

Generali presents SME EnterPRIZE in Brussels to promote sustainability among European small and medium-sized enterprises

- Launched to mark Generali's 190th anniversary, SME EnterPRIZE aims to promote new business models and stimulate public debate on sustainability
- Over 6,000 companies took part, among which seven were selected as "Sustainability Heroes"
- White Paper on SMEs' approach to sustainability in Europe, developed by SDA Bocconi and promoted by Generali, was presented

Brussels - Generali presented the first edition of SME EnterPRIZE, an initiative dedicated to European small and medium-sized enterprises (SMEs) to promote the adoption of sustainable business models and to provide visibility, also via a digital platform, to SMEs that have already done so, to stimulate public debate on the topic. SME EnterPRIZE is part of the initiatives launched to mark Generali's [190th anniversary](#).

European Commissioner for Economy Paolo Gentiloni, the Chairman of Assicurazioni Generali Gabriele Galateri di Genola, and the Group CEO Philippe Donnet attended the event to recognise the "Sustainability Heroes", SMEs selected in seven European countries that have implemented notable sustainability initiatives in their businesses in three areas: environment, welfare and community. Vincenzo Amendola, Under Secretary of State to the Italian Presidency of the Council of Ministers, delegated to European Affairs in the Draghi government, intervened during the ceremony.

The European Commissioner for Financial Services Mairead McGuinness also participated via a video message.

The project, which involved representatives of the European Parliament and Commission, also aims to increase the awareness of the EU institutions and programmes dedicated to supporting the economic recovery and small and medium-sized enterprises, from Next Generation EU to the "European Framework in Support of SMEs" initiatives.

During the event, the conclusions of the White Paper "*Fostering Sustainability in Small and Medium-sized Enterprises*", promoted by Generali and developed by SDA Bocconi – School of Management Sustainability Lab, were presented.

Generali Group CEO Philippe Donnet commented: "*Small- and medium-sized enterprises are a fundamental pillar of the European economy and one of the main drivers of the sustainable transition. SME EnterPRIZE is part of the strategic plan 'Generali 2021' and is in line with our ambition to promote a greener and more inclusive society, consistent with the European Green Deal and Next Generation EU. In addition to promoting the most noteworthy examples and supporting SMEs in adopting more sustainable business models and practices, we want to encourage a continuous exchange of views with national and European institutions as*

well as with academia and the private sector. That way, we can examine the challenges and development opportunities for a business segment that is key to the sustainable growth of our continent's economy."

SME EnterPRIZE, Generali promotes a culture of sustainability

SME EnterPRIZE is Generali's initiative to promote a culture of sustainability among European SMEs. It aims to inspire small and medium-sized enterprises to develop sustainable business models and stimulate public debate on the issue of sustainability.

Through SME EnterPRIZE, Generali aims to:

- support SMEs in their sustainable transformation, in line with the European ambition to develop a more inclusive and green economy
- stimulate public debate on the importance of sustainability for SMEs, promoting research on the topic
- present notable examples of responsible business, inspiring small and medium entrepreneurs to develop sustainable behaviours in three areas: environment, welfare and community.

The Group wants to provide visibility to the best practices implemented in three categories:

- welfare: SMEs which have improved the well-being of employees and their families
- environment: SMEs which have contributed to important goals, such as the fight against climate change and the development of a circular economy
- community: SMEs which have implemented initiatives that positively impact the communities and territories in which they operate.

The SME EnterPRIZE Scientific Committee is composed of ten representatives from the main EU institutions, NGOs, press and academic fields with relevant experience both in sustainability and SMEs: Sandrine Dixon-Declève, Co-President of the Club of Rome and Senior Associate and faculty member of the Cambridge Institute for Sustainability Leadership (CISL), as well as Chair of the Expert Group on Economic and Societal Impact of Research & Innovation (European Commission); Bianca Dragomir, CEO of AVAENSEN, Member of the "European High-Level Roundtable Industry 2030" and European Cluster Manager 2016/18; Kirsten Dunlop, CEO at Climate-KIC; Nicolas Hazard, Founder and CEO of INCO and Special Advisor to the European Commission in charge of Social Economy; Peggy Hollinger, International Business Editor at Financial Times; Marina Kaas, Vice-President European Entrepreneurs (CEA-PME) and Vice-President at Estonian Association of SMEs - EVEA; Paul Rübige, President of SME Connect, Member of the EIT Governing Board, Former Member of the European Parliament and Member of the European Economic and Social Committee; Simone Tagliapietra, Senior fellow at Bruegel (Brussels European and Global Economic Laboratory) and Adjunct Professor at the Università Cattolica del Sacro Cuore in Milan; Gianmario Verona, Rector at Università Bocconi; Anders Wijkman, former Member of the European Parliament, Honorary President of the Club of Rome, and member of the Royal Swedish Academy of Sciences.

The “Sustainability Heroes”: the most sustainable European SMEs presented in Brussels

Drawn from the over 6,000 SMEs that participated, Generali has recognised the “Sustainability Heroes”: companies selected in the areas of welfare, environment and community, and coming from the seven European countries that have joined the initiative: Italy, Germany, France, Spain, Austria, Hungary, and Czech Republic.

- **Natura Iblea-PaniereBio (Roberto Giadone, Italy)**, a leading agriculture business in Southern Italy’s organic production which implemented significant welfare initiatives for its employees, especially during the pandemic crisis
- **PlanA.Earth (Lubomila Jordanova, Germany)**, an AI- and science-driven certified SaaS (Software as a Service) platform for automated carbon accounting, decarbonisation, ESG management and reporting
- **Wanted Community (Christian Delachet, Jérémie Ballarin and Luc Jaubert, France)**, which aims to create inclusive spaces by managing responsible cafés and restaurants and by implementing several solidarity initiatives
- **Rioma (Jose Almedina Polonio, Spain)**, a textile company that created a Foundation operating in Spain and South America to support young people at risk of social exclusion
- **Boutique Hotel Stadthalle (Michaela Reitterer, Austria)**, an eco-hotel defined as “passive house” – a standard describing the energy efficiency of a building that reduces its carbon footprint
- **Virgin Oil Press Ltd. - Grapoila (Marianna Pinczés, Hungary)**, which became a zero-waste company in the cold pressing processes for the production of its oils. Its strategy includes an urban development programme to enable the people living near the company to familiarise with permaculture, a form of agriculture intended to be sustainable and self-sufficient, without resorting to chemicals
- **CleverFarm (Vojtěch Malina, Czech Republic)**, committed to developing smart solutions for farmers such as IoT-based sensors and precision agriculture tools.

Generali and SDA Bocconi’s White Paper, a guide to the sustainable transition of SMEs

The White Paper “*Fostering sustainability In Small and Medium-sized Enterprises,*” presented by Professor Stefano Pogutz (Full time MBA Director, SDA Bocconi School of Management), examined the relationship between sustainability and SMEs in eight European countries (Austria, Czech Republic, France, Germany, Hungary, Italy, Spain, and Switzerland) in the three main areas of welfare, environment and community.

The research explored the main areas of action, the benefits and factors promoting the implementation of sustainability initiatives, as well as the barriers that hamper SMEs’ adoption of a sustainable behaviour.

In particular, the White Paper highlights that:

- SMEs account for nearly the total number of firms operating in the European Union and Switzerland, and generate over half of total value added

- structured sustainability projects enable small and medium-sized enterprises to access certified supply chains and global markets, as well as dedicated funding and resources
- individual values and the socio-cultural environment are among the positive factors that encourage the adoption of sustainable initiatives; the lack of internal and economic resources are, conversely, among the negative factors
- initiatives and tools to support SMEs' sustainable transition are already in place: education and capacity building, sustainable finance, policy framework, demand-side instruments, reporting and disclosure
- it is essential to create an "ecosystem" where policy makers, large companies, the financial system, academia and research can create public-private partnerships.

SMEs play a fundamental role in social and community dynamics. They are key players in European and global value chains, making them essential actors in the efforts towards the sustainable transition. In quantitative terms, they account for 99.8% of the total number of firms operating in the European Union and Switzerland, and offer more than 100 million jobs – two thirds of the total. In addition, the total value added counts at € 4.3 billion, equal to 56.4% of the total in the EU and Switzerland.

The adoption of sustainable business models offers a range of opportunities and resources:

- **certified supply chains and global markets.** The adoption of a more structured approach to sustainability, both from an environmental and social point of view, offers SMEs the possibility to access the certified value chains of large companies and global markets
- **dedicated funding for the sustainable transition.** The resources made available at international and national level for the ecological transition will be accessible only to SMEs that implement specific efforts aimed at enhancing their sustainability profile
- **sustainable finance and better financial conditions.** ESG (Environmental, Social and Governance) factors are increasingly important, also with regards to the provision of credit to businesses. This trend is supported both by the assessments made by banks with respect to the exposure of their portfolio to ESG risks, and by the most recent developments in financial regulation encouraging financial institutions to introduce ESG variables in their evaluation policies
- **public procurement.** SMEs' participation in public procurement has increased in recent years: in 2011, SMEs held 58% of all public procurement contracts in the EU and European Economic Area (EEA), while most recently they had obtained 65% (32% in value).¹ As ESG factors in public procurement become more important, SMEs need to be ready to meet more stringent sustainability criteria
- **competencies and talents attraction.** A better sustainability profile and a strong corporate reputation favour the attraction and retention of more qualified and motivated workers

¹ European Commission (2019), Analysis of the SMEs' participation in public procurement and the measures to support it - 697/PP/GRO/IMA/18/ 1131/10226 Final report <https://ec.europa.eu/docsroom/documents/42102/attachments/1/translations/en/renditions/native>.

- **stakeholders and partnerships.** The sharing of ethical, social and environmental principles can also improve the ability of SMEs to establish and maintain better relations with stakeholders and partners, thus securing support and access to resources and capabilities.

According to the White Paper, the main factors encouraging the development of welfare, environment and community initiatives in European SMEs are:

- **individual beliefs, principles and values;** in particular, the managers' personal attitudes, environmental orientation and ethics are reported as key factors
- **social proximity and deep involvement in local communities, beyond the business context,** are key drivers in promoting initiatives for employees and the communities in which SMEs operate
- **the socio-cultural environment,** an important part to driving corporate welfare initiatives
- **the legislative framework,** which is particularly significant to achieve sustainability goals in terms of welfare and environmental impact
- **organisational benefits,** an important element for both employee reskilling and investments aimed to an efficient use of resources.

On the other hand, the main factors preventing SMEs from adopting a structured and integrated approach to sustainability are:

- **the lack of internal resources, including competencies and skills.** Many aspects relating to sustainability have an inherent technical, technological and administrative complexity, and require different degrees of specialization. It is an extremely important issue in each of the eight countries where the study was conducted
- **institutional factors, including regulations and bureaucracy.** The study revealed the lack of governmental support and clear legislation, the lack of uniformity in regulatory frameworks and norms, administrative complexity and excessive costs for businesses
- **insufficient economic or financial resources.** According to the EU, small and medium-sized enterprises have to bridge a finance gap of € 20-35 billion for their sustainable transition
- **lack of demand.** Almost one out of three SMEs in the EU suffers from a lack of customer awareness on sustainable products and services, both in the B2B and B2C sectors. Nevertheless, several reports highlight growing consumer attention on environmental and social issues, further strengthened during the pandemic
- **the lack of standardized tools for SMEs.** Only eight out of the 145 sustainability management tools developed in the last 20 years were specifically designed for application in SMEs. These particularly relate to the strategic planning, evaluation and reporting of the sustainability and social responsibility performance.

To overcome these barriers, tailored instruments and support are needed. To secure a “just transition” to SMEs, there are existing initiatives and tools that can accelerate it and are divided into five categories:

- **education and capacity building:** awareness raising and the transfer of competencies to improve SMEs' knowledge on the benefits and opportunities that are linked to sustainability
- **sustainable finance:** more favourable conditions for sustainable SMEs, to facilitate their access to economic and financial resources
- **policy framework:** proportionate and simplified standards to involve SMEs in the EU sustainable transformation
- **demand-side instruments:** public and private procurement requiring the respect of ESG criteria can foster the integration of sustainability into SMEs



- **reporting and disclosure:** tailored and dedicated tools can help SMEs disclose the sustainability activities they already have in place.

Further information and insights are available on <https://www.sme-enterprize.com/>

THE GENERALI GROUP

Generali is one of the largest global insurance and asset management providers. Established in 1831, it is present in 50 countries in the world, with a total premium income of € 70.7 billion in 2020. With more than 72,000 employees serving 65.9 million customers, the Group has a leading position in Europe and a growing presence in Asia and Latin America. Commitment to sustainability is one of the enablers of Generali's strategy, inspired by the ambition to be the Lifetime Partner to its customers, offering innovative and personalized solutions thanks to an unmatched distribution network.