government. This also explains China's participation in the promotion of the Paris Climate Agreement, approved in December 2015, as well as its recent request to renegotiate certain aspects of the pact, making it less burdensome on the economies that have just begun their development process.

From an economic point of view, overcoming dependence on carbon responds to a recognised global trend:

financial institutions and bodies such as the World Bank have announced their gradual withdrawal from carbon-based projects. This trend coincides with Beijing's changing development standards: from its highly pollutant manufacturing processes to its leadership in high technology and digital economy, in line with President Xi's Made in China 2025 plan. On a social scale, attention to the environment and fighting polluting emissions have become necessary due to a gradual increase in real standards of living

## Last December Beijing opened the largest Cap and Trade market in the world

carbon emancipation, especially that used for heating public and private buildings. This process was especially enforced last winter and caused significant difficulties, especially in the northern regions of the country. However, the emergency situation pushed forward the integration process of the large energy companies that began in 2015 to rationalise and consolidate state companies characterised by higher profitability and competitiveness. Last year the Chinese government supervised the fusion of the nation's main carbon producer, Shenhua Group Corp. Ltd., and one of the five main energy producers in the country, the China Guodian Group Corp., giving rise to the world's largest energy company.

In order to further accelerate the reduction in national carbon dioxide emissions, which equal roughly 30 percent of global output, last December Beijing

that are incompatible with the urban and rural damage caused by decades of rapid economic growth. According to official data from Beijing, in 2013 China had already doubled its peak carbon consumption: since then, Chinese consumption of carbon has fallen by several percentage points each year, with the exception of 2017 when, according to estimations from observatories such as the Global Carbon Project, consumption rose by roughly 1 percent. Last year, Chinese consumption fell by some 150 million tons compared to 2015, and by 420 million tons compared to 2013.

This is a significant result made possible by a vast series of political, financial, scientific and technological measures. At the beginning of last year, Beijing commenced the challenging process of



Electrical equipment



Farming machines



New materials



Numerical control tools and robotics



Information technology



Aerospace equipment



Railway equipment



Oceanic engineering equipment



Energy saving and new energy vehicle



Medical devices



opened the largest Cap and Trade market in the world: the new system currently only involves the national energy industry, that alone includes roughly 1,700 factories and plants, but in the future will be gradually extended to further economic sectors and industries. While this mechanism introduces many further uncertainties, from the beginning it has represented a market of 3 billion tons of carbon dioxide, nearly double the European figure of 1.75 billion tons. At the same time, new international agreements and initiatives have been introduced, such as that signed last March by the Asian Infrastructure Investment Bank and Beijing Gas Group Company for a project aimed at widening the natural gas distribution network, reducing pollution caused by carbon used for heating in China's rural areas. Meanwhile Beijing continues in its long-term research: last February, for example, Chinese authorities approved a feasibility study into a project regarding a nuclear reactor based on Nhr-200-II technology; the new type of reactor will be used for the production of thermal energy to heat houses and public buildings in an attempt to drastically reduce the country's dependence on carbon. Beijing is also increasing its use of renewable sources: last November, for the first time, the overall generating capacities of China's photovoltaic sector exceeded 100 million megawatts, reaching 106.9 million megawatts. The data, relating to the first 11 months of 2017, represents an annual 72 percent growth.

REUTERS / ALY SONG



#### ↖ Previous

A man takes a picture on a bridge in front of the financial district of Pudong covered in smog during a polluted day in Shanghai, China November 28, 2018.

#### ↓ Under

A Google sign is seen during the China Digital Entertainment Expo and Conference (ChinaJoy) in Shanghai, China August 3, 2018.

# The Third Column: the community forgotten by the state and the markets.

Rethinking the relationship between market and civil society, supporting the strengthening of local communities to stem the negative effects of globalisation processes. This is the goal of "Third pillar: how Markets and the State Leave the Community", a book-analysis of the economist and former governor of the Reserve Bank of India Raghuram Govind Rajan. Published in 2019, the volume describes the current crisis of the liberal system and the populist reaction against globalisation, analysing the three pillars of society, the so-called "Three Pillars": the State, the markets, the community in which we live. In his analysis of globalised contemporary society, Rajan presents a radical rethinking of why capitalist democracies have been so successful in

the past and the reasons for their current crisis. The volume starts with an important premise, the awareness that in a society surrounded by abundance and a level of wealth never reached before, there is an unprecedented concern within the exponents of the middle class in developed western countries, particularly in the United States. In his work, Rajan argues that many of the world's most urgent political and economic issues, including the rise of populist nationalism and growing inequality, reflect the technological changes that are creating an imbalance in the three pillars that support society. According to Rajan, it is fundamental to "reinvigorate" the third pillar: the community. Returning to the strengthening of community relations, currently weakened by state and market, it is possible to rebuild the democracy of the liberal market. The central proposal of Rajan's analysis is the establishment of "inclusive localism" which increasingly pushes decision-making processes towards the community. "Throughout history we have experienced serious imbalances, either because of a dramatic calamity, like the Black plague that killed a third of Europe, or because of scientific or technological advances such as the industrial revolution. I argue that we are experiencing something similar today. It is a technological revolution, which is essentially strengthening markets enormously, but at the same time strengthening governments. "What is left behind is the third pillar, the community", said Rajan in an interview with the Chicago Booth School of Business magazine. "I fear that communities have traditionally prospered by keeping others out, excluding them. This is a very narrow view of the community. It makes the community much poorer, both economically

and as a lifestyle, than it could be if it were more open. Hence the need for an inclusive localism", noted Rajan, according to whom "the central vehicle through which we transmit better policies to people, to the community, does not work". In his book, Rajan sends a clear message: to reflect deeply on the problems of the free system that has worked for 60

**The central proposal of Rajan's analysis is the establishment of "inclusive localism"**

or 70 years and is now in difficulty and to start a real "restructuring of the social contract".

← Left

Amazon made headlines recently when it ditched plans to build a new regional headquarters in New York. The state's governor had backed the idea, but community groups revolted. Amazon's arrival would do little but gobble up tax subsidies and price out locals, they argued. Eventually the tech giant walked off in a huff.

REUTERS / FABRIZIO BENISCH



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## Awards



2019



2017 / 2019



2018



2018



2017



2017



2016

2019

**1 DotCom Award:** Platinum Winner in "Website – Online Publication"

**3 Hermes Creative Awards:** Platinum Winner in "Publications, Magazine", "Design, Publication Overall" and "Design, Publication Interior"

2018

**1 Spark Award:** Gold Winner in "Communication"

**1 Davey Award:** Silver Winner in "Corporate Identity & Print Collateral"

2017

**3 Hermes Creative Awards:** Platinum Winner in "Magazine", Gold Winner in "Publication Interior" and "Employee Relations"

**1 Communicator Award:** Gold Winner in "Employee Publication"

**1 Mercury Excellence Award:** Gold Winner in "Public Relations"

2016

**5 MarCom Awards:** Platinum Winner in "Internal Magazine", "Internal", "Corporate", Magazine Cover" and "Magazine Interior"

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