Social Impact Stock Exchange:
a step forward towards the new market

Final Report **Mock IPO**
2023

COMITATO PROMOTORE
Borsa dell'Impatto Sociale
TORINO SOCIAL IMPACT

This report was prepared on the initiative of the Promoting Committee of the Social Impact Stock Exchange on the basis of the information that emerged in the context of the Mock IPO carried out from February 2022 to April 2023.

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With the contribution of Guido Bolatto (Turin Chamber of Commerce Secretary General and Chair of the Social Impact Stock Exchange Promoting Committee), Mario Calderini (Professor at Polytechnic of Milan School of Management and Torino Social Impact Spokeperson) and Davide Dal Maso (Avanzi Sostenibilità per Azioni Partner and Deputy Chair of the Social Impact Stock Exchange Promoting Committee).

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The report is available online on the website www.torinosocialimpact.it/en/social-impact-stock-exchange/

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Torino Social Impact is a collective brand and an alliance between 250 companies and public and private institutions that have joined forces to promote the local ecosystem for the social economy. It operates by catalysing opportunities, projects and services aimed at making Turin one of the best places in the world for doing business and finance, pursuing objectives of economic profitability and social impact

www.torinosocialimpact.it/en/

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Foreword

by Guido Bolatto

The business world is undergoing a necessary transformation, driven by new social and environmental challenges that we are facing. Sustainability is no longer a whim but a mandatory path to remain competitive and keep up with the demands of customers and investors.

The emerging hybrid forms of enterprise, which combine profit and non-profit objectives, have demonstrated their ability to address current social needs while remaining economically sustainable. They represent the potential protagonists of this evolution.

For a long time, the Chamber of Commerce of Turin has believed that these businesses offer a policy option for inclusive development and innovation, one that should be encouraged and supported. That's why it has been promoting the Torino Social Impact project from its inception.

Indeed, the opportunity to enable inclusive industrial and technological policies arises from the intersection of social impact, technology, and science. Torino Social Impact emerges as a spontaneous aggregation of various entities from the third sector, businesses, public administrations, financial institutions, scientific and academic institutions, all of which share a common vision. Currently, it boasts over 250 partners.

Through active involvement with these partners, Torino Social Impact develops and strengthens the identity of its ecosystem while also experimenting with enabling infrastructures for the impact economy.

One of the most ambitious goals set forth is the creation of the Social Impact Stock Exchange, which serves as a tangible example of these enabling infrastructures. The project started in Turin, leveraging its mature and dynamic ecosystem with a suitable scale for experimentation and a strong tradition of territorial co-design. However, from the very beginning, it has shown potential to extend its reach nationally and scale up to the European and international levels.

With an experimental stock and bond market, we aim to intercept capital ready to invest in enterprises that also have social impact objectives on the territory. The conducted experimentation, whose main outcomes are presented in this report, has been a fundamental learning opportunity that will allow us to design the market infrastructure dedicated to impact-driven businesses.

We are grateful for the significant participation of many individuals who have demonstrated their belief in this experiment by contributing their expertise pro-bono to the activities of the Mock IPO. While it was expected that we would receive participation from the enterprises, we were pleasantly surprised by the crucial support provided by these valuable professionals.

Guido Bolatto

Turin Chamber of Commerce Secretary General and
Chair of the Social Impact Stock Exchange
Promoting Committee

Foreword
by Mario Calderini

The Social Impact Stock Exchange is a project that demands audacity. Envisioning the creation of an entirely new capital market is a bold ambition, but the shifting economic paradigms, the evolution of the job market with new professional roles, and the proliferation of new business models necessitate daring and imaginative solutions to address emerging needs.

The context has undergone a complete transformation. Sustainability is now imperative, and the economic crisis has prompted many companies to explore different models, focusing on communities, society, and territories. There is a strong mixture between profit-oriented businesses and the third sector, and some socially driven enterprises face difficulties in accessing capital. Therefore, this experimental stock exchange aims to facilitate that access, providing dedicated markets where businesses and social investors can make their investments more liquid.

The challenge lies in ushering in a new era of industrial policies and local development, fueled by the convergence of technological opportunities and entrepreneurship dedicated to social impact. This means fostering entrepreneurship that intentionally pursues both economic returns and social impact objectives. There exists a market for needs where private spending is exponentially increasing. There is an ingrained and widespread entrepreneurship ready to leverage technological opportunities to respond innovatively to these needs. Additionally, the financial system is adapting its offerings to support these socially impact-driven enterprises. If this doesn't represent an opportunity for industrial policies, it's hard to imagine what else could.

The project has reached a crucial juncture. After conducting a feasibility study and establishing the Promoting Committee, we have recently completed the Mock IPO of 8 impact-driven enterprises along with a group of highly skilled technical consultants. The experimentation was not merely a standalone exercise but rather a means to evaluate the operational methods that can ensure fair rules and create an ecosystem of stakeholders capable of swiftly moving into the next phase of establishing a capital market for impact-oriented businesses and investors.

The creation of the Social Impact Stock Exchange is an innovative experiment, and through the Mock IPO, we sought to explore the constraints and challenges faced by impact-driven enterprises. Our objective is to achieve a cultural breakthrough and demonstrate that it is feasible to have an organized market even for businesses with a significant social impact. This initiative challenges traditional finance, as we are designing a world for those who seek measurable and genuine social impact, capable of triggering the transformative power necessary to address major social and environmental challenges.

The perspective is to steer new areas of the economy towards social purposes, providing additional funding opportunities that are currently unavailable to enterprises intentionally pursuing measurable and additional positive impacts on society. In this regard, the Italian Social Impact Stock Exchange is unparalleled and represents a unique proposition in the world.

Thanks to Torino Social Impact, Turin is now internationally recognized as a city where the most advanced and innovative models of social economy are being tested, and the Social Impact Stock Exchange serves as a response to a financial system that is increasingly specializing its offerings to support the growth of impact-driven enterprises with appropriate tools.

Mario Calderini

Professor at Polytechnic of Milan School of Management and Torino Social Impact Spokeperson

Part 1

Introduction

This report presents the outcomes of the first Mock IPO, an experiment that was initiated by the Promoter Committee of the Social Impact Stock Exchange. The experimentation started at the end of February 2022 and involved **8 Italian companies** in a **Mock IPO process.**

The program is part of the enabling infrastructure of **Torino Social Impact**, a platform established to support the ecosystem for social entrepreneurship and impact investments. Currently, it boasts the participation of over 250 public, private, for-profit and nonprofit actors in the Turin area.

Previous evaluations and studies on the subject had hitherto concluded that the Social Impact Stock Exchange was more of a "political" proposal than a "technical" one. Indeed, there were still many operational aspects to be developed and better defined. Therefore, the overall objective of the experimentation initiative was to verify the existence of conditions and prerequisites essential for the creation of a capital market for socially oriented enterprises. It aimed to identify any critical issues and find solutions to overcome them. The specific goal was to investigate the technical feasibility of these enterprises' access to equity and bond markets reserved for medium-small sized companies, thus validating the assumptions developed in the feasibility study conducted in 2019.

The report is structured into **three distinct sections:**

- The first section briefly reviews the significant events that have led to the current state of progress in the project for the establishment of a Social Impact Stock Exchange. It also explains the underlying reasons why this initiative appears relevant and necessary today.
- In the second section, the path of the Mock IPO is described, along with the findings from each of the working groups formed to analyze the specific cases of the 8 companies involved, representing the demand for capital.
- The third section outlines the path and future challenges to be faced in achieving the ultimate goal of creating a capital market dedicated to companies that pursue a positive impact on society and socially responsible investors.

1.1 What's the Social Impact Stock Exchange

We are facing a phase of profound transformation: climate change and biodiversity loss, aging populations and demographic shifts, globalization, and the digital revolution are phenomena of such magnitude that they call into question the foundations of our economic, social, and political model, demanding highly innovative responses.

The public sector, in Italy as elsewhere, grapples with the ambition to intervene in everything and the inability to even guarantee the fulfilment of its minimum duties. It oscillates between an all-encompassing statism and an inexorable decline in the quality of policies, amidst growing needs and shrinking resources.

At the same time, the for-profit private sector remains entangled in its own contradictions: the unresolved tension between the drive for profit maximization and social responsibility, the inherent conflict between shareholders and stakeholders.

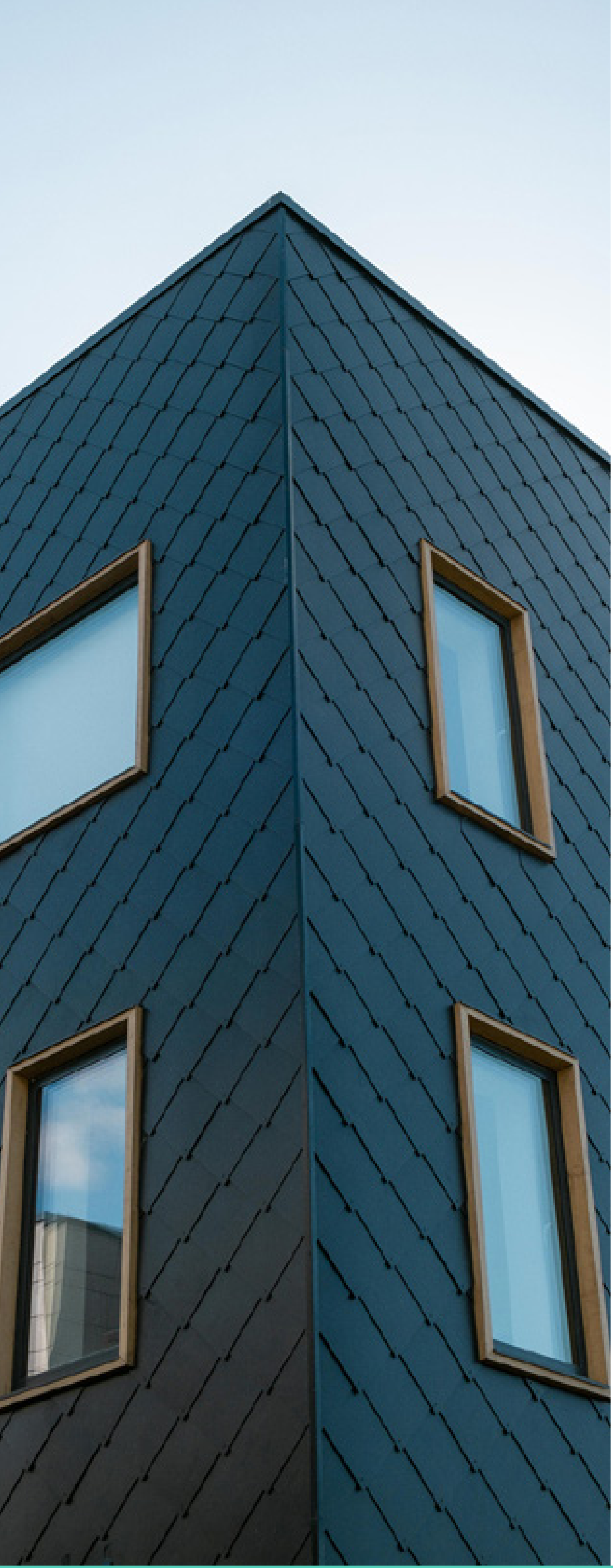
Social economy can represent a (partial, of course, but significant) response to these dilemmas because it aims at the simultaneous creation of economic and social value. It goes beyond the logic of "two steps" (first generating economic value through a capitalist approach and then giving back a portion to society through more or less sophisticated forms of charity) and proposes a model that is inherently sustainable, where the economic and social dimensions are not idiosyncratic but support each other. That being said, if the social economy aims to credibly play a non-marginal role in the process of social transformation, it must step out of the niche it currently occupies and aspire to substantial growth. Growth requires investments, which can only be partially sustained through self-financing. Additional resources are needed, especially in the form of equity. Currently, in our country, there are no specialized tools and operators for intermediating risk capital, except for the early-stage phase (a few impact venture capital funds).

This awareness is at the core of the Social Impact Stock Exchange, an innovative project that aims to create a capital market dedicated to companies intentionally, additionally, and measurably creating positive social impact. In this market, transactions are based on both financial value and the measured value of social impact.

The ultimate goal is to establish a market that grants access exclusively to companies committed to addressing the ever-increasing social and environmental challenges. These companies go beyond merely boasting excellent ESG profiles, as they incorporate sustainable development formally and steadfastly into the foundation of their mission.

The conceptual idea revolves around **creating a capital market for social economy enterprises** as a tool to promote the transformation of the current relationship between private entities and the public sphere. It aims to facilitate the growth and development of the social economy while simultaneously holding financial operators accountable for pursuing objectives beyond mere profit generation.

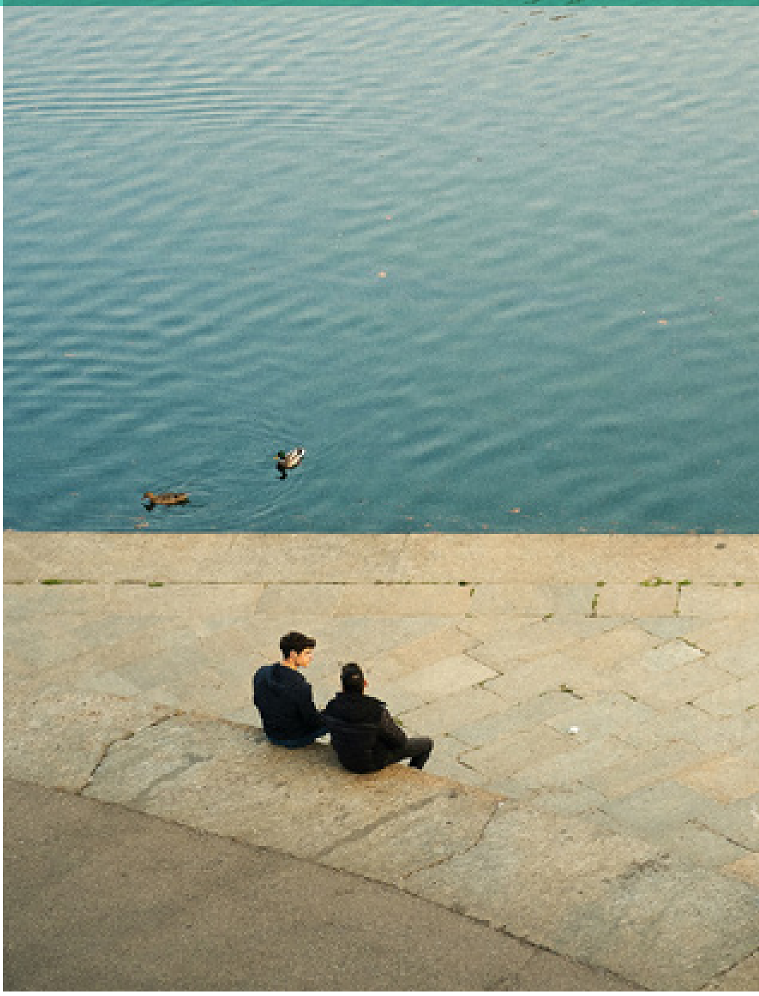
In recent years, thanks to significant developments in the regulatory framework with the reform of the third sector and social enterprises, and the introduction of benefit corporations, the identity of the social economy has been strengthened as a sector capable of contributing significantly to the country's economic growth and social progress. Moreover, there has been an increasing awareness within the financial community about the importance of the social dimension of its



activities. In particular, the reflection on so-called **"impact finance"** has brought the consequences of investment practices to the forefront of the debate.

The question now becomes **how to accelerate the growth processes of the social economy** to make it a true protagonist of change. The major challenges facing our society, such as the Sustainable Development Goals (SDGs) defined by the United Nations in Agenda 2030, present an extraordinary opportunity to redefine value generation models. Actors in the social economy are the ideal candidates to interpret this path towards transition, but to play a non-ancillary role, a leap in quality is required. It calls for a complex evolution, requiring interventions on cultural, organizational, dimensional, and institutional levels. Such a comprehensive undertaking demands strong political mobilization and a significant injection of resources—both economic and beyond—to foster both internal and external support.

Hence, the idea of launching a project for a capital market dedicated to socially oriented enterprises: a proposal that does not replace but complements and integrates existing funding channels, offering additional opportunities for those interested in supporting the perspective of a "new" economy. This new economy aims not only to mitigate negative environmental and social impacts but also to declare the goal of generating social value for all stakeholders.



1.2 The feasibility study

The study, conducted in 2019 with the aim of verifying the feasibility of creating a Social Impact Stock Exchange, involved several key organizations and institutions, including the Chamber of Commerce of Turin, Fondazione Compagnia di San Paolo, Fondazione CRT, Centro Internazionale di Ricerca sull'Impatto Sociale Tiresia of the Politecnico di Milano, Bocconi University, University of Turin, Fondazione Cottino, and the company Avanzi, specialized in sustainability projects, which had previously conducted an initial study on the subject in 2009.

The feasibility study included **a benchmark analysis of the main international experiences** in the field, an examination of the supply and demand system, the identification of access requirements and related control processes, and the definition of the financial sustainability model.

In particular, the study analyzed the best international practices of existing Social Stock Exchanges, including SSX—Social Stock Exchange (UK), IIX—Impact Investment Exchange (Singapore and Mauritius), JSSE — Jamaica Social Stock Exchange, MM — Mission Markets (USA), SVX — Canada Social Venture Connexion, Bolsa de Valores Sociais (Brazil), SASIX — South African Social Investment Exchange (South Africa), KSIX — Kenya Social Investment Exchange (Kenya), LGX — Luxembourg Green Exchange, and Bolsa Social (Spain). The analysis allowed for outlining the main characteristics of these experiences, identifying their strengths and weaknesses, and above all, confirming that currently, there are no experiences of capital markets where transactions are based on both financial value and measured social impact.

After the international benchmark analysis, a **qualitative and quantitative analysis** of the supply and demand was conducted to identify potential stakeholders interested in both aspects. This analysis looked at the factors that attract and repel investors, the investment decision-making criteria, admission requirements, and measurement criteria. Based on this research, **a possible structure for a capital market dedicated to socially oriented enterprises** was outlined. It involved creating "social" segments within existing markets and incorporating additional requirements. The key factor for admission to these segments would not be the legal form of the organization but rather the formal declaration of the intent to create social impact. This impact should be an integral part of the business model, intentionally pursued through predefined indicators that can be assessed both prospectively and retrospectively, especially in underserved areas.

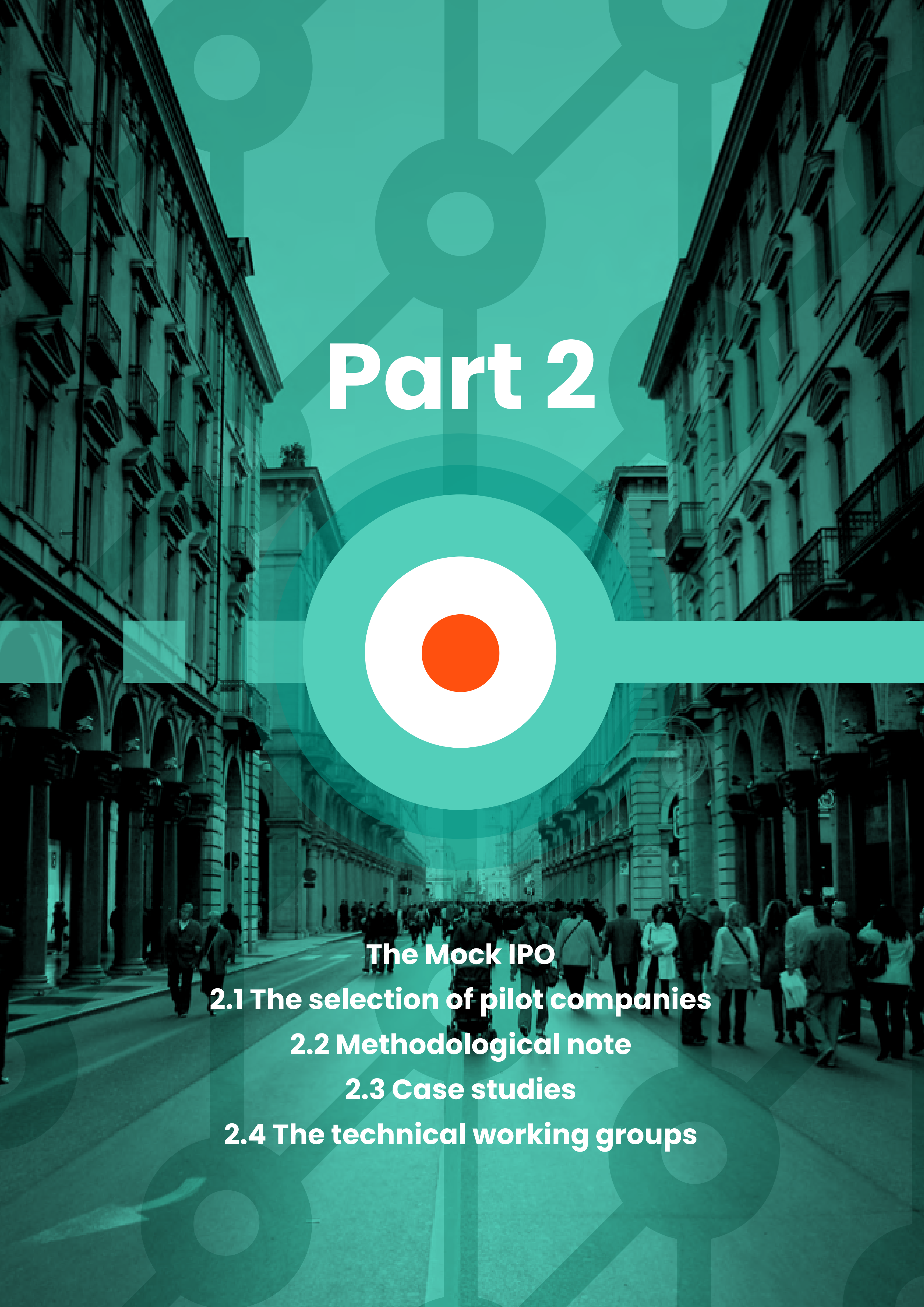
The findings of the feasibility study were presented in 2020 during the eighth edition of the Salone della CSR e dell'innovazione sociale, at an event titled "Financial Markets for Impact: Model and Feasibility Study for a Social Stock Exchange."

1.3 The Promoter Committee

On April 26, 2021, the Promoter Committee of the Social Impact Stock Exchange was formed, with Guido Bolatto, Secretary General of the Chamber of Commerce of Turin, as its president. The committee is open to the participation and involvement of interested stakeholders. Its main function is to provide **strategic direction** for the Social Impact Stock Exchange project and to promote its development as a driver of economic and financial innovation.

The committee was initiated by the following entities: Paolo Biancone (University of Turin); Guido Bolatto (Chamber of Commerce of Turin); Mario Calderini (Torino Social Impact); Davide Dal Maso (Avanzi Sostenibilità per Azioni); Giorgio Fiorentini (Bocconi University); Giovanni Gallo (Confcooperative); Andrea Ganelli (Leading Law); Mario Montalcini (Studio Dottori Commercialisti Associati); Paolo Mulassano (Compagnia di San Paolo); Paolo Petrucci (Legacoop Piemonte); Eleonora Rajneri (University of Eastern Piedmont); Roberto Randazzo (Legance); Elisa Rosso (Torino Social Impact); Raffaella Scalisi (Torino Social Impact).

Later, it was enriched by the participation of: GianPaolo Badiini (Investimenti Solidali S.p.A.); Paola Bellotti (Coopfond); Pietro Bracco (AndPartners); Stefano Cacchi Pessani (Bonelli Erede); Alessandro Corbari (Nexus); Pierangelo Decisi (Sigit S.p.A.); Claudia Fiaschi (Forum Terzo Settore); Dario Prunotto (Unigens); Giuseppe Cais and Alessandro Baldo di Vinadio (Studio BGR Tax and Legal); Marella Caramazza (Cottino Social Impact Campus and Center of Competence for the Evaluation and Measurement of Social Impact).



Part 2

The Mock IPO

The Mock IPO was initiated as an **experimental exercise** to test the assumptions and conclusions developed during the feasibility study. After conducting the theoretical analysis, the need arose to demonstrate the robustness of the initial hypotheses and identify any barriers that needed to be addressed to achieve the ultimate goal of creating a capital market dedicated to impact enterprises.

The practical exercise involved supporting a group of selected pilot enterprises in the preparation process for the simulated listing, simulating various phases of implementation. Specifically, for each pilot enterprise, a working group was formed to draft a **listing admission document**. This document not only presented the traditional corporate profile from an economic-financial perspective but also highlighted the **promises of change and expected social impact** for the benefit of investors.

The simulation started in February 2022 during a kick-off event that included the participation of involved technical consultants and professional firms and featured the presentation of the enterprises taking part in the experimentation.

2.1
The selection of pilot companies

During the design phase of the initiative, the identification of practical cases to apply the experimental exercise was crucial.

The **minimum requirements** based on which the target was sought are as follows:

- The capacity to intentionally, additionally, and measurably generate a positive social impact.
- The presence of a solid business model with predominant revenues from the sale of products and/or services in the market, where donations or grants are not the main source of economic sustainability.
- An adequate level of maturity with a turnover not less than 5-10 million euros and a growth industrial plan (excluding micro-enterprises and organizations in the startup phase).

Regarding the **legal form**, limited companies and cooperative societies were considered, without necessarily requiring the status of a social enterprise or benefit corporation. Since these designations are based on regulations of recent evolution, the focus was placed on the substantive proposition of value, although such legal designations are considered an additional qualification element.

In addition to the requirements described above, an important criterion that guided the Promoter Committee in selecting the pilot companies was the demonstrated **motivation** by the candidate enterprises. The simulation was not designed as an exercise in isolation but rather as a preliminary phase leading to a potential real listing on regulated markets in the subsequent stages of the Social Impact Stock Exchange project, provided the results of the experimentation allow for it.

Furthermore, deliberate efforts were made to ensure **diversity** among the pilot companies, aiming to analyze various perspectives and nuances in the listing process for entities with different characteristics and needs. The 8 companies that participated in the experimentation exhibit diverse profiles in terms of governance, legal form, sector of activity, and size. They are headquartered in **four different regions** of Italy (Piedmont, Lombardy, Trentino Alto Adige, and Emilia Romagna) and have operations extended to at least the entire national territory.

Company name	Legal form	Specific designation	Sector of activity	Registered office	Operating region
PMG Italia	**Limited Company**	**Benefit Corporation**	Mobility for disadvantaged individuals	BOLZANO (TRENTINO)	ITALY (Bologna, Milano Aprilia , Rimini, Bolzano e Padova)
Cooperjob SpA Agenzia per il Lavoro	**Limited Company**	-	Employment	MILANO (LOMBARDIA)	ITALY (Torino, Biella, Pordenone, Chiavari, Piacenza, Como, Reggio Emilia, Piacenza, Udine)
Cooperativa Sociale Quadrifoglio	**Social Cooperative**	**Social Enterprise**	Social and healthcare services	PINEROLO (PIEMONTE)	ITALY (north and central)
Coopselios	**Social Cooperative**	**Social Enterprise**	Social and healthcare services	REGGIO EMILIA (EMILIA ROMAGNA)	ITALY (Emilia Romagna, Lombardia, Veneto, Lazio, Liguria, Toscana, Trentino) e BRUXELLES
AEG Azienda Energia E Gas	**Social Cooperative**	-	Gas and energy distribution	IVREA (PIEMONTE)	ITALY
ANTEO	**Social Cooperative**	**Social Enterprise**	Social and healthcare services	BIELLA (PIEMONTE)	ITALY
Reynaldi	**Limited Liability Company**	**Benefit Corporation**	Third-party cosmetics manufacturing	PIANEZZA (PIEMONTE)	ITALY, USA, RUSSIA, GERMANY
Slow Food Promozione	**Limited Liability Company**	**Benefit Corporation**	Promotion of biodiversity and responsible consumption	BRA (PIEMONTE)	ITALY/WORLD

2.2 Methodological note

The following are some important methodological considerations that characterized the approach to the Mock IPO and the various stages of its implementation.

Firstly, it was essential to specify the scope of the simulation. The decision was made to frame the experimentation as a simulation of the preparatory activities required for access to the existing Italian financial markets managed by Borsa Italiana. Specifically, the markets chosen were those with the most suitable infrastructure:

- **Euronext Growth Milan**, a stock market dedicated to dynamic and competitive small and medium-sized Italian enterprises in the growth phase. It is equipped with a balanced regulatory framework based on simplified procedures and requirements tailored to the typical structure of SMEs;

- **ExtraMOT PRO**[3], a segment of the ExtraMOT bond market where trading is allowed only for professional investors. It was created to offer SMEs a simple and quick entry point to the capital markets.

The decision was motivated by the intention to make the Mock IPO as closely aligned as possible with the functioning of existing financial markets, thus making it useful in case of an actual listing of pilot companies. While creating a variation in the short term was not an end goal in itself, it proved to be an essential condition to achieve the ambitious overall objective of creating a market dedicated to impact-driven enterprises and investors in the long term.

Additionally, to gather relevant elements for defining the operational conditions of the future market, the traditional listing preparation process was enriched with in-depth elements related to the impact dimension:

- **Development of the Impact Strategy:** Defining the impact statement and specific impact objectives; designing the Theory of Change to articulate expected results and changes;

- **Design of the Impact Measurement Infrastructure:** Identifying indicators and metrics; developing the process and tools for data collection and analysis; selecting and defining targets; defining impact risks, related mitigation mechanisms, and locking in impact objectives.

The findings in this regard were included in an **additional section of the admission document,** aimed at providing investors with timely and shared information in advance regarding the company's established change objectives and the related methods of measuring and reporting performance.

SECTION 1
- Information on the issuer
- Activities overview
- Organizational structure
- Financial forecast
- Risk factors
- Equity story

SECTION 2
- Impact statement
- Theory of Change
- Metrics
- Governance e impact management
- Impact objectives

SECTION 3
- Information on financial product to be issued
- Dilution
- Additional information

Given the absence of a universally recognized international standard for measuring and evaluating impact, a **high degree of flexibility** was maintained in defining the tools used. Impact consultants adopted a customized approach, working with each company and its respective team to determine the most suitable methodology based on their specific activities, impact generation policies, stakeholders involved, organizational characteristics, etc. While different evaluation approaches were considered, the **Theory of Change** was uniformly adopted as a planning tool for impact strategy in all working groups.

Additionally, a general and preliminary **sustainability profile assessment checklist** was compiled at the beginning of the process, verifying the company's involvement in controversial business areas, actions taken for analysing and managing sustainability-related risks and opportunities, existence of ongoing or past disputes, and governance practices adopted.

The immediate step following the kick-off meeting was the establishment of **working groups** aimed at guiding the 8 companies subject to the simulation throughout the process. The listing process is indeed complex and requires the coordinated efforts of various specialized parties, some of which are mandated by regulations to meet the high standards of financial markets.

The Mock IPO involved 130 consultants from 25 leading professional firms or organizations who, sharing the values and purpose of the initiative, made their technical expertise and experience in listing processes available.

The working groups were composed of the following professional figures:

- **The Financial Advisor,** who assisted the issuer in the feasibility study of the listing project; in the preliminary assessment of the company's positioning requirements; in the economic and business evaluation; and in the preparation of documentation for investors.

- **The Audit firm**, appointed to certify the company's financial statements, verify the adequacy of working capital and the management control system, and prepare chapters related to privileged financial information.

- **Legal advisors,** who addressed governance issues and legal aspects concerning the listing process (necessary statutory adjustments for a company going public, procedures to make the company compliant with various regulations, required corporate steps such as general meetings and board of directors meetings, etc.), and assisted in the preparation of the admission document.

- **Financial communication and Investor Relations consultants,** who supported the issuer in developing an effective communication strategy and managing relationships with institutional investors.

Due to the experimental nature of the process, it was considered feasible to proceed without including the role of the Euronext Growth Advisor (previously known as Nomad) within the working groups. The Euronext Growth Advisor is a required entity according to the regulations, responsible for issuing a suitability statement for the issuer and acting as an intermediary for the placement.

Instead, for the purpose of the simulation, additional supporting roles were introduced for the companies, such as consultants specialized in corporate finance and growth planning, as well as impact consultants.

The **impact consultants** played a crucial role within the simulation by guiding the issuing companies in defining and planning their social impact measurement strategy. Typically, they are not involved in traditional listing processes that focus solely on economic and financial evaluations. However, in the simulated listing process of the Social Impact Stock Exchange, these impact consultants provided valuable analyses and insights to develop the innovative information set related to the impact dimension.

The analyses and evaluations conducted by the technical consultants were aimed at achieving the highest level of approximation to the real IPO process, while preferring a substantive approach focused on identifying potential critical issues and points of attention. Therefore, it is specified that the in-depth investigations carried out by the technical consultants for the purposes of the simulation did not result in the issuance of formal comfort letters but rather in the identification of recommended actions.

Here are the specialized professional firms and consultants who actively participated in the Mock IPO:

Company name	Area of expertise	Consultants involved
Bestinver	Financial advisor	Nicola Polato; Boccia Antonio; Andrea Praga
Intesa Sanpaolo	Financial advisor	Andrea Forghieri; Massimiliano Boschini; Michele Carbonari; Vincenzo Povia; Raffaello Castagna; Faustino Galeotti; Andrea Ballestri; Marco Germano; Davide Occhipinti; Donatella Ravenna
Unicredit	Financial advisor	Daniele Cesaro; Marco Borgione; Christian Basellini; Antonio Epifani; Veronica Bosco
Unigens	Corporate finance and growth planning	Dario Prunotto; Alberto Garabello; Mauro Catacchio; Osvaldo Sanarico; Enrico Gallo; Vittorio Rosso; Laura Vergari; Pietro Cartellà; Giorgio Crosa; Mauro Pellerino; Marco Giuseppe Esposito; Giancarlo Morsia; Ferruccio Cazzanelli; Paolo Veronesi; Aristide Gasparotto; Paola Lazzaretti
BGR Tax and legal	Growth Planning	Giuseppe Cais; Alessandro Balbo Di Vinadio; Giuseppe Criscito
Brainscapital	Growth Planning	Francesca Rao; Mario Montalcini; Luisa Nomis
Barabino & Partners S.p.A.	Financial communication and investor relation	Stefania Bassi; Alberto Piana; Agota Dozsa; Anna Bottolo
IRTOP Consulting	Financial communication and investor relation	Domenico Gentile; Ivana Quartarone; Antonio Buozzi
Centro Internazionale di Ricerca sull'impatto sociale Tiresia del Politecnico di Milano	Impact evaluation	Veronica Chiodo; Danny Casprini; Filippo Cavaliere; Irene Bengo
Avanzi - Sostenibilità per Azioni	Impact evaluation	Davide Dal Maso; Benedetta Fumagalli
Open Impact	Impact evaluation	Gabriele Masci; Marco Biazzo; Luigi Corvo; Arianna Brestuglia
ARCO - Action Research for CO-development	Impact evaluation	Enrico Testi; Carmela Nitti
Human Foundation	Impact evaluation	Nicola Cabria; Valentina Minarini; Elena Forgione
CERGAS (Centro di ricerca SDA Bocconi)	Impact evaluation	Giorgio Fiorentini; Fabio Amatucci; Camilla Falivena
Giovannelli e Associati	Legal	Marco Amoruso; Andrea Bartolucci; Roberta Borroni; Marco Tapparo
AndPartners Tax and Law firm	Legal	Stefano Versino; Pietro Bracco; Paola Desideri Zanardelli
BonelliErede with Lombardi	Legal	Stefano Cacchi Pessani; Francesca Secondari; Alessandro Capogrosso; Andrea Serena; Giuseppe Muto; Giovanni Fumarola; Giovanni Bona Galvagno
Legance	Legal	Fabio Gallo Perozzi; Roberto Randazzo; Marco Cardello; Longo Federico; Taffari Giuseppe; Giorgio Vanzanelli; Monica Esposito
RP Legal & Tax	Legal	Emiliano Giovine; Nicola Carù; Maria Pia Sacco; Federica Pastorino
Linklaters	Legal	Alessandro Tanno; Ugo Orsini; Daniele Casà; Francesco Pasello
White & Case	Legal	Ferigo Foscari; Marta Pansarella; Andrea Novarese; Alessandro Picchi; Giuseppe Barra Caracciolo; Lorenza Fici; Roberta Monasterolo
uniaudit	Audit	Luca Saccani; Fabio Brunelli; Silvia Bonvicini; Marco Comini
PwC Italia	Audit	Francesco Ferrara; Gaia Giussani; Mara Biscaro; Marco Piaser; Federico Feudatari; Edio Alvino
Deloitte	Audit	Andrea De Nardis; Ernesto Lanzillo; Stefano Parma; Simone Gargano; Gianluigi Quaglia; Eugenio Puddu; Ilaria Satiro; Gabriele Arioli; Ernesto Lanzillo
BDO	Audit	Manuel Coppola; Carlo Luison; Christine Venet; Marta Mugnai; Antonio Mirabello

The working groups followed different paths in terms of implementation timelines, choices of financial instruments, or measurement methodologies. The information provided in the following sections is the result of analyses conducted by the consultants of the various working groups based on their respective areas of expertise.

2.3.1 PMG Italia Limited Company Benefit Corporation

Registered capital
€1.000.000
fully paid-up

Average turnover 2019-2021
€12.500.00

Key people involved in the simulation
Marco Mazzoni,
CEO
Marco Accorsi,
CEO and Vice President

Ownership structure
6 shareholders
(5 individuals and 1 legal entity)

Operational offices
Bolzano, Milan, Bologna, Padua, Rimini

Headquarters
Bolzano

Number of employees
17

Year of establishment
2012

→ **PMG Italia**, also known as "PMG," is one of the main Italian players operating in the implementation of Positive Impact projects, including **guaranteed mobility for vulnerable individuals**. PMG also designs, proposes, and executes projects aimed at promoting social equity, the common good, and responsibility towards sustainability issues.

PMG's characteristic activity involves granting companies paid advertising spaces primarily on the external surface of vehicles equipped for transporting vulnerable individuals. These vehicles are either owned by the company or are leased (with a purchase option) or obtained through leasing. PMG provides these vehicles free of charge to local administrations, public entities, and Third Sector Organizations. Additionally, the company offers a free Software portal and two Apps for the computerized management of transportation and social accompaniment services for these beneficiaries (UCARER).

As of the date of the simulation, over 70,000 companies from various sectors and sizes support PMG's Positive Impact projects, which involve a total of over 900 vehicles. These projects include initiatives such as urban area redevelopment and awareness and training programs for students on socio-environmental sustainability topics. Almost the entire fleet is equipped with satellite devices, which allow for monitoring routes, distances travelled, and the use of the lifting platform through a specific sensor. In the year 2021, the fleet covered approximately 7,000,000 kilometres, which can be certified through these satellite devices.

PMG Italia, in addition to its core activity of providing guaranteed mobility for vulnerable individuals through advertising spaces on vehicles, is also involved in several other impactful projects:

- **Environmental and Urban Redevelopment Projects:** PMG engages in projects aimed at environmental protection and urban area revitalization. These projects involve activities such as tree planting, creating accessible parks, and developing sensory, faunal, and floral paths.

- **Education and Sensitization Projects for Students:** PMG implements projects that involve active participation from students, focusing on environmental and community care. These initiatives allow students to study and work on projects aimed at improving their local environment and community. The "CITTÀ A IMPATTO POSITIVO" project promotes social equity, urban redevelopment, and student involvement through the provision of equipped vehicles, urban revitalization efforts, and a school program called PCTO (Percorso per le Competenze Trasversali e per l'Orientamento).

- **Social, Sports, Cultural, and Leisure Events:** PMG supports and organizes various events that foster social cohesion and inclusivity. For example, the "BOLOGNA FOR COMMUNITY" project provides vehicles and a booking system to enable vulnerable sports fans to attend matches of their favourite team. The project also includes services such as accompanying individuals to Covid-19 vaccination centers and supporting local authorities in hosting Ukrainian refugees.

- **Multimedia Web Channel:** PMG has launched a web-based multimedia platform called "PLAPLE TV Planet People." This platform provides information and in-depth journalistic content on sustainability initiatives promoted and implemented by both public and private entities.

The economic sustainability of the Company's activities is ensured by various means. In addition to the marginal revenue from the onerous leasing of vehicles and the sale of vehicles returned after the lease period to third parties, it is supported by sponsorships from companies, which are applied to the advertising media provided for the project being carried out: vehicles, license plates, billboards, software applications, etc. The Company's advertising offer allows for increased visibility on one hand and the practical implementation of Corporate Social Responsibility (CSR) policies through a project pursuing positive social and environmental impact objectives, topics for which public opinion sensitivity is constantly increasing.

The simulation exercise for PMG Italia Spa SB did not present particular complexities in terms of identifying the scope for conducting the experimentation. As PMG is incorporated as a joint-stock company, it was possible to include the entire business asset in the analysis and simulate the preparation process for admission to the trading of shares on the **Euronext Growth Milan** market of Borsa Italiana.

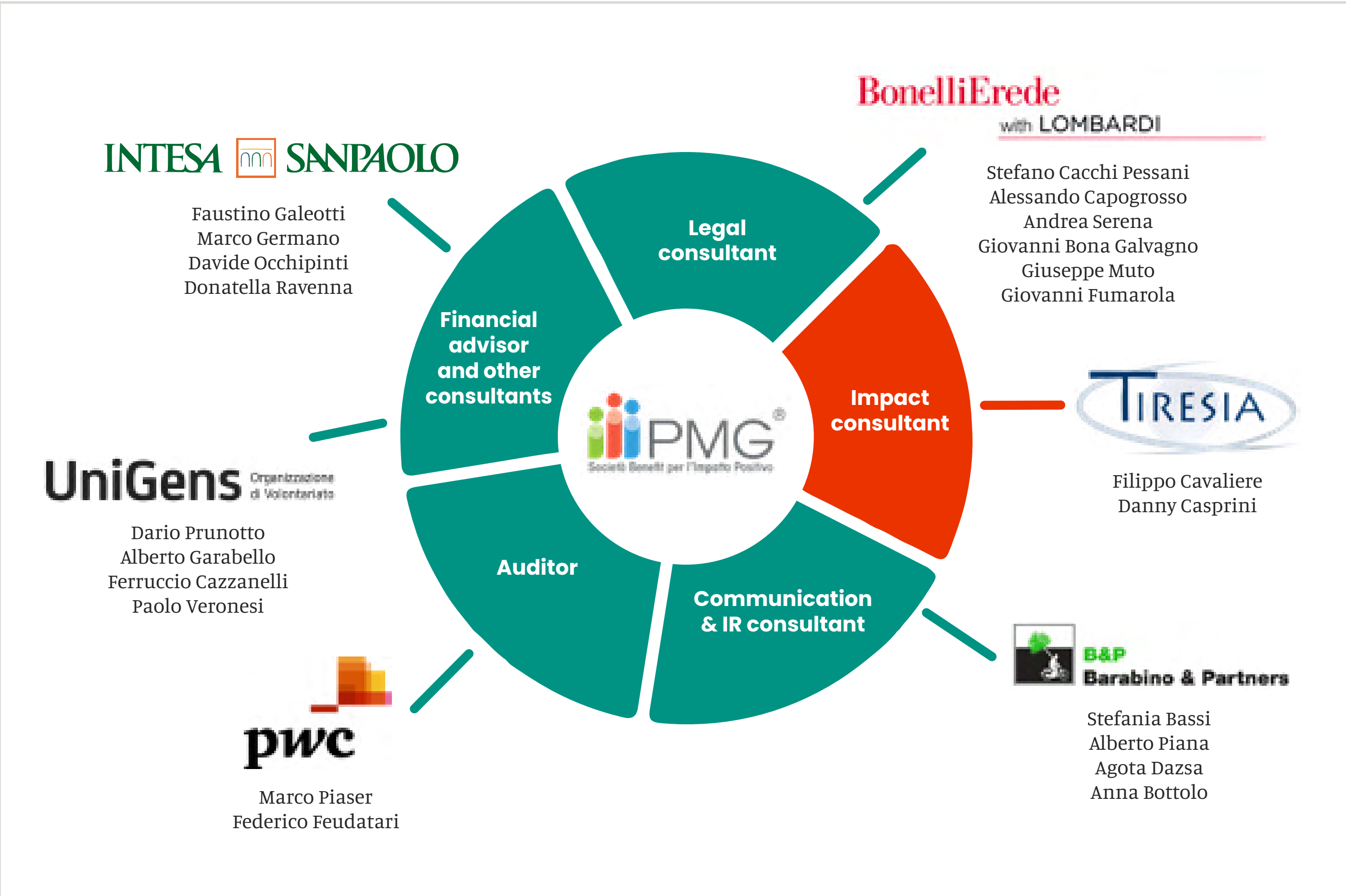
The governance

As of the date of the simulation, PMG is part of a group led by the holding company Elledi Service S.r.l. (Limited Liability Company) and composed of P.M.G. Valore S.r.l. ("PMG Valore") (Limited Liability Company), a company that contracts and provides PMG with its own commercial network of agents (acquired 100% by PMG Italia during the experimentation); P.M.G. Call Service S.r.l. (Limited Liability Company), a company that supports PMG Valore in managing appointments with potential clients; and two other companies active in the logistics sector.

The Group consists of companies engaged in sectors related to the Issuer's business, thus performing activities that are functional to the Company's business. Moreover, the companies included in the group's scope largely share the same ownership structure, which is attributed to the Accorsi family. The ownership structure of the company is divided among 6 shareholders: Accorsi Gianpaolo (56.5%), Accorsi Marco (11.26%), Accorsi Paola (11.26%); Passarini Lina (11.26%); Elledi Service S.r.l. (5%) and Marco Mazzoni (4.72%).

The Board of Directors has appointed Gian Paolo Accorsi (also Chairman), Marco Mazzoni, and Marco Accorsi (also Vice Chairman) as Managing Directors.

The working group



The impact dimension[1]

The attention that PMG has historically given to its impact is demonstrated by the certifications that have characterized the organization's activities since 2014. The ISO 9001 certification obtained in 2014, the Code of Ethics approved in 2015, the legality rating achieved in 2019, and the status of Benefit Corporation obtained in 2020 contribute to the overall picture.

As a Benefit Corporation, PMG is required to periodically measure its impact on society and the environment, using internationally recognized standards. To this end, PMG utilizes the B Impact Assessment, the reference framework for B-Corp certification. In 2021, PMG also completed the questionnaire aimed at obtaining B-Corp certification, achieving a score of 97.8 points.

In 2021, an assessment using the SROI (Social Return on Investment) methodology was conducted to measure the impact generated by PMG, resulting in a total impact value of 2.76.

1 The following excerpt is taken from section 2 of the admission document drafted during the experimentation by Centro Internazionale di Ricerca sull'Impatto Sociale Tiresia at Politecnico di Milano.

The PMG manifesto

PMG has included in its manifesto 5 common benefit purposes as follows:

1. Culture and Sports

A fulfilling life is not only about satisfying basic needs. Art, culture, sports, music, and entertainment are equally essential as they open new horizons, convey positive values, strengthen social bonds, and provide moments of leisure. Therefore, at PMG Italia, we work day after day to ensure that everyone has access to cultural and sports venues without any limitations related to disability, old age, or other conditions of vulnerability.

2. Territory

Our collaborators are active in hundreds of Italian municipalities, where they carry out valuable social work. To follow through with our strong local presence, we commit to establishing virtuous relationships with volunteer organizations, associations, social enterprises, foundations, and other non-profit entities. Within our capabilities and expertise, we will be proud to support them technically and operationally to help them fulfill their valuable mission in the best possible way.

3. Digital

In an evolution towards the smart city model, digital technologies become vital infrastructures for urban spaces. They underpin the provision of services that make a difference in the quality of life: from transportation to administration, from deliveries to healthcare. While maintaining our focus on our core business, which is guaranteed mobility for vulnerable groups, we will collaborate with various technology partners to research and develop new solutions for the benefit of the community.

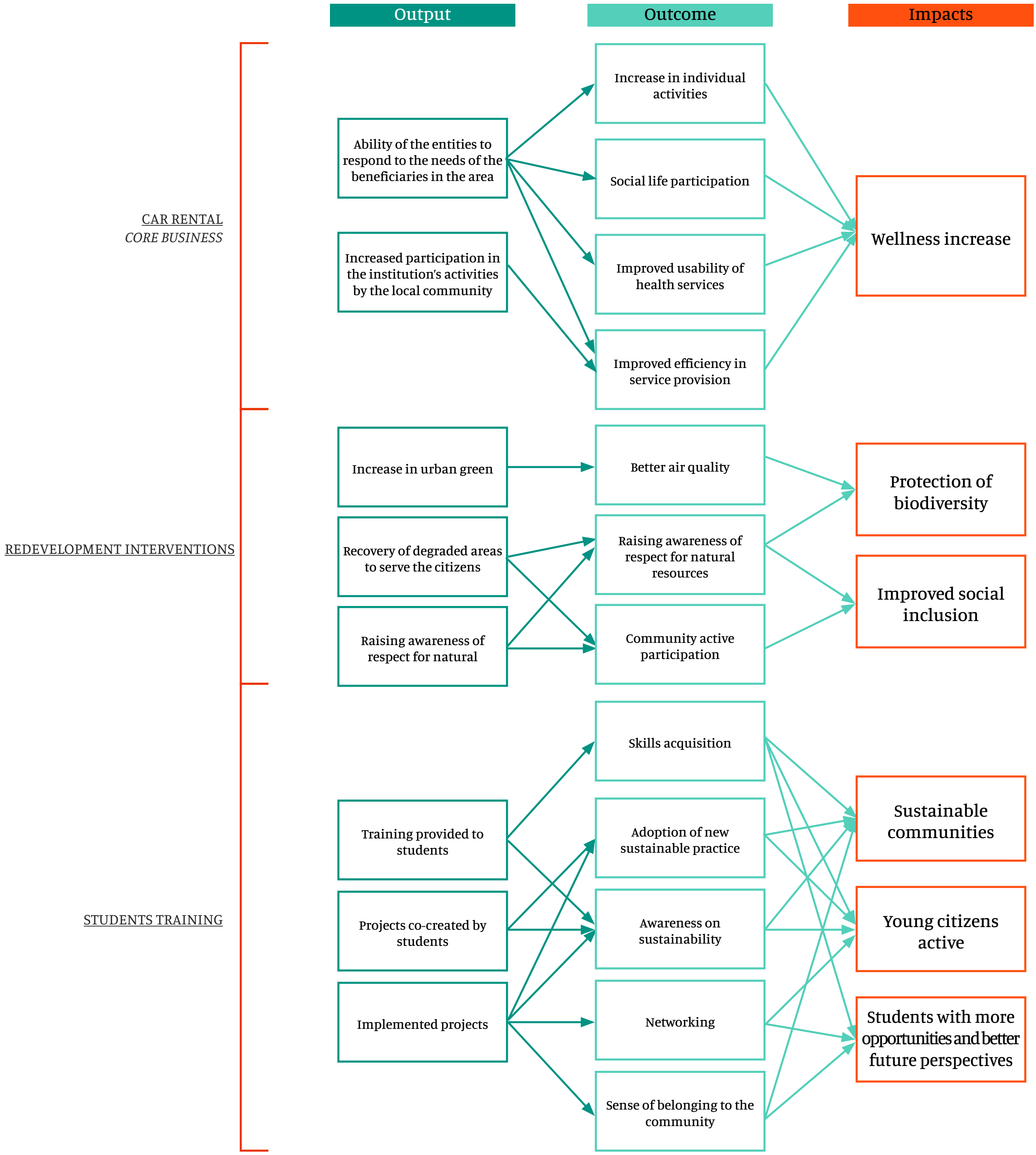
4. Environment

Halting the advance of global warming is the absolute priority of this decade, known as the "climate decade." At PMG Italia, we are determined to reduce the environmental impact of our activities, acting on two distinct but coherent fronts. On one hand, we will reduce greenhouse gas emissions from our vehicle fleet, progressively renewing it with more eco-friendly models. On the other hand, we will offset our emissions through tree-planting initiatives.

5. Education

We will continue to collaborate with schools, public institutions, and private organizations with the aim of promoting a culture of inclusion. This culture needs to be built over time because it goes beyond mere assistance: it means understanding the needs, desires, and aspirations of each individual to enable them to fully express their potential. Together with our network, we will emphasize the positive impact that this approach generates for the entire community.

The methodology developed for impact measurement at PMG allows for the consideration of both the social and environmental effects resulting from the organization's operations, as well as their combined effects, where applicable. Specifically, the adopted methodology enables an assessment of the causal relationships between the activities undertaken by PMG and the effects identified in the Theory of Change.



The analysis of activities highlights the strategic importance of the activity related to the free concession of specially equipped vehicles for the transportation of people with disabilities or individuals in fragile conditions, in favour of public or private social entities. In general, there has been an overlap among some of the outcome and impact dimensions of other services. In this regard, it was decided, during the simulation, to consider only the impacts generated by the strategic activity as they are more significant for measurement purposes.

Impact objectives can be defined once an initial data collection and measurement of the indicators presented below have been carried out. The presence of an initial measurement (T_0) is indeed essential in the data collection process: this phase establishes a baseline before proceeding to set impact objectives. The delta identified as an impact objective will then be calculated through the measurement taken at T1 and monitored in subsequent periods (T_2, T_3, ..., T_n).

The impact management and measurement model has been developed to address specific needs of PMG Italia, and the dimensions that will be emphasized are seamlessly integrated with the company's business model. In order to gather the necessary data for calculating the identified indicators, two data collection tools have been developed: a **Survey for PMG and a Survey for beneficiaries**. Both tools will be available to PMG for measuring, monitoring, and managing the impact of their core activities. Engagement and involvement of both the organization's members and the final beneficiaries who utilize the service are crucial in completing the questionnaires. The surveys should be periodically filled out to collect data on changes in different indicators, to track the shifts and the actual impact that PMG is able to achieve. The anticipated data collection timelines differ for the two tools: every 6 months for the Survey for PMG and every 12 months starting from the moment of engagement (referred to as T_0). The table below presents the indicators alongside the respective tools through which they will be measured.

Indicator	Data collection tools
Vehicles for rent	Desk analysis | Survey for PMG
Beneficiaries	
Social assistance	
Accompaniment for health forecasting	
Transport	
People from the local community who volunteer at least 8 hours a month at the organization	
Improvement in the social life of the beneficiaries	Survey for beneficiaries
Level of autonomy	Survey for beneficiaries | scale validate — WHOQOL-BREF
Accessibility to health services	Survey for beneficiaries
Greater efficiency of services	Desk analysis | Data PMG
Sense of autonomy	Survey for beneficiaries
Quality of life	Survey for beneficiaries | scale validate — WHOQOL-BREF
Sense of belonging to the reference community	Survey for beneficiaries | scale validate — Sense of Belonging Instrument (SOBI)

The data collection tools allow for the creation of **temporal datasets** (observations) for each of the defined dimensions of output, outcome, and impact, in accordance with the theory of change. The collected data will be analyzed using a statistical model, wherein **linear regressions** are employed to understand the causal relationships between PMG's activities, direct outcomes (outputs), and the identified social and socio-economic effects (outcomes and impacts). The analysis of attributing changes to the activities carried out by PMG will be conducted through a **frequentist inference study**. This is done to comprehend the probability of the outcomes and impacts under investigation occurring.

For the identification of impact risks, reference has been made to the **Impact Management Norms**, a logical framework developed based on the experience of the Impact Management Project. This project engaged over 3000 businesses and professionals to create a model for measuring, managing, and enhancing the non-financial performance of companies.

The characteristics of the issue and the valuation approach

In a process leading up to listing, the valuation of a company is the result of a continuous activity of analysis and verification that extends throughout the duration of the process and culminates with the identification of the offering price. This price reflects the analysis of available data, but most importantly, the genuine interest of investors. Therefore, determining the pricing of the issuance is a complex process influenced not only by the company's characteristics but also by the performance of the relevant industry sector, the economy, and the financial markets at the precise moment when the decision is made to launch the Initial Public Offering (IPO).

For the identification of PMG's valuation range, the **Market Multiple Method** has been employed. This method involves applying multiples derived from comparable publicly traded companies, identified in relation to their activity and market positioning within the relevant sector. However, given that there are no directly comparable publicly traded companies in the same sector as PMG, a synthetic index has been constructed. This index takes into account three sectors that are considered particularly relevant and similar to PMG's business activities. These sectors include:

- Media Companies: Reflecting some dynamics of PMG's business model related to advertising placement on vehicles.

- Logistics Companies: Since PMG's income statement shares several similarities with companies that provide logistics services.
- Nursing Companies: As the healthcare sector aligns with PMG's social objectives and the beneficiaries it serves.

The sector of rental companies, on the other hand, has been excluded. This decision is due to the fact that the market in this sector is composed of only a few companies, with just 3 globally listed enterprises, and these companies are significantly larger in size compared to PMG.

The subsequent step after analyzing the primary trends in these sectors is to identify a valuation range based on market multiples, to which a discount for the initial public offering (IPO) will be applied. It's important to note that the valuations carried out are based on considerations relative to the current market and economic conditions, and are therefore subject to change if the actual listing timing differs. Based on the elements analyzed during the simulation, PMG's valuation, with a 30% discount applied for the initial offering, could be in the vicinity of 15 million euros during the first issuance phase. The estimated fundraising could thus amount to approximately 2-3 million euros.

Among PMG's strengths, a robust structure and a sound economic-financial balance have come to the forefront, evidenced by an EBITDA that outperforms the other companies being compared and a aligned income statement. The growth rates are also favorable, even though the varying sizes of revenue volume should be taken into account. As for weaknesses, the existing structure of long-term contracts has been identified as a potential risk factor for the business.

To enhance the value of the impact results achieved

by the company alongside the economic-financial performance, a specific financial instrument has been developed in connection with the ordinary issuance. The identified instrument falls under the category of warrants and provides an additional right to investors, enabling them to subscribe to additional shares of the company at a predetermined price (strike price). In most cases, warrants grant holders the right to subscribe to new shares of the listed company, aiming to allow the company to raise additional funds. The envisaged instrument dictates that warrants are to be exercised by their respective holders only if the Social Impact objectives outlined in the company's multi-year Business Plan are met. The level of achievement of impact objectives will influence the determination of the Exercise Ratio as established in the financial instrument's regulations. **This unique instrument has been tailored to the company's characteristics and could be adapted for use in other scenarios.** It's worth highlighting the importance of selecting impact indicators that bind the exercise of the warrants for the proper functioning of the instrument. This tool should serve as an incentive for the company to address increasing social challenges and attain growing impact objectives. Simultaneously, it should represent a more attractive feature for investors interested in participating in the securities offering. For PMG, the identified indicators are the quality of life and the level of autonomy.

Simulation outputs

- ESG checklist
- Admission Document with Additional Section
- Draft of "WARRANT P.M.G. ITALIA S.P.A. 2023-2028" Regulation
- Questionnaire for Board of Directors, Board of Statutory Auditors, and Senior Executives
- Data Collection Tools for Impact Measurement (Questionnaires)
- SWOT Analysis of the Communication Profile
- Communication Plan and Timeline
- Hypothetical Q&A for Company Spokesperson
- Table of Contents for the Management Presentation

2.3.2

→ Coopselios Social Cooperative

Coopselios
PRENDERSI CURA, DI PERSONA

Registered capital
€4.585.863
(2021)

Average turnover 2019-2021
€125.000.000

Key people involved in the simulation
Raul Cavalli, *General Manager*
Davide Predieri, *CFO*

Ownership structure
3 funding members
2.425 ordinary individuals members

Operational offices
97
local branches

Headquarters
Reggio Emilia

Number of employees
3000

Year of establishment
1984

→ **Coopselios** is a social cooperative leader in personal services. Founded in 1984, it offers **advanced solutions for social assistance, educational, and healthcare needs** to both public institutions and private citizens. Specifically, Coopselios provides care, education, and assistance projects for individuals in fragile and/or non-self-sufficient conditions, minors, and families through residential and semi-residential services. These services also include innovative types such as Multifunctional Centers, Open RSA (Residential Care Homes), activities for Special Educational Needs, Learning Disabilities (DSA), Parenting and Family Education Centers. Coopselios' mission is to address the needs of the most vulnerable individuals and promote the development of an inclusive society that involves the synergistic action of both public and private entities. This is done to meet the needs for education, care, and assistance through a continually updated offering of services designed for individuals and their families.

The simulation exercise for the case of the social cooperative Coopselios focused on, as indicated by the cooperative itself, an Italian limited liability company established on December 20, 2012, originally named “Casa della Salute SGT S.C. a R.L.” and part of the Coopselios group. By simulating the preparation process for the listing on the Euronext Growth Milan market of Borsa Italiana, it was assumed that the subsequent transformation would take place through a resolution of the Company’s Shareholders’ Meeting, changing the company’s legal form from a limited liability company to a limited company and altering the company’s name to “Casa della Salute SGT S.C Limited Company”.

The social cooperative Coopselios has been active for over thirty years in the social, healthcare, assistance, and educational fields. The business of the Issuer, conceived based on an idea from the parent company Coopselios, was initially established as a real estate development activity with the aim of property enhancement. Subsequently, it was expanded to include healthcare and socio-assistance management as well. In general, the establishment of the Issuer by the Coopselios Group aims to fill a gap in the country’s healthcare system by offering diverse therapeutic care pathways based on the intensity of care (long-term care, rehabilitative RSA, intermediate care, rehabilitation, etc.) and structured by patient type (residential, outpatient, and home care) for elderly and disabled patients who are being discharged from the hospital or recovering from health-related setbacks.

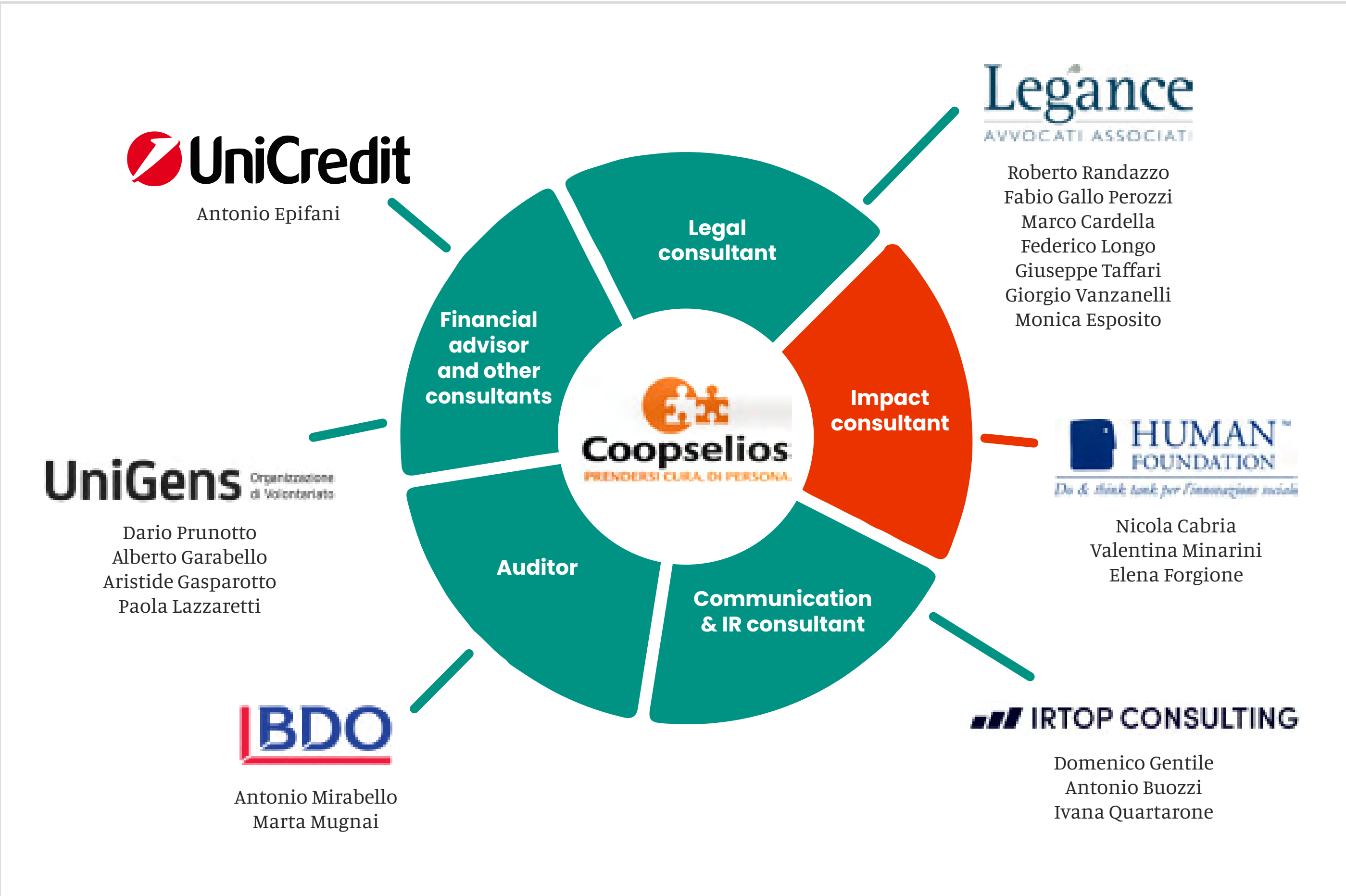
As of the Document Date of Admission, the Company operates five facilities located in different cities (Pavia, Parma, Verona, Como, and Pisa) that provide socio-assistance and rehabilitative services primarily to elderly individuals with non-self-sufficiency:

1. San Francesco Socio-Health Center - Pinarolo Po (Pavia)
2. Residential Care Home - “Nuova O.T.I.” - Sorbolo (Parma)
3. Papa Giovanni Paolo I Socio-Health Center in Lugagnano di Sona (Verona)
4. Multifunctional Care and Assistance Center Villa Stefania - Sala Comacina (Como)
5. Integrated Health Center in San Giuliano Terme (Pisa)

The governance

The Consortium CASA DELLA SALUTE SGT S.C. a R.L. was established in 2012 as an urbanization consortium with the purpose of real estate enhancement. After a complex urban planning process, a new bylaw was adopted in 2017, which, in addition to healthcare and socio-assistance management, included the transformation of the corporate form into a limited liability consortium company, effectively becoming a capital company in all respects. The Consortium company is headquartered in San Giuliano Terme (PI), and its share capital is €1,000,000.00 fully paid. The ownership structure shows that the Social Cooperative Coopselios Soc. Coop. holds 99.33% of the issued shares (with a value of €993,340.00), while the remaining shares are held by the Euro Mediterranean Biomedical Scientific Institute S.C. a R.L.

The working group



The impact dimension[1]

The Coopselios Group's intention with the Consortium Casa della Salute SGT S.C. Limited Company is to provide services aimed at elderly patients and disabled individuals who are being discharged from the hospital or recovering from health-related setbacks. This is achieved through a comprehensive and systemic approach to addressing the health needs of the beneficiaries.
Aligned with the Coopselios Group's mission, "Placing the individual at the center of the corporate philosophy. Respect for individuals and attention to the most vulnerable segments of the population guide the cooperative's actions," the Consortium's mission is based on providing care, rehabilitation, and functional recovery for patients in conditions of illness or disability due to injury, chronicity, or old age. These patients are involved, whether temporarily or in the long term, in care pathways that connect the hospital to the local reference structure (e.g., RSA within the Consortium) and the user's domicile.

1 The following excerpt is taken from section 2 of the admission document drafted during the experimentation by Human Foundation.

The Consortium's values

1. Sensitivity

This refers to the ability to understand the evolving needs of a community, with particular attention to the most vulnerable segments of the population. It involves working to provide appropriate and individual-respecting solutions.

2. Reliability

This means ensuring the certainty of offering diverse, integrated, and regulation-compliant services to both public and private institutions. These services are certified for quality management and assurance, in line with the company's non-profit mission.

3. Social commitment

This represents the choice to conceive and design an innovative welfare model, offering exclusive services to the most vulnerable segments of the population. It ensures professionalism, innovation, and quality in service delivery. Coopselios operates as a Welfare Community entity, integrating with institutions.

4. Skills

This signifies the commitment to maintain quality as a top priority within a modern, efficient, and effective organizational structure.

Out of the total 412 available beds at Casa della Salute SGT S.C.S.p.A., 320 are covered by agreements with the Regional Health System, which is a highly significant aspect of inclusivity aimed at the population segments with fewer resources. This is amplified by the fact that 100% of the residents in the five facilities are non-self-sufficient, of which 40% have complete dependencies on external assistance.
The Consortium, therefore, addresses an urgent and forecasted need for socio-healthcare assistance for an extremely vulnerable population segment. It ensures and restores dignity, often serving as an exit from isolation. In 30% of cases, it also involves end-of-life care and support services. In most instances, Consortium users require substantial assistance, often with specialized expertise. Hence, the Consortium's positive impact extends from the final beneficiaries to family members, caregivers, and public socio-healthcare entities. These entities benefit from the essential integration of available contracted beds, providing healthcare and rehabilitation services.
The social value of the Consortium is further expressed through its ability to humanize elderly and disabled care. It is demonstrated by the intention to include even those with more limiting conditions in programs of socialization and stimulation, aiming to achieve the highest possible physical and mental well-being under equal conditions.

The first Social Report of the Cooperative dates back to 2005, twelve years prior to the obligation imposed on Third Sector Entities. The first publicly disclosed Social Report is for the year 2016. Among other things, it highlights the excellent outcomes of the annual survey regarding the satisfaction level of families whose elderly relatives are hosted within the Cooperative's facilities. The results show that 74% of the surveyed family members are either satisfied or very satisfied with the service. The response base is substantial, with 3,078 family members participating in the survey.

In 2009, together with other entities, Coopselios established the Easy Care Foundation, which has now become a hub for research, study, and innovation in the

realm of social cohesion and innovation. Since 2015, it has been the driving force behind the Social Cohesion Days, the first international festival dedicated to the theme of social cohesion.
In 2017, Coopselios received a special mention for "Gender Equality" within the framework of the award instituted by the Emilia Romagna Region ER.Rsi Responsible Innovators, referring to the Fattorino Sociale project. This project was recognized as a solution to address authentic and daily challenges related to balancing work in the company and caregiving responsibilities, which disproportionately affect female workers. In 2018, Coopselios launched the "Health Innovation Fund," aimed at promoting an innovative and collaborative approach in designing and delivering elderly care services, as well as encouraging greater investments in the healthcare sector.

Coopselios holds the ISO 9001 certification, initially obtained in 2001 and then renewed in 2018 according to the 2015 edition of the standard. It also possesses the SA 8000 certification, acquired in 2018, which certifies the commitment to pursue goals related to the protection of workers' health, well-being, and fundamental freedoms, as well as the observance of labor rights and conditions.

In 2019, an electronic medical record system was introduced to collect the complete clinical history of residents in the residential facilities. This system enables the gathering of a significant volume of data and remote supervision of daily activities management. It replaces paper-based reporting, thereby reducing errors and data losses.

In 2020, despite the period of great uncertainty caused by Covid-19, Coopselios was honored with the prestigious "High Honorary Award for Best Healthcare Company in the Emilia-Romagna Region for Management Performance and Financial Reliability" as part of the Industria Felix Award. This significant recognition underscores the Cooperative's ability to harmonize its social mission with its business aspect.

The Change Theory concerning the stakeholders included in the analysis field of the evaluative model for the Consortium Casa della Salute SGT is illustrated below. These stakeholders encompass non-self-sufficient elderly residents of the five RSA facilities owned by the company, who benefit from Long-Term Care, rehabilitation, and intermediate care services.
The mapped change journey for the Consortium Casa della Salute SGT and its respective overarching impact objective both aim to contribute to systemic and long-term changes.

Consistent with what is reported in the literature, for the elderly residents within the Consortium Casa della Salute SGT facilities, the long-term objective is improved social, psychological, and physical well-being, particularly during the end-of-life journey. This objective is pursued through a person-centered care approach that takes into account all aspects encompassing the patient's experience of illness and well-being, including medical, psychological, and socio-relational factors.

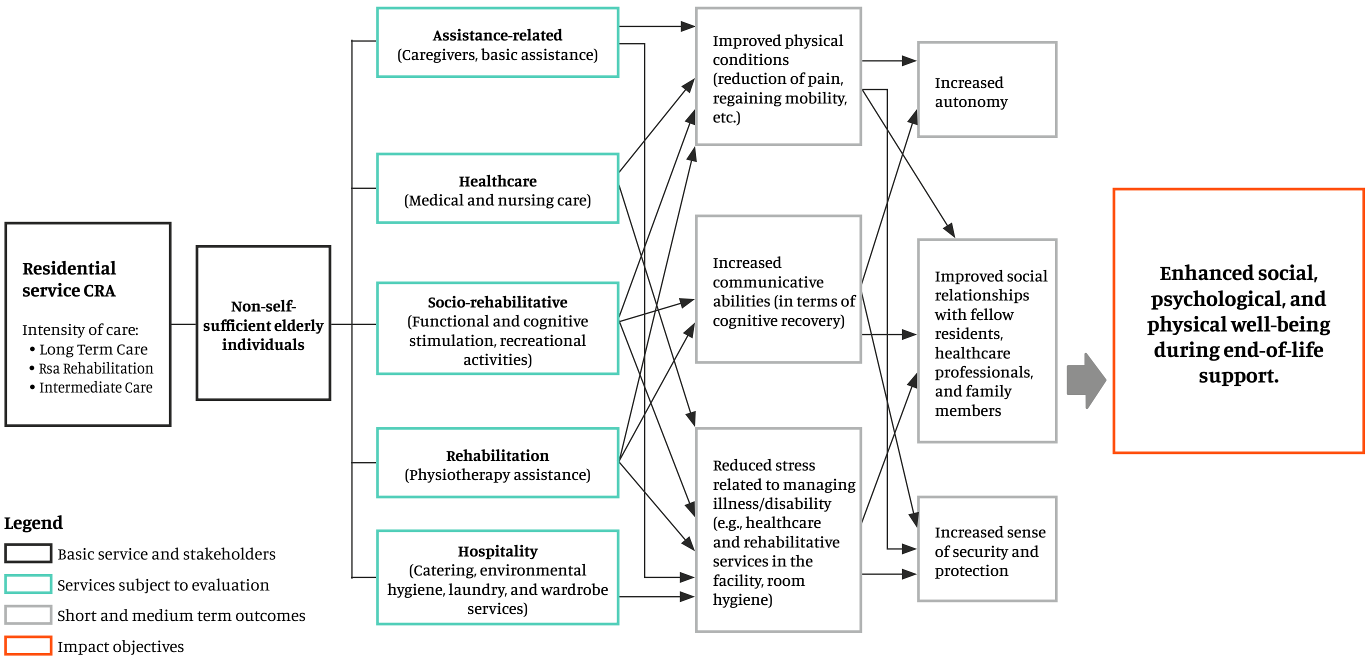
As indicated by the AGENAS (2012) report on assistance for non-self-sufficient elderly individuals, the individual's needs encompass daily caregiving requirements, assistance with tasks such as bathing and eating, in addition to comprehensive healthcare provisions. The quality of care serves as a fundamental parameter to ensure the quality of life for the elderly residents within care facilities. It is from this overarching objective that the organization as a whole can be evaluated, from structural aspects to caregiving and relational dimensions. This perspective places the well-being and quality of life of the individuals residing in Residential Care Homes (RSA) at the center of care.

Through its services including assistance (or socio-healthcare), healthcare, socio-rehabilitative, rehabilitative, and hospitality services, the intervention of the Consortium Casa della Salute generates positive changes for elderly residents. Primarily, it achieves this by enhancing physical conditions (reducing pain, restoring mobility, etc.) of the beneficiaries through the provision of integrated care that enables better symptom control for their condition and/or disability. Concurrently, it stimulates the improvement of the elderly person's communicative abilities through a path geared towards cognitive, communicative, and relational development or recovery.

In the short term, the Consortium's assistance intervention, structured through the five services under examination, aims to reduce the stress associated with managing illness/disability. This includes aspects such as receiving healthcare and rehabilitative services within the facility and maintaining a hygienic environment in the resident's room.

These short-term effects contribute to further social and psychological changes, primarily due to the active involvement of all professional figures within the facility. Through these figures, the RSA (Residential Care

Homes) aim to facilitate the recovery and reinforcement of the elderly person's personal identity and residual abilities, ultimately leading to an overall improvement in the resident's quality of life after entering the Consortium. Despite the fact that the target sample might have cognitive disabilities or communication difficulties, as emphasized by the ISS (2021) Report, limited decision-making capacity does not necessarily mean that individuals are completely unable to make decisions or that they should not be involved and consulted in matters related to their health and daily life. In this regard, as the beneficiary's physical and cognitive discomfort improves, they gain bio-psycho-social autonomy, aided by the constant availability of specialized personnel capable of effectively responding to their psycho-social-health needs (Kane et al., 2003). Simultaneously, the Consortium's facilities offer residents single or double rooms, providing a quieter environment with greater privacy and intimacy, not only in their relationships with family members but also in preserving the resident's dignity and quality of life. Additionally, services that enhance the beneficiary's independence along with reduced stress in managing their health condition and/or disability also foster an increased sense of security and protection in the elderly through continuous monitoring of their condition (Kane et al., 2003). Lastly, on the socio-relational level, the perception of present, integrated, and welcoming care, coupled with a decrease in psycho-physical discomfort linked to the bureaucratic and medical management of the condition, leads to an improvement in social relationships. This includes relationships with other users within the facility, with professionals responsible for their care, and with their own family members.



In addition to the Change Theory tool, the proposed evaluative model includes the application of the **Impact Management Project (IMP)**, an internationally adopted framework that identifies five impact dimensions for analyzing the outcomes mapped in the Change Theory. It assesses the impact level of these outcomes based on nine risk categories, considering the likelihood of occurrence and the severity of the harm that each outcome might cause.

Regarding the definition of measurement metrics, the nature of change brought about by the cooperative's services necessitates the development of both qualitative and quantitative indicators capable of providing information about the effectiveness (the relationship between objectives and outcomes) and efficiency (the relationship between resources and outcomes) of observed operations. Following the guidance from well-established literature, **SMART indicators** (Specific, Measurable, Attainable, Relevant, and Timebound) have been developed. To ensure a satisfactory level of validity and methodological accuracy, indicators are measured based on multiple sources, allowing for triangulation of information. The measurement of certain outcomes is conducted through the combination of multiple indicators to achieve a balanced and comprehensive view of the observed change.

Below are the impact objectives identified in terms of outcomes and outputs. The collected data will provide insight into the impact of the Consortium's services on the direct stakeholders, indicating the number of elderly individuals who might have experienced the changes mapped in the Theory of Change.

Stakeholder	Output	Indicators	Measurement scale	Source	Note
Consorzio Casa della Salute SGT S.C.S.p.a.	Number of Consortium facilities involved in impact measurement within a year through the administration of the assessment tool.	N. 5 facilities		*Administrative data of the Consortium.*	
	Total number of non-self-sufficient elderly individuals included in the assessment within a year.	1. Lugagnano - Polifunctional Center: 62 beds 2. Pinarolo Po - San Francesco RSA: 110 beds 3. Sala Comacina - Villa Stefania RSA: 123 beds 4. San Giuliano T - Le Sorgenti RSA: 71 beds 5. Sorbolo - OTI Sorbolo: 54 beds Total number of beds: 420		*Administrative data of the Consortium.*	The RSA San Giuliano T. Le Sorgenti could potentially increase the number of beds administratively from 71 to 92 in the following years within the Consortium.
	Number of non-self-sufficient elderly individuals included in the assessment within a year per individual facility.	Lugagnano - Polifunctional Center: 62 beds Pinarolo Po - San Francesco RSA: 110 beds Sala Comacina - Villa Stefania RSA: 123 beds San Giuliano T - Le Sorgenti RSA: 71 beds Sorbolo - OTI Sorbolo: 54 beds		*Administrative data of the Consortium.*	
	Number of non-self-sufficient elderly individuals included in the assessment within a year per individual facility who are residents with SSN (Sistema Sanitario Nazionale) conventions.	Lugagnano - Polifunctional Center: 44 beds Pinarolo Po - San Francesco RSA: 52 beds Sala Comacina - Villa Stefania RSA: 107 beds San Giuliano T - Le Sorgenti RSA: 71 beds Sorbolo - OTI Sorbolo: 0 beds		*Administrative data of the Consortium.*	
	Percentage of non-self-sufficient elderly individuals included in the assessment within a year per individual facility, categorized according to the level of dependence based on the Barthel Index.	0-24 total dependence: 43% 25-49 severe dependence: 21% 50-74 moderate dependence: 18% 75-90 mild dependence: 12% 90-100 minimal dependence: 6%	Barthel Index indicated in the folder at the time of the elderly person's admission to the facility. Analysis of the average percentages of individual administratives for Lugagnano, Pinarolo, users per individual facility, and analysis of the overall average of the entire Consortium per level of dependence.	*Administrative data of the Consortium.*	The percentages have been calculated based on an estimate for the year 2021 for the Villa Stefania, Sorbolo, and from 01.01.2022 to 05.11.2022 for San Giuliano T. structures within the Consortium.

Stakeholder	Outcome	Indicators	Measurement scale	Question
Non-self-sufficient elderly individuals from the 5 RSAs of the Consortium Casa della Salute SGT S.C.S.p.a.	Improved physical conditions (reduction of pain, regained mobility, etc.).	Number of non-self-sufficient elderly individuals who improve their physical conditions due to a reduction in discomfort symptoms related to their medical condition following care at the socio-health facility.	Hetero-evaluative observation form administered by an operator of the respective RSA.	*To be defined after admission.*
	Increased communication abilities (in terms of cognitive improvement).	Number of non-self-sufficient elderly individuals who experience an increase in their communication abilities due to functional and cognitive stimulation and socio-rehabilitative animation following care at the socio-health facility.	Hetero-evaluative observation form administered by an operator of the respective RSA.	*To be defined after admission.*
	Reduced stress related to the management of illness/disability (e.g., medical and rehabilitative services in the facility, room hygiene).	Number of non-self-sufficient elderly individuals who experience a reduction in stress related to managing their illness/disability due to daily assistance from qualified personnel following care at the socio-health facility.	Hetero-evaluative observation form administered by an operator of the respective RSA.	*To be defined after admission.*
	Increased autonomy	Number of non-self-sufficient elderly individuals who increase their autonomy in a bio-psycho-social sense due to their involvement in decisions regarding their health and daily life, following constant availability of specialized professionals and a reduction in disease symptoms.	Hetero-evaluative observation form administered by an operator of the respective RSA.	*To be defined after admission.*
	Improved social interactions with fellow residents, healthcare professionals, and family members.	Number of non-self-sufficient elderly individuals who improve their social relationships with other RSA residents, professionals, and their own family members due to present and integrated care, along with a reduction in psycho-physical distress related to managing the illness on the bureaucratic-medical level.	Hetero-evaluative observation form administered by an operator of the respective RSA.	*To be defined after admission.*
	Increased sense of security and protection.	Number of non-self-sufficient elderly individuals who have an increased perception of safety and protection due to socio-health assistance, increased autonomy, and reduced stress in managing their medical condition and/or disability.	Hetero-evaluative observation form administered by an operator of the respective RSA.	*To be defined after admission.*

In line with the presented evaluation model, the data collection tool to be implemented for assessing the impact generated by the services of the Consortium on non-self-sufficient elderly individuals is **a hetero-evaluative observation form to be completed by a socio-sanitary representative from the respective RSA for each resident in the facility**. The decision to have a representative from the RSA answer the impact measurement questions is due to the high level of dependence on care providers. This approach aims to mitigate the risk of incomplete data collection or the inability of the direct stakeholder to complete the tool. To effectively implement the hetero-evaluative observation form for all elderly individuals in the five Consortium facilities, it is recommended to administer the tool within two months of the user's admission to the service. This approach is believed to ensure effective data collection, allowing for the measurement of the impact generated by the services provided in the RSA on all residents, even those with a limited length of stay.

Simulation outputs

- ESG checklist
- Admission document with an additional section
- Financial communication media training
- Pro forma financial statement

2.3.3

Reynaldi Limited Liability Company Benefit Corporation

Registered capital
€119.900
fully paid-up

Year of establishment
1988

Average turnover 2019-2021
€6.000.000

Number of employees
51

Key people involved in the simulation
Marco Piccolo, *CEO*
Simone Piccolo, *Sustainability Consultant*

Headquarters
Pianezza

Ownership structure
3 individuals

Operational offices
Pianezza

→ **Reynaldi** is a Turin-based company specialized in contract manufacturing of a wide range of cosmetic products (creams, alcoholic perfumes, emulsions and gels for facial and body treatment, skin care, sunscreens, baby care, and hydroalcoholic gels). The company operates a production department equipped with vacuum turbo-emulsifiers, mixers, and coolers with a daily production capacity of 10,000 kg and 100,000 pieces. Born from the innovative idea of Dr. Reynaldi (the first graduate in Italy in the cosmetic sector), who in 1980 opened a small shop in Turin with a window showcasing the laboratory where she custom-made cosmetics for her clients, the company has now evolved into a large family-run business. In addition to Dr. Reynaldi, who heads the Research and Development Laboratory, the company is led by her sons Marco and Andrea Piccolo, responsible for sales and production respectively, and daughters-in-law Laura Patrucco and Grazia Massa, responsible for logistics and administration respectively.

Located in a 7,000 square meter production facility in Pianezza (province of Turin), the company offers a high level of services including product formulation, packaging design, and labeling. The company also collaborates regularly with clients holding BIO certification, ensuring the organic origin of ingredients.

As of the date of drafting of the Admission Document, the company's activities are attributed to Business-to-Business ("B2B") sales channels, which account for approximately 90% of the company's turnover, and Business to Client ("B2C") sales. Under the B2C channel, the company produces and sells cosmetic products under its own brand (Dottoressa Reynaldi Laboratorio di Cosmesi Naturale). These products are marketed through the company's two stores located in Turin, at the factory store of the production facility, and via its dedicated website (www.dottoressareynaldi.it).

Reynaldi presents itself to its clientele as a qualified partner capable of managing and operating in all phases of the value chain: research, experimentation, and sourcing of raw materials, formulation, testing, laboratory analysis, solution development, design, packaging creation, product scaling and production, and quality control. This positions the company as a strategic outsourcer for its customers in the fields of personal hygiene, well-being, and fragrance products.

As a result, the Potential Issuer differentiates itself from the traditional third-party manufacturing activity, where the business model involves producing cosmetics using raw materials, formulas, and packaging provided by the client. Reynaldi stands out due to the wide range of solutions and products it offers. Additionally, the company owns all the developed formulas, allowing for higher margins on the products produced.

As of the Admission Document date, the Company is not dependent on patents, licenses, or other types of agreements related to the use of trademarks, patents, licenses, industrial, commercial, or financial contracts, or new manufacturing processes. Additionally, the Company is engaged in the development and production of natural products based on the circular economy by valorizing waste from food supply chains.

The Company intends to strengthen and consolidate the growth of third-party manufacturing, which historically has had an average annual growth rate of 25%, and establish business relationships for the distribution of the "Dottoressa Reynaldi Laboratorio di Cosmesi Naturale" brand internationally. In 2022, the Company also obtained ISO 13485 certification for quality management systems in the medical device sector.

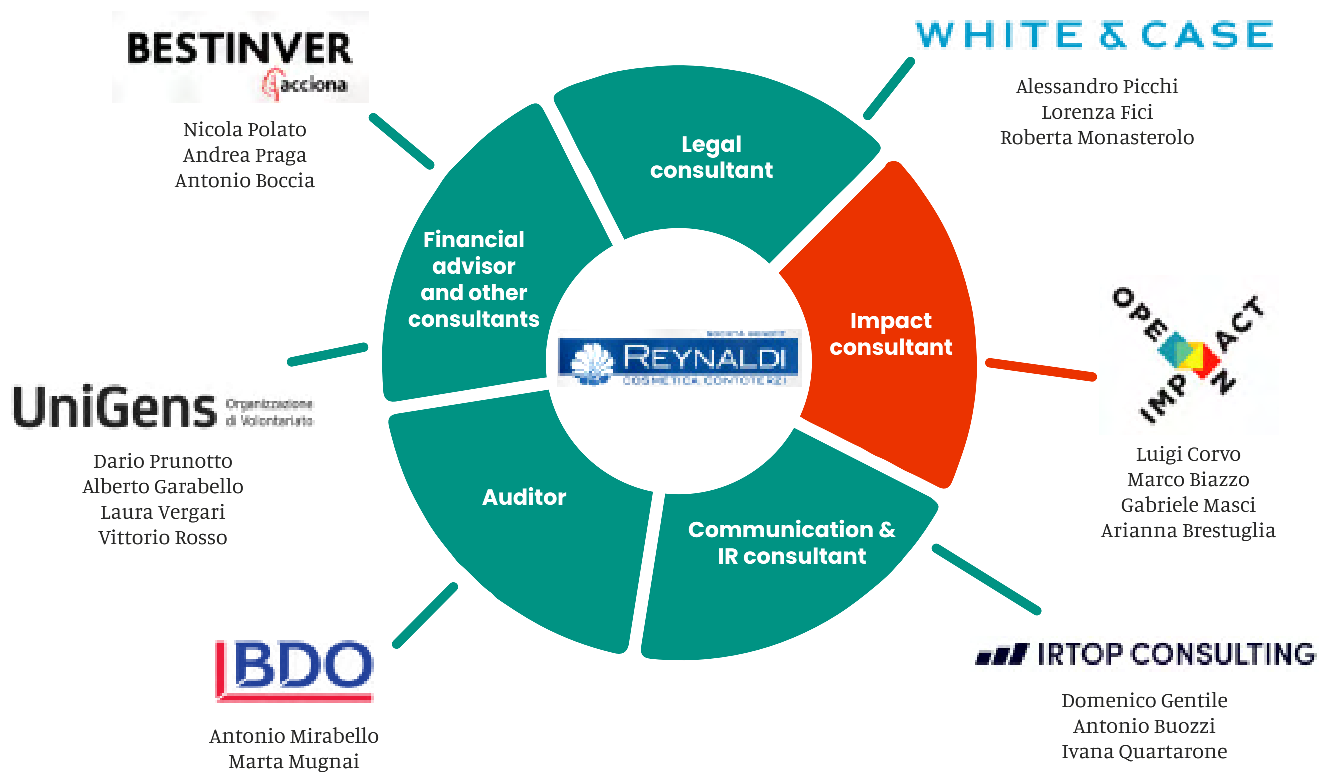
The simulation exercise, even in the case of Reynaldi, did not present significant complexities in terms of identifying the scope for conducting the experimentation. The entire company asset was the subject of analysis with a focus on simulating the process of preparing for listing on the **Euronext Growth Milan** market of Borsa Italiana.

The governance

The family-owned and operated company was established on June 21, 1988, in the form of a limited liability company and became the first benefit corporation in the cosmetic field in Italy, demonstrating the company's ongoing commitment to the environment and social causes.

The share capital of the Issuer is mostly owned by Piccolo Marco and Piccolo Andrea, who are Managing Directors of the company, each owning a 49% stake of the share capital. Dr. Reynaldi Maria Grazia, the founder and President of the company, holds a 2% stake in the share capital.

The working group



The impact dimension[1]

In its 40-plus years of operation, Reynaldi has always maintained a sustainable approach: care for people and the environment are among the most important values shared by Dr. Reynaldi and her family. In 2016, the company formalized this commitment by becoming a Benefit corporation. In 2021, for the second year, a sustainability report was issued, with its contents developed according to the GRI Standards and the self-assessment of the B Impact Assessment, the reference framework for B-Corp certification. The company achieved a score of 91.2 points.

1 The following excerpt is taken from section 2 of the admission document drafted during the experimentation by Open impact.

Reynaldi's values

1. Ethics of good work

We believe that work adds value to people. That's why we commit to working in close synergy and creating products that enhance the lives of our customers.

2. Smart innovation

We are convinced that improving goes beyond increasing productivity and efficiency; innovation is the fundamental element for creating progress.

3. Value in the intangible

We want anyone who purchases our products to understand and share all the values hidden behind our brand, such as respect for the environment and attention to detail.

4. Reliability and safety

We work to provide comprehensive support services, interpreting consumers' needs and desires to materialize them in our products and services.

5. Familiarity and relationships

Our employees are the true wealth of this company, which is why we strive to always make them feel satisfied, valued, and part of this family.

6. Civil economy

We act responsibly every day, believing that there can be no profit without creating benefits for society and the environment.

As a benefit corporation, Reynaldi pursues the goal of common benefit and commits to operating responsibly, sustainably, and transparently towards individuals, communities, territories, the environment, cultural and social assets, entities, associations, and other stakeholders. In particular, the Company:

- Engages in activities for the common benefit by marketing cosmetic products with naturally sourced ingredients, respecting the physiology of people's skin.
- Believes in creating shared value and a positive impact on people, society, and nature through its business activities.
- Aims to achieve maximum safety and excellent quality of cosmetic products, while considering the environmental and social impact generated by its operations.
- Strives to research and use raw materials from sustainable sources that respect the planet.
- Prefers low-impact production systems, cold processes, and renewable energy sources, while adopting waste reduction policies.
- Seeks to create conditions to spread awareness and knowledge of sustainability among all employees and suppliers through learning projects, happiness analysis, and other initiatives to develop skills in sustainable innovation.
- Promotes charitable support activities for the most vulnerable groups through collaboration with non-profit organizations and participation in social projects for the support of those in need.

- Fosters a culture of entrepreneurship by collaborating with local associations, schools, and universities to generate a corporate and social culture that can serve as an example and inspiration for future generations.

At the National Festival of Civil Economy, Reynaldi, previously selected as an ambassador of Civil Economy, won the "Entrepreneurs for Civil Economy" Award, showcasing the company's commitment to aligning social and environmental issues with economic ones. In November 2021, the European Commission identified Reynaldi as a European Best Practice in Sustainability.

"The case of Reynaldi demonstrates how a typical cosmetics manufacturing company can integrate various aspects of CSR over time. Reynaldi is a positive example of an SME that successfully integrated social and environmental objectives into its business model without compromising financial sustainability."

In 2021, the company's electricity was entirely sourced from certified renewable sources, and the installation of photovoltaic panels was completed, significantly reducing CO_2 emissions. Additionally, a process was initiated to quantify water saved by filtration systems, estimating a 69% water reduction compared to a period before installation. Non-hazardous waste was nearly entirely recycled, and for the upcoming years, the company aims to achieve zero emissions for Scope 1 and 2 categories by 2023, as well as work to understand and minimize emissions related to Scope 3 by 2030. In the course of 2023, the company will begin a study for developing B2C production lines based on sustainability criteria, committing to use recycled material for at least 25% of products and 100% recyclable material for new products by 2025.

The Impact Chain developed provides an initial understanding of the overall change (outcome areas) generated by the activities and also allows for interpreting this change across different scales - individual, community, society - highlighting the distinct yet integrated nature of its constitutive parts. The analysis conducted is divided into two main phases: qualitative analysis of the outcomes to be considered and quantitative analysis of the indicators related to each outcome. Once this linkage (stakeholder > output > outcome) is established, each identified change is connected to indicators and financial metrics that express its value, thus composing the overall social value that interventions of varying scale and nature can generate.

The impact analysis, built on data from the year 2021, was conducted using the **Social Return on Investment (SROI) methodology**, which employs financial metrics to transform the social and environmental value generated by interventions. The analysis focused on the following three outcome areas:

- Environmental (energy consumption and CO_2 emissions; water consumption; hazardous and non-hazardous waste management; supply chain impact);
- Social (impact on the supply chain; employee care; societal impact);
- Governance (employee care).

Each area of change was linked to the United Nations Sustainable Development Goals (SDGs) and financial indicators and metrics capable of expressing their monetized value. The impact generated by each outcome area was also weighed against four primary mitigators:

- Deadweight: the portion of value that would have occurred even without the analyzed intervention;
- Attribution: the portion of value not directly dependent on the activities carried out during the analyzed intervention;
- Displacement: the portion of value causing negative externalities;
- Drop off: how much, each year, the effect of the result is assumed to decrease or increase.

As evident from the excerpt of the framework provided below, **the resulting total social value generated in the year 2021 amounts to €2,342,565.**

Driver	Output	Input	Outcome	SDGs	GRI	Indicators	Quantity 2020	Quantity 2021	Impact objectives	Financial proxy	Proxy value	DW	ATTR	DISPL	DROP	Impact 1	NPV
Environment (E)	Wind power certified	0 — no investment	Reduction of CO2 emissions	Goal 13	305	Tons of CO2 avoided	66,75	73	Goal reached	Social cost per ton of CO2	€ 100,00	25%	25%	10%	0%	3.714 €	3.588 €
Environment (E)	Photovoltaic panels	0 — no investment	Reduction of CO2 emissions	Goal 13	305	Tons of CO2 avoided	864,5	865		Social cost per ton of CO2	€ 100,00	25%	25%	10%	0%	43.765 €	42.285 €
Environment (E)	Energy efficiency	5000	Reduction of CO2 emissions	Goal 13	305	Tons of CO2 avoided	2.348.317	64.284		Social cost per ton of CO2	€ 100,00	25%	25%	38%	0%	2.241.920 €	2.166.106 €
Environment (E)	Closed-loop filtration and recovery system	70000	Reduction of water waste	Goal 6	303	Cubic meters of water recovered	N/A	4.608		Differential between the cost of purchasing 1 cubic meter of industrial water and the cost of producing 1 cubic meter of recycled water	€ 1,03	25%	25%	10%	0%	2.403 €	2.322 €
Environment (E)	Recycling and disposal of hazardous waste	0 — no investment	Increase in the percentage of hazardous waste recycled	Goal 12	306	Kg of hazardous substance-containing packaging recycled	5180	6.440	Maintain over 90% of recycled waste	Avoided cost for the disposal of packaging containing hazardous substances	€ 0,85	25%	25%	10%	0%	2.771 €	2.678 €
						Kg of gas containers recycled	83	0		Avoided cost for the disposal of gas containers	€ 6,65	25%	25%	10%	0%	0 €	0 €
						Kg of plates recycled	53	21		Avoided cost for the disposal of plates	€ 0,86	25%	25%	10%	0%	9 €	9 €
						Kg of aqueous solutions recycled	35600	37.640		Avoided cost for the disposal of aqueous solutions	€ 3,03	25%	25%	10%	0%	57.737 €	55.785 €
Environment (E)	Recycling and disposal of hazardous waste	0 — no investment	Increase in the percentage of hazardous waste recycled	Goal 12	306	Kg of of expired products recycled	255	0		Avoided cost for the disposal of expired products	€ 0,67	25%	25%	10%	0%	0 €	0 €
						Kg of recycled cement	1310	0		Avoided cost for the cement disposal	€ 0,16	25%	25%	10%	0%	0 €	0 €
						Kg of recycled wooden packaging	15280	2.670		Avoided cost for the disposal of wooden packaging	€ 0,17	25%	25%	10%	0%	230 €	222 €
						Kg of recycled paper and cardboard	31960	30.840		Avoided cost for the disposal of paper and cardboard	€ 0,66	25%	25%	10%	0%	10.304 €	9.956 €
						Kg of recycled plastic	6590	15.130		Avoided cost for the disposal of plastic	€ 0,05	25%	25%	10%	0%	383 €	370 €
						Kg of recycled metal	1560	0		Avoided cost for the disposal of metal	€ 0,11	25%	25%	10%	0%	0 €	0 €
						Kg of recycled iron	1400	1.340		Avoided cost for the disposal of iron	€ 0,11	25%	25%	10%	0%	77 €	74 €
						Kg of recycled glass	3340	0		Avoided cost for the disposal of glass	€ 0,16	25%	25%	10%	0%	0 €	0 €
						Kg of recycled toner cartridges	18	18		Avoided cost for the disposal of toner cartridges	€ 0,10	25%	25%	10%	0%	1 €	1 €
Environment (E)	Local supply chain (within 150 km)	0 — no investment	Reduction of CO2 emissions	Goal 12	305	Tons of CO2 avoided	55,51	53,92	77%	Social cost per ton of CO2	€100,00	25%	25%	5%	0%	2.881 €	2.784 €
Social (S)	Local supply chain (within 150 km)	0 — no investment	Increase in entrepreneurial opportunities in the territory	Goal 8	413	Number of local entities the company collaborates with	50	63	No objective	Total amount spent on purchasing raw materials for cosmetics production	€ 3.564,00	25%	25%	10%	0%	113.669 €	109.825 €
Social (S)	Employment	0 — no investment	Increase in employment opportunities	Goal 8	401	Number of additional employees	13	16	No objective	Average salary in Italy	€ 21.804,00	25%	25%	10%	0%	176.612 €	170.640 €
Social (S)	Health and wellbeing	20000	Improvement in workplace well-being	Goal 8		Number of employees who declare feeling better in the workplace	444,44	488	Start with data collection	Willingness to pay for a better work-life balance	€ 480,00	25%	25%	10%	0%	118.537 €	114.528 €
Social (S)	Social projects	25000	Increase in support for female employment in developing countries	Goal 8	401	Number of female workers and families supported (in Burkina Faso)	25	25	No objective	Economic and fiscal value for job placement	€ 14.743,00	25%	25%	10%	0%	186.591 €	180.281 €
Social (S)	Social projects	10000	Increase in support for personal hygiene related to the pandemic crisis	Goal 3		Number of donated hygiene products	11000	11.000	Sustaining levels of community donations	Opportunity cost per unit of personal hygiene product for nonprofit organizations	€ 2,50	25%	25%	50%	0%	7.734 €	7.473 €
Governance (G)	Profit sharing	500000	Improvement in salary conditions	Goal 8		Number of women who received 30% of distributed profits	31	34	Maintain the distribution among the total number of employees	Gender pay gap resulting from profit distribution for women	€ 258,00	25%	25%	10%	0%	4.441 €	4.291 €
						Number of men who received 30% of distributed profits	14	17		Gender pay gap resulting from profit distribution for men	€ 203,00	25%	25%	10%	0%	1.747 €	1.688 €
Governance (G)	Gender wage gap	0 — no investment	Reduction in gender wage inequalities	Goal 10		Number of women who received an equal or higher salary than men	29	33	Continue to appoint top positions based on meritocracy; the fact that they are filled by female figures is incidental, although positive	Gender wage gap between male and female workers in the workplace	€ 257,00	25%	25%	10%	0%	4.294 €	4.148 €
																	2.342.565 €

Simulation outputs

- ESG checklist
- Admission document with additional section
- Questionnaire for members of the Board of Directors
- Financial communication media training
- Guidelines for the evaluation process for listing purposes

2.3.4 Cooperjob Limited Company

Registered capital
€1.200.475
fully paid-up

Year of establishment
2007

Average turnover 2019-2021
€21.000.000

Number of employees
794

Key people involved in the simulation
Stefano Granata, *President*
Anna Pasini, *Head of Administration and Finance*

Headquarters
Milano

Ownership structure
11 members
with CGM COMMUNITY SRL as the majority shareholder (91.31%) and 10 other cooperative companies

Operational offices
8
local branches

→ **Cooperjob S.p.A.** was founded in 2007 as a result of an initiative by Cooperazione Trentina, drawing inspiration from **the values of cooperation, ethical labor protection, and the promotion of worker dignity.** In 2015, it was acquired by the CGM Consortium, a national network consisting of 52 territorial consortia and 500 cooperatives and social enterprises, comprising more than 35,000 workers. This acquisition aimed to continue the growth and employment consolidation initiatives, while emphasizing social cohesion and territorial specificities.

Cooperjob is active in both traditional fields of care (for minors, the elderly, immigrants, and individuals with disabilities) and in emerging and frontier sectors (environment, housing, technology, art and culture, tourism, and employment support). The diversity of these sectors showcases the dynamic nature of the network, which is responsive to the demands of territories and communities, with a high degree of innovation.

At the time of preparing the Admission Document, Cooperjob operates in four regions in Northern Italy through eight branches that actively collaborate with territorial consortia, tailoring responses to employment needs.

The company primarily operates in the Italian labor market, offering both temporary and permanent staffing services. It also provides personnel recruitment and selection services, outplacement services (both individual and collective, aimed at facilitating the reemployment of candidates by assisting their integration into a new work environment), and training services (provided free of charge to workers, geared towards securing employment opportunities for them).

Cooperjob S.p.A. serves as a partner to various Italian companies, both small and large, which turn to Cooperjob to enhance the efficiency and flexibility of their workforce organization. Specifically, through temporary staffing, client companies can tap into a widespread network of skills capable of meeting their professional needs. Moreover, utilizing temporary staffing enables client companies to employ competent workers with appropriate training levels for assigned tasks, reduce labor recruitment and management costs, and maintain cost certainty. At the same time, Cooperjob serves as a point of reference for the temporary workers, who, thanks to the labor leasing contract, enjoy protections similar to those provided to directly hired employees of the client company throughout the mission's duration.

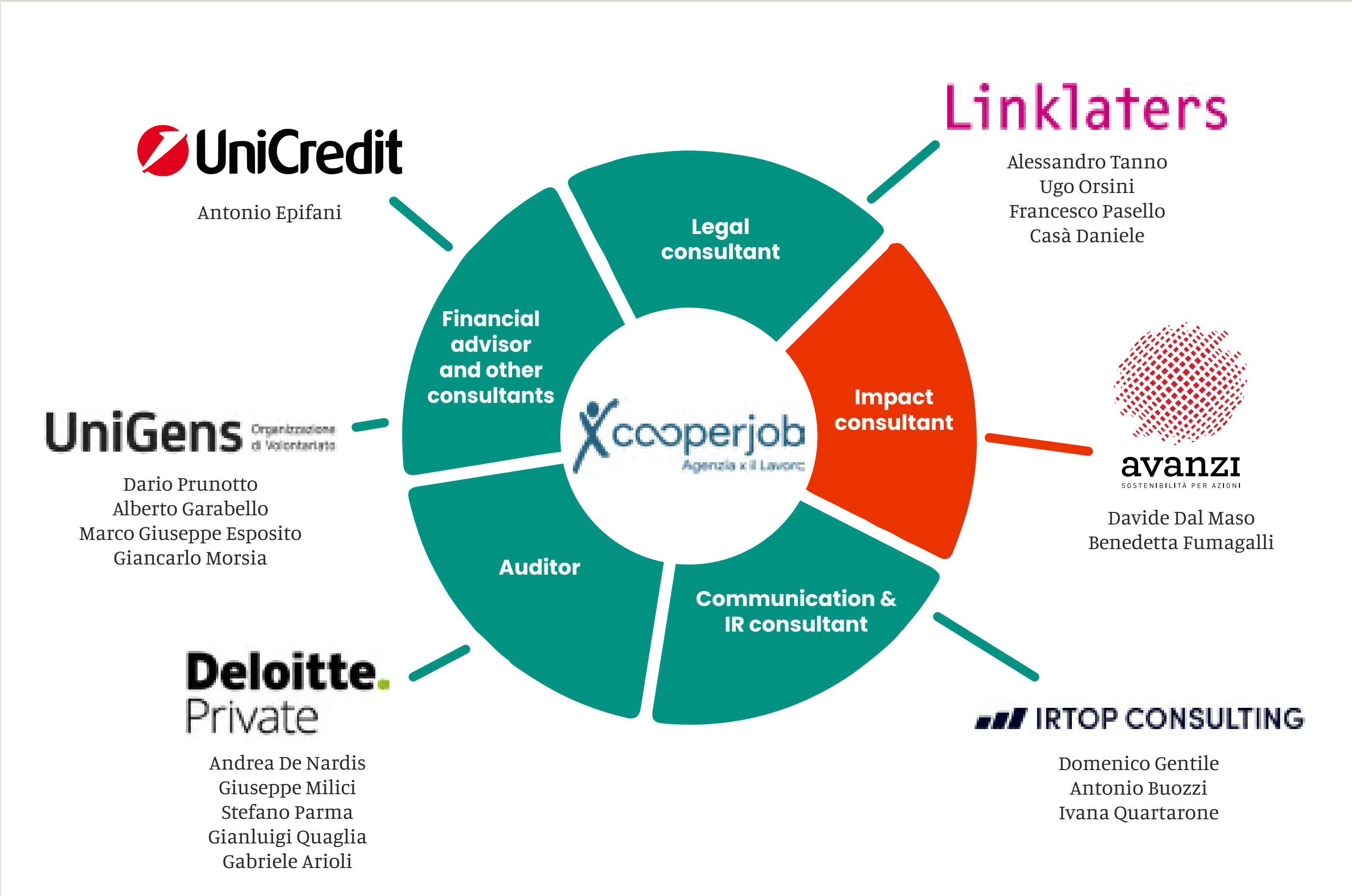
The medium to long-term development plan aims to become the preferred employment agency for the Third Sector, involving entities within the CGM network. In particular, the future growth strategy relies on continuous internal expansion, achieved by opening new branches, as well as external growth through the acquisition of employment agencies in Italy. This growth potential could lead to a significant improvement in operational efficiency, further supported by investments in information systems.

During the simulation, the entire company asset was analyzed to simulate the preparation process for listing on the **Euronext Growth Milan** market of Borsa Italiana.

The governance

The 91.31% of the share capital of Cooperjob S.p.A. is owned by CGM Community Limited Liability Company, a national network composed of territorial consortia, cooperatives, and social enterprises. The remaining minority shares are held by ten other cooperatives: Con.Solida. Società Cooperativa Sociale, Cooperativa operatori socio sanitari S.o.s. — Società Cooperativa Sociale, Fraternità Sistemi — impresa sociale, Trait D'union Società Cooperativa Sociale, Federation Des Cooperatives Valdotaines Società Cooperativa, CGM Consorzio Nazionale della Cooperazione Sociale Gino Mattarelli, La Sorgente Società Cooperativa Sociale, Enaip Vallee' D'Aoste Società Cooperativa Sociale, L'Esprit A' L'Envers Società Cooperativa Sociale, and Kairos Consorzio di Cooperative Sociali.

The working group



The impact dimension[1]

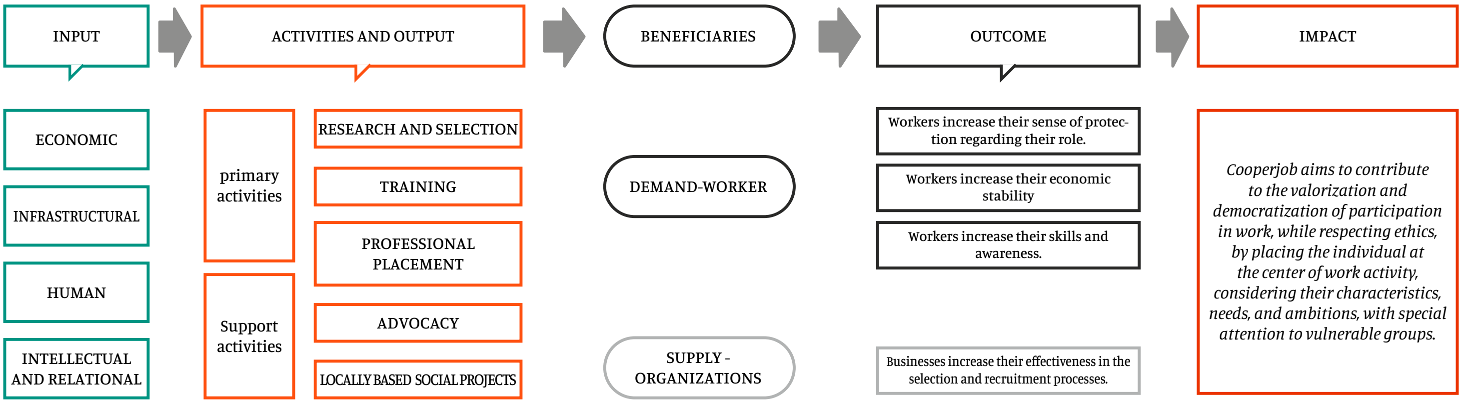
Cooperjob aims to contribute to the advancement of the labor market by emphasizing the value of work as a tool for personal self-realization in its complexity. The organization places active participation and the promotion of civil, economic, and social rights of workers at the center of its actions, starting from their needs, expectations, and ambitions, with a special focus on vulnerable groups.

Cooperjob has identified two main groups of stakeholders towards whom it strives to generate positive social change: workers and the business system. The challenge faced by Cooperjob now is to identify and define the effects of its actions, making them measurable and assessable, while implementing a governance and management system that can provide evidence useful for the organization to continually improve its results and account for the social value generated through its model.

1 The following excerpt is taken from section 2 of the admission document drafted during the experimentation by Avanzi Sostenibilità per Azioni.

Since 2017, Cooperjob has been directly and indirectly influencing labor market policies by creating a supply chain service that addresses the social needs of workers, especially the more vulnerable categories, through both corrective and preventive approaches. The organization also strategically aims to establish itself as a reference agency for social economy employment, thus supporting the ability of social enterprises, cooperatives, and the Third Sector in general to act as a cohesive and unified system. Currently, this reference market constitutes 70% of the entities Cooperjob collaborates with.

Following a process of exchange with the organization's leadership and involving numerous management figures, long-term objectives have been articulated, and the necessary conditions to achieve them have been identified, defining a causal model represented in the following Theory of Change.



The activities carried out by the organization and the outputs produced have been segmented into two areas: primary activities, which correspond to the core business, and support activities.

The primary activities include: Research and Selection (refers to the activity of scouting, analyzing, and contacting human resources); Professional Placement (realized through the form of labor leasing, which involves a trilateral relationship between the worker, the Employment Agency, and the company); Training (activity involving the transfer of knowledge and soft and hard skills to enhance the attractiveness of workers in the market and their awareness).
The support activities encompass: Advocacy (involves raising awareness among institutional entities and the business world, aimed at promoting a new work culture); Social Projects (a series of interventions carried out directly or indirectly in the community to enhance social cohesion).

The outcomes are the effects, defined in terms of intentionally achieved changes for the subjects that the organization identifies as beneficiaries (i.e., workers and client companies).

Those established for workers are: bringing out the individual's peculiarities in terms of characteristics and needs; increasing awareness and accurate information about the labor market; promoting the consolidation and growth of both hard and soft skills; enhancing protection and stability in the employment relationship, thus increasing the perceived sense of stability and security; increasing remuneration as well as economic stability.

Those concerning the company are: increasing and supporting the effectiveness and efficiency of selection processes; increasing sensitivity to specific social issues; raising awareness regarding the correlation between company performance and the social role played.

The model described in the ToC has then been translated into a system of both quantitative and qualitative indicators that will allow for the appreciation of the trends in results and changes generated by Cooperjob over time. Regarding the definition of output indicators, in order to balance the costs and benefits of a very granular and detailed system, in the initial phase, the available data and information were valued, planning for a gradual extension of the field of investigation and an increasing refinement in calculation. Concerning the outcome indicators, in some cases, it was decided to directly collect information from beneficiaries (through interviews or questionnaires), utilizing the listening channels already developed by the organization.

Evaluation, in the proper sense, is a periodic process of reviewing to what extent the expected results have been achieved and analyzing the causes of any deviations, both positive and negative. No definitive methodological choices have been adopted (e.g., counterfactuals), leaving the organization's administrators with ample interpretative scope within which to decide on the most effective strategies to improve the impact model.
In order to collect the necessary data and information to determine the identified indicators, **two listening tools will be used:**

- **Questionnaire addressed to workers;**
- **Questionnaire addressed to companies.**

The two tools develop a listening and engagement practice already used by the organization in a so far unstructured manner. The goal now is to provide greater technical and scientific rigor to these tools, a more frequent and certain periodicity, and a more well-founded interpretative model.

Simulation outputs

- ESG checklist
- Admission document with additional section
- Draft of the company bylaws with suggested variations
- Media training on financial communication

2.3.5 Slow food Promozione Limited Liability Company Benefit Corporation

Slow Food® Promozione

Registered capital
€115.000

Year of establishment
1991

Average turnover 2019-2021
€4.000.000

Number of employees
51

Key people involved in the simulation

Daniele Buttignol, *CEO*

Maria Mancuso, *Head of Institutional Affairs*

Cristina Chiavassa, *Financial Controller*

Sede Legale e Operativa
Bra (Cuneo)

Ownership structure
Sole shareholder
Slow Food Italia Aps Association

Slow Food Promozione Limited Liability Company Benefit Corporation (SFP) operates as the operational arm of Slow Food Italia Aps, sharing its values and pursuing its goals. **The company engages in the design, planning, and organization of activities inspired by the principle of the right to good, clean, and fair food for all, firmly believing that as long as even one person on the planet lacks access to it, the fight to ensure it continues.**

As a benefit corporation, in the course of its economic activity, the Issuer aims to pursue the following common benefit goals, operating responsibly, sustainably, and transparently towards individuals, communities, and territories:

- To contribute to the emergence, growth, and spread of food transformation, distribution, and production "by fostering, through its multiple activities, knowledge of productions, producers, and territories moving in this new direction, and creating the ideal conditions for the encounter of these entities with the community of citizens/ consumers."

- To "operate in the realization of its events and initiatives following the principles of systemic planning, in order to significantly reduce the environmental impact of the activity, including in the holistic vision underlying this approach also the social aspects related not only to the attention to the rights of all, but also the commitment to the inclusion of subjects often excluded from similar initiatives."

In the execution of trade fairs and events, the company primarily collaborates with suppliers who adhere to guidelines for low environmental impact design, reducing waste production and promoting recycling and reuse, as well as favoring eco-friendly and natural materials. For this purpose, the company operates in close connection with scientific partners, private companies, and public entities that consistently help update and improve objectives and outcomes.

In addition to organizing trade fairs (such as Terra Madre Salone del Gusto-Turin, Cheese-Bra, Slow Fish-Genoa, Wine Fair-Bologna, Slow Wine Tour, Birre d'Italia-Rome), Slow Food Promozione carries out the following activities:

- Consulting services in the private sector, primarily for companies with corporate canteens, catering, gastronomic events, intending to introduce innovative elements related to food production and/or transformation in their supply chain and/ or distribution activities.

- Fundraising.

- Operations services for affiliated entities such as Slow Food Italia Aps, Fondazione Slow Food Ets, Fondazione Slow Food per la Biodiversità Onlus, Slow Food Editore Srl, Banca del Vino Sc, Albergo dell'Agenzia Srl.

- Consultancy for market research, management of advertising campaigns for third parties, sales promotion, and public relations.

- Production, marketing, and representation of promotional and non-promotional items, both artisanal and industrial.

- Buying and selling of advertising spaces and sponsorships of any kind.

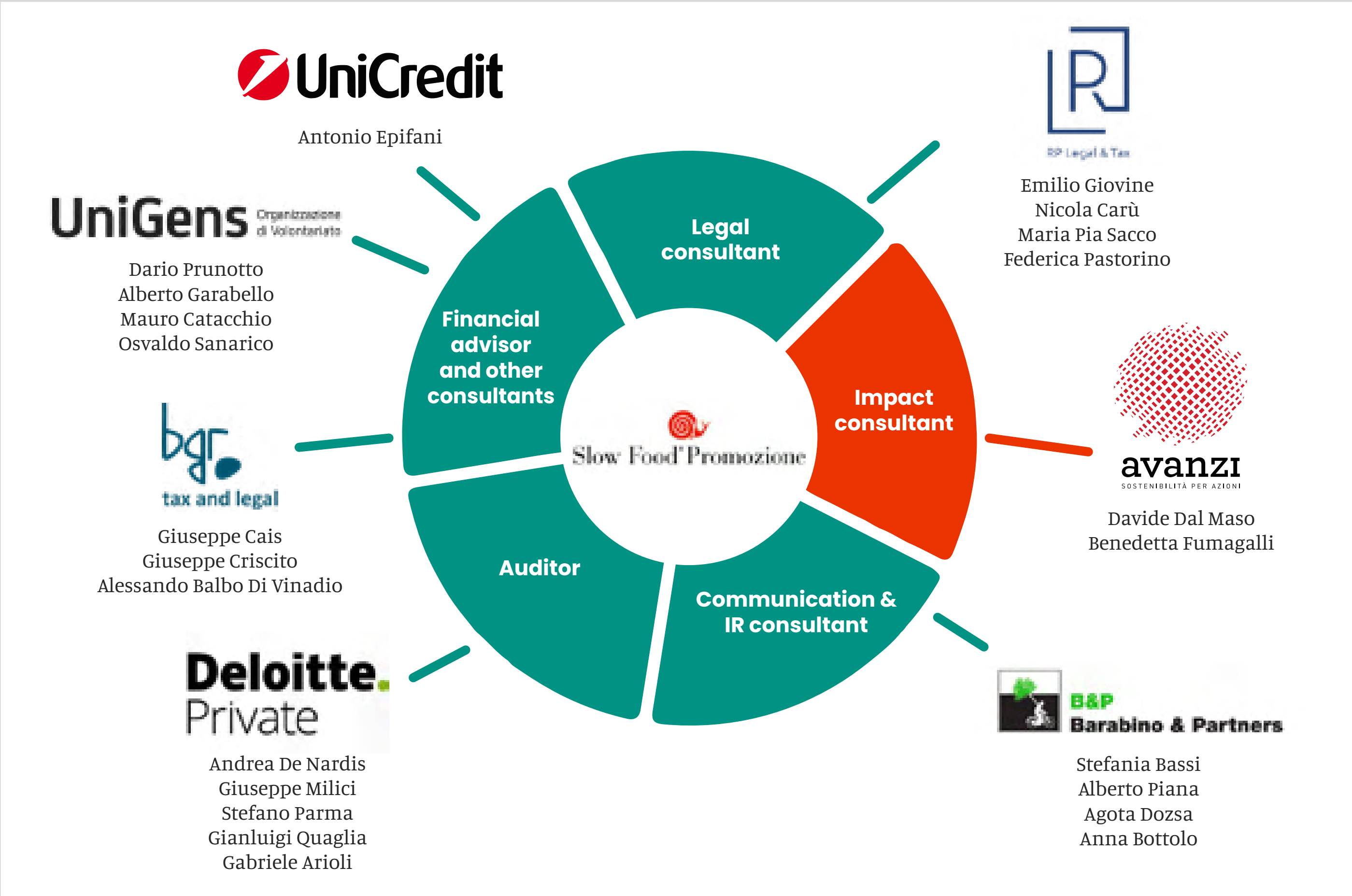
Following some evaluations related to the current corporate structure, Slow Food Promozione Srl, along with consultants who are part of the working group, deemed it appropriate to focus the simulation exercise on accessing the **ExtraMOT Pro^3 bond market**. This option is accessible to both unlisted companies and has more feasibility elements in the short term.

The governance

The company is subject to direction and coordination (pursuant to Article 2497-bis of the Civil Code) by Slow Food Italia APS, which owns it. In turn, it holds 50% of Albergo dell'Agenzia Srl and ownership shares in the cooperative company Banca del Vino, amounting to 11.63% of the share capital.

The Issuer operates in a **synergistic working context with other connected Slow Food entities**, based on related programs and objectives, creating logistic and functional conditions that enhance the specific skills of individuals, as defined and specified in the Purpose Agreement inspired by the principles of coworking, signed by Slow Food Entities. The Slow Food entities (Slow Food Italia Aps, Slow Food international association, Fondazione Slow Food per la Biodiversità Onlus, Slow Food Promozione) entered into a **purpose agreement** in 2019 with the aim of describing and regulating the atypical organization created and generated by the synergistic work of these entities, which share objectives, resources, tools, and coworking workspaces. The synergistic work of these entities creates collaborative synapses beneficial for the individual and collective improvement of workers and is also implemented through a functional organizational articulation in "hubs," within which various activities carried out by personnel under the different Slow Food Entities find their place.

The working group



The impact dimension[1]

Slow Food Promozione is an instrumental entity of the Slow Food Italia association. In line with the principles stated in the Slow Food Manifesto, its goal is **to contribute to the emergence and spread of alternative models of food production and growth, fostering knowledge about producers, productions, and territories, with a focus on food quality and respect for the environment and rights.**

SFP has identified three main groups of beneficiaries of its activities, towards whom it aims to generate a positive social change. These groups include producers in the agri-food chain who participate in events, citizens who visit and take part in events, and companies that benefit from consultancy services for their employees. The challenge faced by the organization now is to identify and define the effects of its actions in order to make them measurable and assessable. This involves implementing a governance and management system that can provide useful evidence for the organization to continuously improve its results and to account to its stakeholders for the social value generated through its model.

In September 2016, SFP obtained the status of a Benefit Company, committing itself to achieving social and

1 The following excerpt is taken from section 2 of the admission document drafted during the experimentation by Avanzi Sostenibilità per Azioni.

environmental goals while maintaining economic sustainability. This commitment also directs the company towards rigorous and planned impact measurement and evaluation of the effects generated by its activities. On February 14, 2019, Slow Food Promozione S.r.l. became a Certified B Corporation with an initial score of 82.7 (Impact Report 2018), which has now risen to 105.2 (Impact Report 2021).

The Theory of Change presented below is the result of a series of discussions with the organization's leadership.

RESOURCES, ACTIVITIES AND OUTPUT — SHORT TERM

RESOURCES

Economic
- Share capital
- Cash flows (Revenue from core activities)
- Financial projects
- Real estate management revenues

Infrastructural
- Registered office and instrumental properties
- Information systems
- Event equipments

Human
- Staff
- External professionals network
- Volunteers

Intellectual
- People

Relational

PRIMARY ACTIVITIES

1) EVENTS ORGANIZATION

2) CONSULTANCY AND TRAINING SERVICES TO PRIVATE ENTITIES

SUPPORT ACTIVITIES

3) SERVICES PROVIDED TO OTHER SF ENTITIES

4) FUNDRASING

5) HOTEL MANAGEMENT

BENEFICIARIES

Exhibitors/producers

Visitors and participants to cultural events

Companies/employees

EFFECTS GENERATED BY THE INTERVENTION MODEL: OUTCOMES AND IMPACTS

MEDIUM TERM — OUTCOME

Development and increase of economic/commercial capacity

Increase in the relational capital

Increase in specific skills related to industrial and general matters

Increase in knowledge regarding specific themes/ products/producers and territories

Increase in attention to purchasing choices

Increase in sensitivity and expertise in specific topics

Increase in the ability to generate virtuous practices

LONG TERM — IMPACT OBJECTIVES

Contribute to the emergence and dissemination of alternative models of food production and growth, promoting the understanding of productions, producers, and territories, placing the quality of foods and the respect for the environment and rights at the center, while also consistently engaging in the education and training of citizens.

SPHERE OF CONTROL

SPHERE OF INTEREST

SPHERE OF INFLUENCE

The activities carried out by the organization and the outputs produced have been segmented into two areas: primary activities, which correspond to the core business, and support activities. The primary activities include event organization, consultancy, and training for private entities. The support activities consist of providing services to other Slow Food entities, fundraising, and managing a hotel at the site that also hosts the University of Gastronomic Sciences in Pollenzo.

The identified outcomes for exhibitors and/or producers are: development and increase in economic and/or commercial capacity; increase in relationship capital/networking capabilities; increase in specific skills regarding industrial and general issues. For visitors and participants in cultural events, the identified outcomes are: increase in knowledge about specific themes/products/producers and territories; increase in attention towards purchasing choices. Finally, the outcomes identified for companies/employees are: increase in sensitivity and skills regarding specific themes; increase in the ability to generate virtuous practices.

The model described in the Theory of Change has been translated into a system of both quantitative and qualitative indicators that will allow for the appreciation over time of the trends in results and changes generated by Slow Food Promozione.

Regarding the definition of output indicators, in order to balance the costs and benefits of a highly detailed and granular system, in the initial phase, existing data and information were valued, with a plan for a gradual expansion of the scope of investigation and increasing refinement in calculation. Regarding outcome indicators, in some cases, it was decided to directly collect information from beneficiaries (through interviews or questionnaires), leveraging the listening channels already developed by the organization and creating new ones.

The evaluation itself involves a periodic review process of assessing whether the expected results have been achieved and analyzing the causes of any deviations, both positive and negative. No definitive methodological choices (e.g., counterfactuals) have been adopted, leaving a broad interpretative scope to the company's administrators. This allows them to decide on the most effective strategies to enhance the impact model.

In order to gather the necessary data and information to determine the identified indicators, **three listening tools will be utilized: a questionnaire aimed at exhibitors/producers, a questionnaire aimed at visitors, and a questionnaire aimed at companies.** These tools build upon a listening and engagement practice that the organization has used in a less structured manner and only for specific events. The current goal is to provide these tools with greater technical and scientific rigor, ensuring more frequent and consistent periodicity, and establishing a more robust interpretative framework.

The Characteristics of the Bond Issuance

As part of the experimentation, the issuance of debt securities with a duration of 5 years and a total nominal amount ranging from 1 to 1.5 million Euros has been contemplated. The type of debt securities deemed most suitable for the financing needs of Slow Food Promozione are sustainability-linked bonds. These bonds differ from those with a specific allocation of proceeds for environmental and/or social purposes (Green and Social Bonds) as they promote the overall functioning of the issuer, whose explicit sustainability goals are tied to the bond's financing conditions.

These debt securities play a fundamental role in promoting corporate-level sustainability commitments, as they are structurally linked to the issuer's achievement of declared impact objectives through a clause that indexes the bond's coupon. In this case, the attainment (or non-attainment) of the selected impact performance indicators results in a variation of the bond's coupon according to predetermined metrics. For Slow Food Promozione, given the complexity of the aforementioned model of change, it has been deemed useful to establish a diverse set of indicators as a reference for measuring the level of achievement of impact objectives.

Simulation outputs

- ESG checklist
- Admission document with additional section
- Draft of the debt issuance regulation (Social MiniBond)
- Inertial business plan and growth plan with financial projections for 2023-2025
- SWOT analysis of the communication profile

2.3.6
Anteo Social Cooperative

Registered capital 2021
€4.576.237

Year of establishment
1993

Average turnover 2019-2021
€64.000.000

Number of employees
1722

ANTEO
IMPRESA SOCIALE

Key people involved in the simulation

Matteo Tempia Valenta, *Deputy President and CEO*

Barbara Ghiotti, *Head of administrative office*

Silvia Masserano, *Controller*

Davide Lasagno, *Head of Marketing office, Chief Value Officer*

Roberta Invernizzi, *Projects office*

Headquarters
Biella

Operational offices
18
local branches

Ownership structure
Distributed ownership

→ Established in Biella in 1993, **Anteo** is now present in a significant portion of the national territory. It manages over 100 residential facilities, including Assisted Healthcare Residences (RSA) for the elderly with varying levels of dependence, Communities, Co-living Units, and Apartment Groups for psychiatric patients, as well as educational communities for minors with serious family issues or in a state of abandonment. It designs, implements, and independently or in partnership with public and private clients, manages complex services in the field of social and healthcare assistance (Health-Care and Long-Term Care).

In the course of 2021, Anteo managed a total of 263 services, compared to the previous year's 207, representing an increase of 27%. The province with the highest number of services remains Biella (93, up from 80 in 2020), followed by Vercelli (48), Turin (45), Alessandria (15), VCO and Foggia (11), and Milan (10). Overall, the area with the greatest concentration of services is currently psychiatry (23.6%), followed by the elderly care sector with 17.1% (down from 22.7% in 2020) and the disabilities sector, which increases from 14% to 16.3% of the total. Currently, following recent acquisition operations, the psychiatry sector represents 24% of Anteo's services; the number of services amounts to 63 across the national territory, mainly distributed in Piedmont and Apulia; there are a total of 1,116 users and 329 employed operators (data from the 2021 Social Report).

Given this, it was initially deemed appropriate to focus the scope of the experimentation on the branch of activity related to the psychiatry area. However, as the company indicated its intention not to proceed with the partial spin-off of a business unit but rather to evaluate the feasibility of listing the entire cooperative company while maintaining its predominant mutual characteristic (meaning, primarily conducting activities for the benefit of members, consumers, or users of goods or services, relying mainly on the labor contributions of members and the provision of goods or services by members), further investigations were carried out in this direction. This was done through the establishment of a dedicated technical working group to address this topic. For the outcomes of this technical group, please refer to Chapter 2.4 of this document.

The governance

Anteo boasts a **widespread ownership structure**, with over 1800 members. Upholding the values of integrity, transparency, responsibility, and fairness forms the foundation of the Governance system adopted by Anteo. Anteo's accountability translates into the commitment to account for its efforts in support of the Italian cooperative system through the Financial Economic Statement and the Social Report, prepared in line with the highest national and international standards.

The Board of Directors of Anteo consists of 6 members (Luca Tempia Valenta, President and CEO; Mariarosa Malavolta, Vice President and CEO; Matteo Tempia Valenta, Vice President and CEO; Danila Putzu, Andrea Zanta, and Erica Fre as directors). Additionally, there is the Board of Statutory Auditors composed of 5 members.

The working group

The impact dimension

Anteo conducts needs analyses, develops designs, and constructs solutions with the primary goal of generating a significant and noticeable impact on the quality of life for both the individuals receiving interventions and the communities to which they belong, both in the medium and long term. This impact extends from their close-knit networks (families/friendship circles) to the larger community. Making this objective a priority directs the intentionality of all projects and initiatives actively, consciously, systematically, continuously, and coherently. This also involves the indispensable and intensive effort of involving local networks composed of public and private entities with interests in the relevant field.

Therefore, the challenge that Anteo faces is to position itself as an agent of change capable of initiating, structuring, and consolidating processes of measurable social improvement that are sustainable over time. This involves regenerating resources and autonomous initiatives by the parties involved. This is the sense in which Anteo interprets the mission of Care for individuals and relationships, a mission it has embraced since its foundation.

Specifically addressing the field of psychiatric services, the overarching objective pursued by Anteo Social Enterprise is to enhance mental health as an essential dimension of the overall health of the population. This is achieved in synergy with the Healthcare Service in various action territories. It is accomplished through the application of validated models and tools that respond to individual and systemic needs and desires, particularly addressing psychosocial components strongly influenced by psychiatric conditions (e.g., social stigma). Individualized therapeutic-rehabilitative design is therefore formulated and implemented in a dynamically complementary manner to what is provided by healthcare teams and social services (where involved), within residential, semi-residential, domiciliary, and territorial services. These services, in turn, are integrated into social contexts (familial and communal). This complexity necessitates the engagement of numerous and diverse stakeholders to bring about the desired change.

From its inception, Anteo Social Enterprise has identified social impact as its core business, a priority that permeates all sectors of activity (services for the elderly, individuals with psychiatric conditions, disabilities, pathological dependencies, various forms of fragility, disadvantage, and social distress, as well as minors and migrants). In its initial phase, focused on the psychiatric services sector, Anteo's transformative effect on the available responses for individuals with psychiatric conditions stemmed from its innovative partnership with Healthcare Services. At a time when the closure of psychiatric hospitals was causing a sort of social upheaval, public service resources were exclusively directed toward clinical interventions. These resources were quantitatively insufficient for the growing user population and lacked a focus on psychosocial rehabilitation, a new challenge in the mental health domain. Anteo founders possessed the expertise and experimental drive that was missing, which they disseminated as the cooperative incorporated new professionals. Engaging in competent listening, designing interventions geared toward sustainable and truly motivating goals, mobilizing resources, and initiating awareness campaigns—these are the avenues through which Anteo's energies were channeled to transform users' life paths, the quality of their relationships, and the dynamics of their reference communities.

Given the strategic importance of the psychiatric sector due to its concentration of services, the decision was made to focus the analysis of the impact dimension on this specific area of activity. The following presents the Theory of Change structure, developed through the collaboration of various company functions, within a structured internal dialogue within the organization. This perspective involves engaging with those who are most familiar with both the models and tools used in the psychiatric sector and the day-to-day operations.

Theory of change — Psychiatric sector

INPUT	ACTIVITIES	OUTPUT	OUTCOME	IMPACT
329 employees (2021)	Individual Therapeutic Project Implementation	1,116 Individual Therapeutic	Psychiatric users improve their health conditions	Improving the quality of life for psychiatric users
390 k service hours provided (2021)	Projects Overuse of pharmacological therapies	1,116 service users	Psychiatric users have more autonomy in daily management	
We can consider our facilities (Communities, etc.) as INPUT	Building social networks	XX agreements and partnerships with organizations and associations	Psychiatric users experience increased self-esteem	Improving the quality of life for users' families
	Mediation of family relationships		Psychiatric users gain greater economic independence	
Total costs psychiatry	Implementation of training programs	XX users who have completed a training program	Psychiatric users actively participate in social life	Creating a more inclusive community
	Completion of work internships	XX users who have participated in work internships	Psychiatric users achieve greater housing autonomy	
	Placement in profit and non-profit companies			
	Support in household management			
	Search for housing solutions			

The experimentation path initiated for measuring social impact has, in its initial phase, involved identifying a set of indicators that can synthetically yet comprehensively provide internal and external stakeholders with a complete picture of the medium and long-term effects of Anteo's actions. **The identified and validated set of indicators, with the collaboration of the Quality Office, Area Managers, and the Health Director of Anteo Social Enterprise, Prof. Massimiliano Panella, Full Professor of Hygiene and Public Health at the University of Eastern Piedmont, constitutes the first step toward creating a broader and structured methodology. This methodology could potentially lead to a comprehensive Social Return on Investment (SROI) analysis in the future, potentially extendable to other intervention areas significant for Anteo (Addictions, Elderly, Minors, Social), in line with the operational approach based on a multidimensional view of human well-being.**

The definition of these indicators has drawn inspiration from theories of human development and multidimensional well-being by Amartya Sen, the International Classification of Functioning (ICF) promoted by the World Health Organization, as well as the United Nations Sustainable Development Goals (UN SDGs) 2030 Agenda. Regarding the latter, it's important to note that a structured reporting work related to the 17 SDGs was already initiated in the 2021 Social Report. This culminated in the creation of an impact-oriented framework based on macro-objectives, sub-objectives, targets, and actions for each intervention area. In the case of psychiatry, this framework served as the starting point for building the Theory of Change in this trajectory.

Regarding data collection tools, for the first indicator ("number of individuals improving their health status"), the choice was made to consider the annual variation in the number of administered therapies (excluding psychopharmacological ones). These pieces of information are recorded daily for each individual patient and documented in an official document called "Foglio Unico Terapia" (or "Cartellino Terapia," depending on the hosting facility). Therefore, they are available in historical series as well. For the other indicators, Anteo has been using a monitoring and evaluation tool for care paths that is internationally recognized. This tool measures patient changes across various dimensions, including those identified in the Theory of Change underlying this work. Data regarding the number of users obtaining employment contracts following internships are directly provided by the Employment Insertion Service on a monthly basis. For other data, an already-used tool has been appropriately adapted for this purpose: a satisfaction questionnaire directed at patients' families. This questionnaire is administered annually and subsequently analyzed by the Quality Office.

In order to implement the impact measurement model accurately, the involvement of the IT office is planned to develop the necessary infrastructure for transitioning data into digital format. Internal training sessions will be conducted to thoroughly explain the purpose and methods of data collection to all involved offices. Periodic validation and feedback collection sessions involving all parties in the process are also planned. Lastly, every 5 years, the coordinators are responsible for reopening the consultation process with both internal and external stakeholders to update the Theory of Change and data collection tools.

Simulation outputs

- ESG checklist
- Second section of the admission document
- Selected financial information chapters of the admission document

2.3.7 AEGCOOP

Registered capital
€814.058

Year of establishment
1901

Average turnover 2019-2021
€30.000.000

Number of employees
33

Key people involved in the simulation
Andrea Ardissone, *President*
Lorenzo Deiro, *CFO*

Headquarters
Ivrea (TO)

Ownership structure
Consumer cooperative company with approximately 21,000 members.

Operational offices
2 local branches

→ The controlling company AEG COOP, a consumer cooperative with 21,344 members as of December 31, 2021, primarily operates in the sector of selling methane gas and electricity. This includes both the retail segment, serving members, and the business segment for small and medium enterprises.

Reti Distribuzione, established following the divestiture of a business unit by AEG at the end of 2002, in compliance with Decree Law 164/2002 on the separation between gas sales and gas distribution companies, operates in the energy services market mainly through the operation of gas distribution networks for customer delivery and the related maintenance to ensure their full efficiency. AEG Plus, formed at the end of 2020, aims to develop the sale of energy efficiency and real estate redevelopment services.

The main areas of intervention for the cooperative's activities are as follows:

- Aggregated purchase of electricity and gas and sale of the commodity to its members.
- Management of the district heating system in the Parco Dora Baltea neighborhood in Ivrea.
- Through the company Reti Distribuzione srl, operation of the gas distribution service in 49 municipalities in Canavese.
- Through the company AEG Plus srl, design and technical and fiscal implementation of energy efficiency and savings interventions for members.

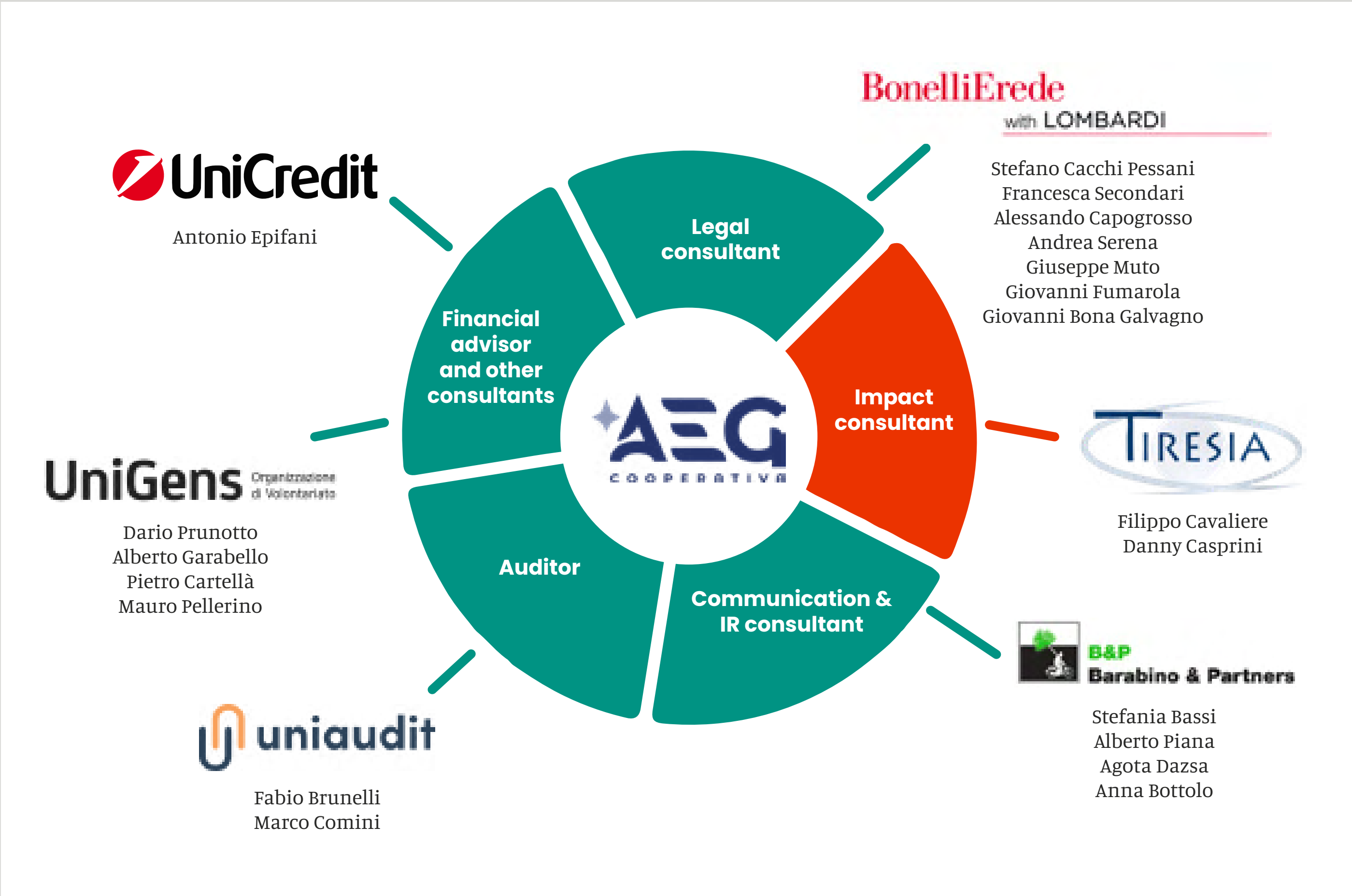
Regarding the sale of electricity, the cooperative also holds the electricity dispatching service for both consumption by consumer members and injection from renewable energy source production facilities. The cooperative has 2 physical branches in the Canavese area.

The working group established to support the simulated listing process of AEGCOOP initially focused on evaluating **various scenarios regarding the definition of the scope of the experimentation.** A preliminary phase indeed considered the recently established subsidiary, AEG Plus S.r.l., as the subject of the simulation. However, the assessments of the working group led to the exclusion of this option due to the company's incompatibility with the operation of being listed on the stock markets. This was due to its business model being tied to tax incentive policies for energy efficiency operations, the lack of a track record, and the limited size of the current turnover. Subsequently, the economic and financial impacts, as well as the non-economic aspects, were evaluated regarding the transformation hypothesis of AEG Coop from a "Limited Cooperative Company" to a "Joint-Stock Company." This would entail a transition from a predominantly mutual company to a non-predominantly mutual company. These evaluations led the cooperative to exclude this operation due to its infeasibility. Therefore, the technical committee dedicated to exploring the methods of listing cooperative companies was formed to consider the feasibility of listing the entire cooperative company while maintaining its predominantly mutual characteristics. For the results of this technical committee's findings, please refer to Chapter 2.4 of this document.

The governance

AEGCOOP has a widely distributed ownership structure, with over 21,000 members. The Board of Directors of AEG Società Cooperativa, consisting of seven Directors, is responsible for the management and administration of the company and is elected every three years by the Assembly of Members. Additionally, there is a Board of Statutory Auditors, composed of 3 effective members and 2 alternates, which oversees compliance with the law and the Bylaws, the adherence to the principles of proper administration, and particularly the adequacy of the organizational, administrative, and accounting structure adopted by the Cooperative Company and its functioning.

The working group



The impact dimension

In the current context, the increasingly pronounced decarbonization and the development of energy efficiency initiatives are the main challenges and opportunities for our sector. As an energy sector company, AEGCOOP is committed to this challenge and works within its territory toward a secure, accessible, and equitable energy transition.

AEGCOOP is guided by the dual objective of providing clean energy, steering the territory towards a transition to sustainability that preserves the value and well-being of the community, and making energy accessible based on the principles of cooperation and inclusivity. The impact strategy is structured around three key pillars, identified by the 2021-2024 Industrial Plan:

- **Renewable Sources:** This involves committing to reducing emissions and promoting the energy transition of the territory through the use of clean energy sources, optimizing consumption, and adopting production models based on the circular economy. Projects in this area include supplying green energy to all residential customers, purchasing existing photovoltaic plants, installing new photovoltaic systems for Energy Communities, and seeking new investments in hydroelectric plants.
- **Infrastructure**: This focuses on improving the

efficient use of resources to enhance air quality in the Canavese region. Projects here encompass completing the management system for the district heating and cooling network, investing in a more efficient cooling plant at Parco Dora Baltea, and investing in a new thermal plant. The initiatives also involve interventions on the temperature control and lighting systems, along with a collaboration with the Polytechnic University of Turin aimed at studying new innovative metrics for evaluating energy-related investments and their social impacts (specifically concerning AEGCOOP's premises).

- **Smart Solutions:** This involves collaborating with businesses, institutions, and citizens on energy efficiency, electric mobility, and digitalization.

For the development of the impact management and measurement model, it was deemed appropriate to await the outcomes of the technical working group focused on evaluating the feasibility of listing the entire cooperative company. This will define the correct scope of work for the impact assessment.

Simulation outputs

- ESG checklist
- Presentation of the hypothesis for the transformation of AEG Coop from "Limited Cooperative Company" to "Limited Company"

2.3.8 Social Cooperative Quadrifoglio

Registered capital
€110.923

Year of establishment
1981

Average turnover 2019-2021
€105.000.000

Cooperativa Sociale Quadrifoglio

Number of employees
3625

Key people involved in the simulation
Flavio Nalesso, *Territorial representative*
Alice Chiri, *Head of administration office*

Headquarters
Pinerolo (TO)

Ownership structure
Distributed ownership

Operational offices
46 local branches

→ **The Cooperative Quadrifoglio** was founded in Pinerolo in 1981, with the support of the Municipality and community funding for cooperative development, with the social aim of providing work integration for disabled individuals. The Quadrifoglio Cooperative initially focused on facilitating the employment of disabled individuals, particularly in the areas of cleaning and green spaces.

Over time, its activities expanded within the Pinerolo region, encompassing services directed towards individuals, such as socio-sanitary, educational, and training services. With the enactment of Law No. 381 on November 8, 1991, regulating "Social Cooperatives," the Quadrifoglio Cooperative embarked on a process of sectoral diversification.

This involved transferring work integration activities for disabled individuals to a newly established cooperative, the Social Cooperative Quadrifoglio Tre — Handicap ed Emarginazione s.c. Onlus, type B, while maintaining services directed towards individuals within the Quadrifoglio Cooperative, type A. Subsequently, the Quadrifoglio Cooperative pursued a sectoral growth strategy within the Piedmont region. This expansion initially included managing residential and semi-residential services for disabled individuals, later extending services to the elderly and those with psychiatric disabilities.

In 1994, the Quadrifoglio Cooperative underwent a pivotal shift as it expanded its operations beyond regional boundaries, participating in and winning public tenders promoted by the Lombardy Region. This allowed the cooperative to increase its membership and revenue levels. In the following years, the Quadrifoglio Cooperative continued its expansion both geographically, extending services to Abruzzo, Emilia-Romagna, Lazio, Liguria, Marche, Sardegna, Valle d'Aosta, and Veneto, and in terms of sectors. It extended its involvement to encompass hospitality services (cleaning, laundry, catering), home care assistance, the management of day centers, semi-residential facilities, and housing communities for the elderly and disabled, educational services, and school assistance (school integration and support for autonomy and communication of disabled individuals in all levels of schooling), the management of Alzheimer's day centers, and summer camps.

The core of the Quadrifoglio Cooperative's activities has always been the management of services on behalf of public entities through participation in public procurement tenders. In recent years, due to market contraction caused by public policy choices aimed at reducing spending and budget cuts for assistance, the Cooperative, thanks to its built economic stability over the years, diversified its activities by investing in both directly managed services and services under concession agreements, thereby expanding its reach to private entities.

Specifically, the Quadrifoglio Cooperative's strategy has focused on participating in public tenders for the multi-year concession of protected residential facilities for the elderly. In the last 5 years, this strategy has enabled the Cooperative to assume the management of the Carlo Alberto Nursing Home in Turin — one of the oldest facilities in the city — for a 30-year period, as well as the Coronata Nursing Home in Genova.

Furthermore, over the years, the Cooperative has expanded its network of collaborations with other social enterprises, many of which are nonprofit, to promote several high-impact social projects. Among the most significant projects initiated by the Cooperative are:

- The "Sport for All" project, which aims to support grassroots sports associations operating in challenging territorial contexts, in collaboration with other entities operating in the area. It utilizes sports and its educational values as a tool for

development and social inclusion.

- The "Co-housing" project, based on co-design and co-management of innovative interventions in the housing welfare sector.

Its main objective is to support individuals facing vulnerability, marginalization, and disadvantage, who require temporary housing, by providing suitable housing solutions and promoting cohabitation forms conducive to achieving full autonomy.

During 2018-2019, in line with the guiding principles of its corporate policy focused on enhancing individual facilities and maintaining high-quality standards of healthcare and assistance services provided, the Quadrifoglio Cooperative established two separate companies to manage internal administrative activities: Nabucco Ced S.c.a.r.l., responsible for administrative and accounting management, orders, credit recovery, payroll, and personnel management, and Noah Quality S.c.a.r.l., responsible for managing prevention and protection services, safety, quality, and privacy. In 2022, the Quadrifoglio Cooperative initiated a series of activities aimed at enhancing some of its own activities, specifically:

- Activities in the healthcare sector, primarily related to the Casa di Cura Monteserrat in Caraglio (CN), a hospital facility for long-term care and continuity of assistance (the "Healthcare Branch").
- Socio-assistance activities, mainly related to the management of 38 nursing homes either independently or on behalf of third parties (the "Socio-Assistance Branch").

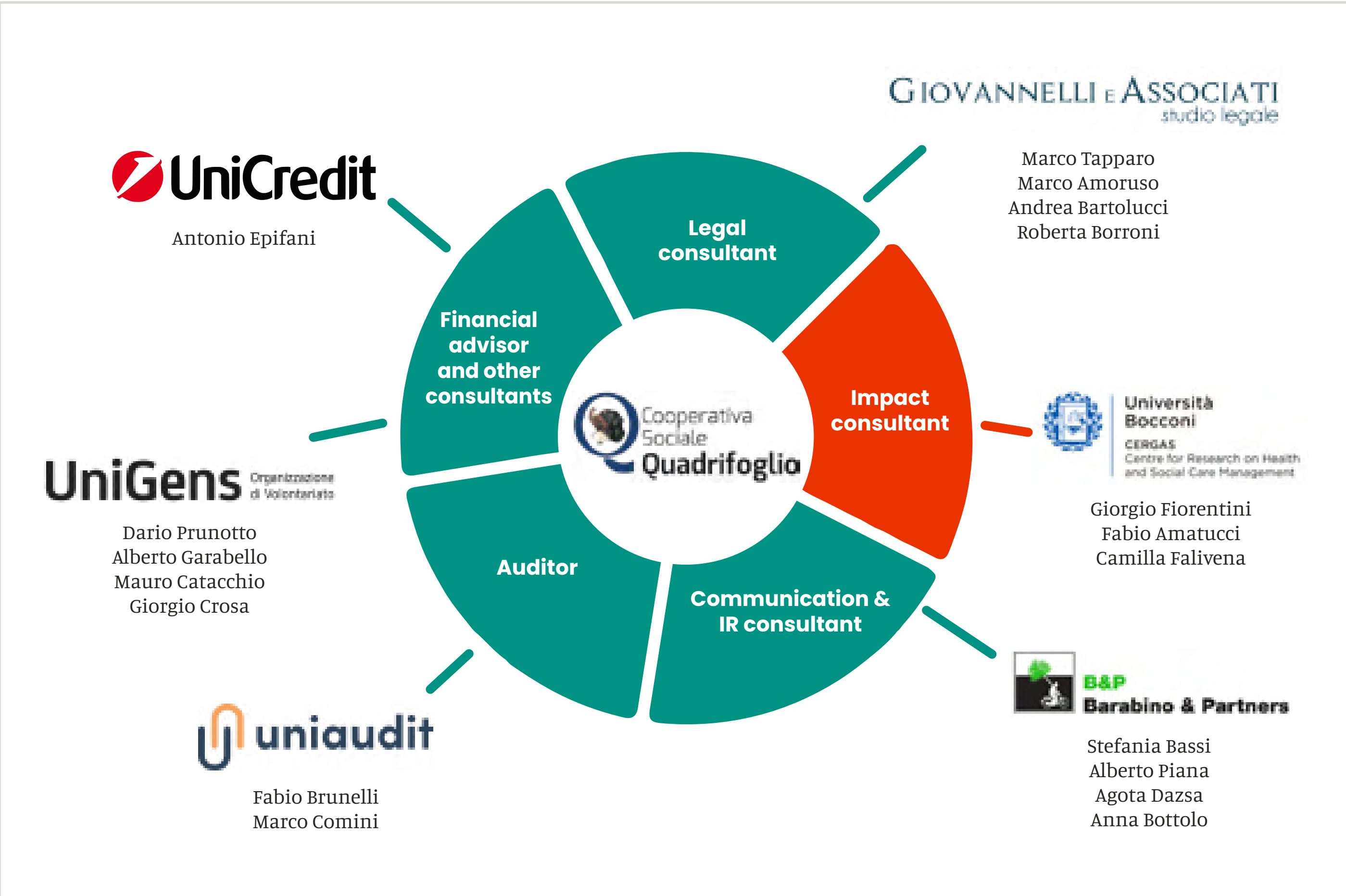
After in-depth investigations and analyses, the proposed solution for defining the simulation scope involves transferring the Healthcare Branch and the Socio-Assistance Branch to a newly established joint-stock company. Subsequently, the strategy aims to allow the new company to secure additional capital resources for strengthening competitive positioning and nationwide presence of the Healthcare Branch and Socio-Assistance Branch, as well as improving operational and managerial efficiency.

Additionally, since the Cooperative has always placed social responsibility at the core of its corporate philosophy, there's a hypothesis of granting the newly established company the status of a "benefit corporation" by expressly incorporating in its bylaws the pursuit of common benefit objectives, particularly in the sectors where the Cooperative has always been active (social marginalization, protection of individuals with disabilities, early childhood assistance, etc.).

The governance

The hypothesis of establishing the company to which the Healthcare Branch and the Socio-Assistance Branch will be transferred envisions 100% ownership by the Quadrifoglio Social Cooperative. However, during the experimentation, possible scenarios concerning the composition of the Board of Directors and specific governance roles have not been defined and evaluated.

The working group



The impact dimension

In light of the hypothesis of establishing a new corporate entity, the reconstruction of the impact history must necessarily refer to the track record of results generated by the Quadrifoglio Social Cooperative, from which the new company derives its roots and operational model. In this perspective, it is first noted that the commitment to ESG (Environmental, Social, and Governance) aspects by the Quadrifoglio Social Cooperative is evident in the use of the social balance sheet tool, which has been prepared since 2018.

The operational model adopted by the Quadrifoglio Social Cooperative is characterized by the central importance given to the user and their needs. Similarly, the Cooperative aims to promote human development and social integration of citizens through the following activities: (i) school support for disabled children; (ii) various forms of assistance; (iii) management of facilities specialized in early childhood assistance; (iv) guidance and education for language recovery and motor function through qualified personnel; (v) operational support to families through home assistance.

In 2020, investments were made to innovate the adopted care models and information systems. Specifically, concerning care models, the Bio-Psycho-Social model based on the principle of humanizing

care was introduced, as well as the Gentle Care model aimed at improving the quality of life for patients and caregivers through a prosthetic care system designed to understand the person's uniqueness and complexity of deficits while also valuing their remaining skills and desires.

The Quadrifoglio Social Cooperative also aims to work in the recovery of individuals with disabilities through the management of social and socio-health services and facilities, often in agreement with public entities (such as communities, day centers, training centers). They also organize educational support initiatives (sports and recreational activities, laboratory activities, educational and recreational programs, assistance for youth and families). The Cooperative also operates in the field of elderly, minors, and psychiatric patients through the management of residential, semi-residential, and home services.

The activities carried out by the Quadrifoglio Social Cooperative in the 2021 fiscal year involved: over 1100 disabled users, over 3600 elderly users, and over 5900 minor users.

The impact measurement methodology adopted by the Company is based on the theoretical model proposed by Ebrahim & Rangan in 2014, in line with the literature on social impact measurement. This approach, widely shared in the literature (Bagnoli & Megali, 2011; Sibilio & Matacena, 2021), allows for a proper assessment of the social impact of a cooperative operating in the elderly care sector (Costa & Andreaus, 2021).

To achieve the objectives of social impact, the Company adopts a quantitative and multi-stakeholder approach, implementing measurement methodologies such as the Social Return on Investment (SROI) method. This approach enables the Company to measure the impact of its investments and/or corporate welfare initiatives in terms of social returns, utilizing a technique that allows broad participation from all stakeholders identified as internal (administrators, members, and employees), primary external stakeholders (contracting entities, client users, families), and secondary external stakeholders (suppliers, banks, social security institutions, labor unions, voluntary associations).

The methodology adopted by the Company entails conducting an analysis of socially responsible business behavior, focusing particularly on:

- Supplier selection, aiming to assess the company's inclination toward choosing socially and environmentally certified suppliers.
- Ensuring working conditions in terms of employee health and safety.
- Inclusion of individuals from protected categories or those facing various forms of disadvantage.
- Transparency in the adopted governance model.
- Environmental sustainability practices.

Quantitative and qualitative analysis methods will primarily involve document analysis of financial and social reports, as well as periodic meetings and the administration of surveys/questionnaires with key internal stakeholders (administrators, members, and employees).

The measurement of social impact starts with the identification of added value, which represents the positive characteristics/qualities that define the identity of entities within a system capable of generating positive impact. Subsequently, the distribution of net added value among various stakeholder categories is analyzed: employees (labor costs); financiers and investors (interest expenses, dividends); the State (taxes); the entrepreneur (economic residue).

In addition to the economic dimension, in accordance with Legislative Decree no. 254/2016 which implements European Directive 2014/95/EU, dimensions related to social and environmental aspects documented in non-financial statements are included. These dimensions focus on corporate sustainability policies (primarily related to user needs satisfaction, quality of provided processes as per international standards and certifications, supplier selection, and innovation focus recognized as a driver for process improvement), employee management methods (inclusion of more vulnerable and disadvantaged categories, appropriate training tailored to professional development needs, established culture of safety and health for workers in the workplace), and actions for reducing environmental impact. The assessment of social impact also requires measuring initiatives and their effects on the relevant community.

The process of measuring social impact through identified indicators necessitates first identifying and verifying data sources, both qualitative and quantitative. Some indicators require using data typically found in cost accounting systems, while others, centered around stakeholder satisfaction levels, require the administration of short questionnaires. To showcase the company's commitment to continuous improvement, the analysis should be approached longitudinally to compare results' evolution over time.

Simulation outputs

- ESG Checklist
- Admission Document with Additional Section
- Hypothetical Business Plan of the New Corporate Vehicle
- Proforma financial statement based on the assumed assets/debts transfer
- User Satisfaction Questionnaire
- Employee Satisfaction Questionnaire
- SWOT Analysis of the Communicative Profile
- Communication Plan and Timeline
- Hypothetical Q&A for Company Spokesperson
- Table of Contents of the Management Presentation

Mock IPO Outcomes

	PMG Italia Limited Company Benefit Corporation	Coopselios	Reynaldi Limited Liability Company Benefit Corporation	Cooperjob Limited Company	Slowfood Promozione Limited Liability Company Benefit Corporation	Anteo Social Cooperative	AEG Cooperative	Social Cooperative Quadrifoglio
Reference market	Stock Market (Euronext Growth Milan)	Stock Market (Euronext Growth Milan)	Stock Market (Euronext Growth Milan)	Debt Securities Market (ExtraMOT Pro3)	Stock Market (Euronext Growth Milan)	Stock Market (Euronext Growth Milan)	Stock Market (Euronext Growth Milan)	Stock Market (Euronext Growth Milan)
Scope of the simulation	Whole company	Existing corporate entity, owned by the Coopselios group (Casa della Salute SGT S.C. a R.L) with the acquisition of a business branch from Coopselios cooperative (related to the management of socio-assistance and rehabilitative services primarily for non-self-sufficient elderly individuals provided at 5 facilities located in Pavia, Parma, Verona, Como, and Pisa).	Whole company	Whole company	Whole company	Some analyses were focused on the branch of activity related to the psychiatry area. However, since the company indicated its intention not to proceed with the spin-off of a business branch but rather with the listing of the entire company, further investigations were carried out in this regard (see chapter 2.4 in the full report dedicated to the listing of cooperatives).	Preliminary analyses were focused on AEG Plus and the possibility of transforming it into a Limited Company. Subsequent evaluations were conducted for the listing of the entire cooperative while maintaining the prevailing mutuality (see chapter 2.4 in the full report dedicated to the listing of cooperative).	The transfer of the Healthcare Branch and the Socio-Assistance Branch to a newly established company in the form of Limited Company with the status of a "benefit corporation".
Impact evaluation methodology adopted	Objective definition: Development of the Theory of Change. Data collection tools: Surveys. Analysis of collected data: A statistical model utilizing linear regressions to understand the causal relationships between activities, direct results (outputs), and identified social and socio-economic effects (outcomes and impacts). A frequentist inference study is conducted to analyze the attribution of changes to the activities carried out by PMG. Risk assessment: Impact Management Norms.	Objective definition: Development of the Theory of Change. Data collection tools: Hetero-evaluative observation form to be filled out by a social-healthcare representative of the Residential Care Facility (RSA) for each resident in the facility. Analysis of collected data and risk assessment: Impact Management Project.	Objective definition: Development of the Impact Value Chain. Analysis of collected data: Utilization of the SROI (Social Return on Investment) methodology with a framework based on benchmark data for measuring social return.	Objective definition: Development of the Theory of Change. Data collection tools: Questionnaire for exhibitors/producers, questionnaire for visitors, questionnaire for businesses.	Objective definition: Development of the Theory of Change. Data collection tools: Questionnaire for workers; Questionnaire for businesses.	Objective definition: Development of the Theory of Change. Data collection tools: Historical series of "Fogli Unici Terapia" (Therapy Unique Sheets) - medical records; Monitoring and evaluation tool for internationally recognized care pathways; Other monitoring tools already adopted by the company. Analysis of collected data: Social Return on Investment (SROI) methodology.	For the development of the impact management and measurement model, it was deemed appropriate to wait for the outcomes of the technical working group aimed at assessing the feasibility of the listing of the entire cooperative company..	Objective definition: Development of the Theory of Change. Data collection tools: Satisfaction questionnaire for users and employees. Analysis of collected data: Analysis of the socially responsible behavior of the company, measurement of net value added and its distribution among stakeholders, Social Return on Investment (SROI) methodology.
Issue information	Evaluation using the Market Multiples Method applied to a synthetic index comprising three reference sectors. Issue of ordinary shares with a capital increase. Additional instrument: Warrant based on impact performance achievement.	Issue of ordinary shares	Issue of ordinary shares	Issue of sustainability-linked debt securities, with a clause that links the coupon of the security to the achievement of impact objectives declared by the issuer.	Issue of ordinary shares	To be defined	To be defined	Issue of ordinary shares
Recommendations from the working group	• Weighing the potential of the operation considering the low valuation range (also influenced by the current negative market trends) that limits the fundraising target. • Assessing the impact of the current structure of long-term contracts, which could pose a risk to the business. • Defining the mix of indicators to be tied to the exercise of the Warrant and their respective objectives, paying attention to the balance between ambition level and achievability of the goals. • In light of PMG's acquisition of the entire share capital of PMG Valore S.r.l., evaluating the opportunity to prepare and have the consolidated financial statements approved by the Shareholders' Assembly of the Issuer. • Appointing an auditing firm, as the revision by the board of auditors alone is no longer sufficient in case of listing. • Revising the Corporate Governance framework, including through statutory changes, introducing the slate voting system for the representation of majority shareholders.	• The Consortium should undertake a process of planning and analysis of the impacts it intends to pursue through its activities and will equip itself with tools for monitoring and reviewing them. • The analysis conducted during the experimentation phase should be extended to all the identified outcomes within the Theory of Change, involving the operational staff of the Consortium's facilities. • The transformation of the company's legal form into a Limited Company and the change of its corporate name to "Casa della Salute SGT S.C S.p.A." carried out through a resolution of the Shareholders' Assembly.	• The transformation from the current legal form to a Limited Company, assuming the corporate name Reynaldi S.p.A., carried out through a resolution of the Shareholders' Assembly. • A deliberate planning of impact objectives and a more integrated business strategy, with a reduced focus on CSR initiatives, should be defined.	• establishment of a Board of Directors to replace the sole director. • the issue could initially be reserved for the ExtraMOT Pro3 segment, targeting institutional investors. However, the potential interest of approximately 25,000 members of Slow Food Italia to participate in the capital raising should be considered.	• weigh the outcome of the operation in relation to the presence of a strong competitor in the market • consider statutory changes to simplify future capital increases, disclosure of significant shareholdings, establishment of the board of auditors, administration, transactions with related parties, etc.	• extend the impact analysis conducted during the experiment to all areas in which the cooperative operates.		• establishment of a Limited Company and adoption of the "benefit corporation" status by the newly formed company, explicitly stating in the bylaw the pursuit of common benefit purposes • further analysis of the financial statements related to assets and debts transfer (particularly regarding the accurate allocation of shares, currently estimated with a wide approximation) • appropriate management of the process of transferring the business unit, with special attention to labor law issues regarding the professional qualification of employees.
Outputs	• ESG checklist • Admission document with additional section • Draft of "WARRANT P.M.G. ITALIA S.P.A. 2023-2028" regulation • Questionnaire for members of the Board of Directors, the Board of Auditors and for Senior Executives • Data collection tools for impact measurement (questionnaires) • SWOT analysis of the communication profile • Communication plan and timeline • Q&A for company spokesperson • Table of contents for the management presentation	• ESG checklist • Admission document with additional section • Media training on financial communication • pro forma financial statements	• ESG checklist • Admission document with additional section • Questionnaire for Members of the Board of Directors • Media training on financial communication • Guidelines for the company evaluation process for listing purposes	• ESG checklist • Admission document with additional section • Draft of the regulation for the issue of debt securities (Social MiniBond) • Inertial business plan and growth plan with financial projections for 2023-2025 • SWOT analysis of the communication profile	• ESG checklist • Admission document with additional section • Draft of the company bylaws with suggested amendments • Media training on financial communication	• ESG checklist • Section Two of the Admission Document • Chapters concerning selected financial information of the admission document	• ESG checklist • Hypothesis scenario for the transformation of AEG Coop from a Limited Liability Cooperative to a Limited Company	• ESG checklist • Admission document with additional section • Business plan for the new corporate entity • Proforma financial statement based on the assumed assets/debts transfer • Customer satisfaction questionnaire • Employee satisfaction questionnaire • SWOT analysis of the communication profile • Communication plan and timeline • Q&A for company spokesperson • Table of contents for the management presentation

2.4
The technical working groups

During the course of experimentation, in order to address specific needs for further investigation that emerged during consultations, **three cross-functional technical working groups** were established, composed of qualified professionals, focused on the following topics:

- **Evaluation of the regulatory framework related to various forms of impact enterprises.**
- **Assessment of the tax aspects connected to the path of listing social-purpose enterprises.**
- **Development of a solution to enable the listing of cooperatives.**

The first and second groups are the result of collaboration between the Turin Bar Association and the Turin Institute of Chartered Accountants and Accounting Experts. These groups have brought together professionals from different disciplines to support the Promoting Committee of the Social Impact Exchange in observing the legal and tax structure aspects related to the listing of various forms of impact enterprises.

From a tax perspective, the opportunity has arisen to consider the adoption of ad hoc measures aimed at alleviating the significant costs associated with listing for companies. These measures could involve tax credits or other forms of "strengthened" fiscal recognition of expenses, such as deductions proportionate to the amounts invested.

Italian regulations provide tax incentives for companies that list on the stock exchange in order to promote the attraction of capital through their listing. The objective basis for adopting these incentives — which, being directed at a substantially indiscriminate audience, do not risk falling under the category of selective measures prohibited by Article 107 of the TFEU — is that listing on the stock exchange incurs significant costs. These costs include legal and consultancy fees necessary for the listing process, expenses for adjusting IT and communication systems, as well as ongoing compliance and financial reporting costs.

In particular, listed companies can benefit from the provision in Article 1, paragraphs 89 to 92 of Law No. 205 of December 27, 2017, which allows SMEs that choose to list on a regulated market with multilateral trading systems to claim a tax credit equal to 50% of the consultancy expenses related to the listing. This provision was first extended for expenses incurred until December 31, 2022, and the maximum limit of the tax credit was reduced from €500,000 to €200,000. The 2023 budget law further extended the benefit until December 31, 2023, and restored the maximum tax credit amount to €500,000.

Regarding the difficulties specifically characterizing the listing of enterprises generating positive impact, it is conceivable to consider forms of fiscal recognition of investment, such as deductions or deductions to be granted to investors. Similar measures would undoubtedly have the advantage of "compensating" for limited or nonexistent profit distribution. On the other hand, it is believed that they would not constitute distortive competition measures since they are granted indiscriminately to investors and not to companies. These measures are unlikely to, by themselves, motivate investment and create real distortions. An example of such measures can be found in the Italian tax regulations designed for social enterprises. However, this is still subject to the necessary authorization from the European Commission (see Legislative Decree No. 112/17).

As for the aspect related to the possibility of pursuing, in the medium to long term, "traditional" economic objectives alongside objectives related to environmental and social sustainability and positive impact generation, a more systematic question arises. This pertains to the need to recognize as inherent and therefore fully deductible the costs related to pursuing these somewhat non-traditional objectives.

Below are the participants in the first and second working groups coordinated by Paola Baldassarre:

Group 1
Bianco Emanuela
Brizio Roberto
Capirossi Massimo
Cavasino Giuseppina
Copot Daniela
De Sabato Emanuela
Elia Massimiliano
Giovine Emiliano
Lamberti Elena
Massetti Tiziana
Monti Manuela
Notaro Chiara
Secci Isabella
Traviglia Filippo
Ventura Riccardo
Zizzari Roberta

Group 2
Barberis Davide
Chiesa Rosanna
Gianoncelli Stefania
Nepote Simone
Valentino Edoardo

Special attention has also been given to cooperative societies, which represent a significant portion of the Italian social economy, as they possess distinctive characteristics that require some adjustments to the rules of financial markets. **The third working group has therefore focused on analyzing the ways in which cooperative societies can issue "profit-oriented" shares (i.e., shares different from those owned by cooperative members), based on contributions from "investor" members. These contributions contribute to forming a distinct portion of share capital separate from the variable share capital formed from contributions by cooperative members. The group also addressed the nature that such "profit-oriented" shares can take, including the administrative and ownership rights that these shares can grant to their holders, the legal limits on the statutory structure of these rights, potential limitations on their transferability, and the possibility of trading them on a regulated market.**

Particularly, according to Article 2526, paragraph 2 of the Italian Civil Code, the articles of association (or bylaws) of a cooperative society may provide for financial and administrative rights in favor of "holders of financial instruments." It is believed that these financial instruments can include the so-called "profit-oriented" shares (which grant their holder the status of financial contributor), considering the provisions that allow cooperative societies to issue financial instruments with (i) voting rights (Article 2526, paragraph 2 of the Civil Code), (ii) withdrawal rights (Article 2526, paragraph 3 of the Civil Code), (iii) conversion into ordinary shares in case of transformation into a profit-oriented company (Article 2545-decies of the Civil Code), and (iv) the right to vote in the general assembly.

Within the analysis conducted, a distinction has been made in some cases between cooperative societies with predominant mutuality and those lacking such qualification. According to Article 2512 of the Civil Code, cooperative societies with predominant mutuality are defined as those that, due to the type of mutualistic exchange, predominantly:

(i) carry out their activity in favor of members, consumers, or users of goods or services;

(ii) predominantly use the labor contributions of members in their activities;

(iii) predominantly use the contributions of goods or services from members in their activities.

Article 2513 of the Civil Code defines the criteria for determining this predominance, and Article 2514 of the Civil Code sets out the requirements that must be present in the bylaws of societies that enjoy this qualification:

a) a prohibition on distributing dividends in an amount exceeding the maximum interest of postal savings bonds, increased by two and a half percentage points over the capital actually paid;

b) a prohibition on remunerating the financial instruments offered for subscription to cooperative members in an amount exceeding two percentage points over the maximum limit provided for dividends;

c) a prohibition on distributing reserves among cooperative members;

d) an obligation to allocate the entire social assets, except for the share capital and any dividends accrued, to mutualistic funds for the promotion and development of cooperation in the event of the dissolution of the society.

The topics under investigation within the working group are as follows:

Permanent Indivisibility of Reserves and Possible Statutory Covenants for Financial Investor Members (Divisible Reserves)

In all cooperative societies, there are indivisible reserves that cannot be distributed among either cooperative or financial investor members. Conversely, the indivisible capital does not serve as a parameter for determining the placement value of new shares (premium). Regarding cooperative societies with predominant mutuality, it's important to consider the limits on the remuneration of financial instruments, which apply exclusively to shares and financial instruments held by cooperative members. However, in the context of the simulated listing of financial investor member shares among institutional investors, the legal limits for cooperative societies with predominant mutuality (including social cooperatives) do not apply. If the cooperatives do not possess divisible reserves in their assets, financial investor members do not acquire any rights to the asset values present in the assets at the time of share subscription (and reasonably do not pay any premium related to the value of such reserves during subscription). This characteristic could result in financial investor members acquiring newly issued shares at face value, which, however, pertain to a company that already possesses a stable capital endowment due to its indivisibility and is already equipped with business goodwill. Financial investor members may also be allocated a specific reserve to be established and funded through the allocation of future profits. The new introduction of a divisible reserve for financial investor members, given the nature of these new members, is possible not only for cooperative societies without predominant mutuality but also for those with predominant mutuality, potentially increasing the intrinsic value of the share over time (unlike cooperative shares, the value of which cannot change with the accumulation of reserves due to their indivisibility).

Limitation of Voting Rights for Financial Investor Members

Financial investor members cannot be granted more than one-third of the votes held by all members present or represented at each general assembly. It should be noted that the cooperative assembly is characterized by a weighted vote based on capital contribution, which makes the formation of majorities subject to significant variability. In this regard, limiting the voting rights of financial investor members does not prevent them from participating in the formation of assembly majorities and does not necessarily classify their administrative rights as inherently minority. A corrective coefficient can be applied in all cases where an excess over the legal limit occurs, and the bylaws can specify limits on the exercise of voting rights for financial instrument holders who are also cooperative members. Additionally, financial investor members cannot be granted the right to elect more than one-third of the directors or members of the board of auditors. This limit applies cumulatively to the members designated by profit-oriented shares in the assembly. Nevertheless, it should be noted that, according to Article 2542 of the Civil Code, the administrative body must necessarily be composed mostly of cooperative members.

Right of Option for Cooperative Members

Contributions made by financial investor members constitute a portion of the net equity of the company's share capital, distinct from the variable capital formed by contributions from cooperative members. There are no legal limits concerning the share contributed by cooperative members in relation to the total capital. The law expressly allows for the accumulation of roles as cooperative members and financial investor members. The bylaws can stipulate that cooperative members are entitled to the right of option on newly issued profit-oriented shares or, conversely, exclude the right of option.
In particular, the bylaws might specify the exclusion of the right of option for cooperative members during the initial issuance of profit-oriented shares intended for market admission. Conversely, in the case of an increase in the "financial investor capital," the right of option according to Article 2441 of the Civil Code could be statutorily granted solely to financial investor members who already possess profit-oriented shares.

Attributable Equity Rights to Cooperative/ Financial Investor Members and Potential Statutory Covenants for Financial Investor Members

The limits of indivisibility concerning equity reserves and profit distribution apply exclusively with reference to cooperative members. Consequently, financial instruments held by financial investor members (including cooperative members who acquire them through subsequent circulation) are exempt from these limits. Regarding cooperative societies without predominant mutuality, the only limitation lies in the indivisibility of those reserves that, by legal provision or bylaws, cannot be distributed among members, even in the event of the company's dissolution. In terms of dividends, these can be distributed to financial investor members even if the ratio between net equity and the company's overall indebtedness exceeds one-fourth. However, in the presence of divisible reserves among financial investor members, these reserves are affected first in the case of losses compared to indivisible reserves. While not directly concerning the regime of financial investor members, it's worth noting that the significant obligation to allocate profits to the legal reserve (30% according to Article 2545-quater) significantly limits the possibility of capital remuneration (through dividend distribution or allocation to divisible reserves). Additionally, the legal reserve is typically considered indivisible, adding to the constraint already present for profit-oriented joint-stock companies. Apart from this circumstance, the bylaws have full freedom in determining the priority criterion for allocating distributed profits to financial investor members in comparison to rebates or dividends for cooperative members. Therefore, it's possible for a statutory clause to establish forms of restricted allocation of profits, including providing guarantees for financial investor members to compensate for voting rights limitations.

Below are the participants in the working group that developed the technical solutions described above to enable cooperatives to issue profit-oriented shares in the financial markets:

Group 3

BonelliErede - Stefano Cacchi Pessani, Giovanni Bona Galvagno, Giovanni Fumarola, Giuseppe Muto

AndPartners - Paola Desideri Zanardelli

Legance - Giuseppe Taffari

Giovannelli & Partners - Marco Tapparo

BLF Studio Legale - Pierluigi Morara

Coopfond - Paola Bellotti, Roberto Genco, Marcello Benetti

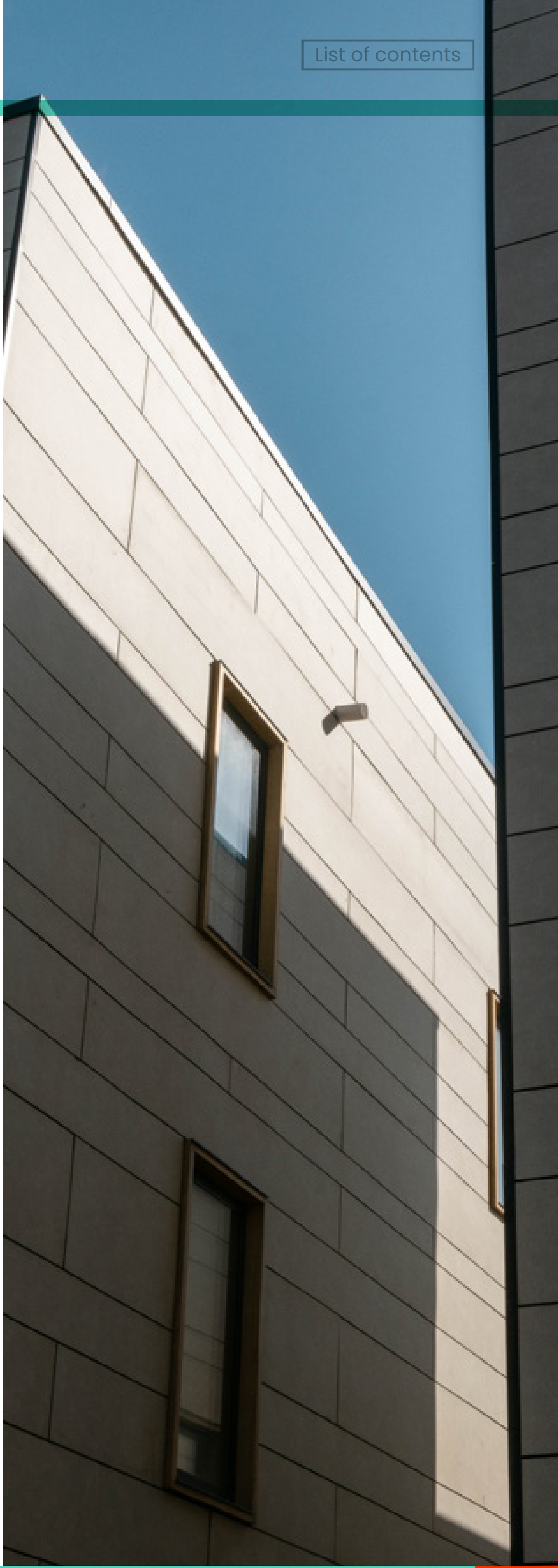
Legacoop Piemonte - Paolo Petrucci

Confcooperative Federsolidarietà - Stefano Granata, Emilio Emmolo

Confcooperative Piemonte Nord - Gianni Gallo

Borsa Italiana - Barbara Lunghi, Andrea Scremin, Francesco La Manno

2.5 Conclusions



The exercise of simulated listing has provided answers to at least two fundamental questions that were raised from various sources:

1. **Yes, there are social economy entrepreneurial entities that are "listable", meaning they are capable of intentionally and measurably generating both economic and social value, possessing structural and dimensional characteristics that enable them to manage a process like listing.**

2. **Yes, listing is technically feasible, and the information and reporting tools that have been utilized seem capable of addressing investor needs.**

There remains a third question for which our work has not provided a definite answer (also because it wasn't a research query) — that is, whether it is "worthwhile" to establish a dedicated market or whether existing markets, perhaps with some adjustments, are sufficient. As mentioned above, the simulation was conducted based on the rules of Euronext Growth Milan (formerly AIM) and ExtraMOT Pro[3] — and it worked, in the sense that the rules of these markets proved to be compatible with the objectives of a "social" listing. **However, the coexistence of diverse entities with different natures and objectives within the same listing does not appear to be an ideal solution, as impact-oriented businesses offer investors a distinct promise in terms of content and goals, making them difficult to compare with others.** We will also revisit this point in the analysis of prospects.

In general, the **level of investment readiness** observed during the experimentation indicates a strong growth potential for these enterprises, which is not yet tapped by traditional financial markets. The main reasons to consider in this regard are:

- High Listing Costs and Maintenance Burden: The substantial costs associated with listing and the obligations linked to maintaining a company on the stock exchange make the initial public offering (IPO) financially unfeasible or not cost-effective for enterprises aiming for a modest initial capital raise.

- Clear Distinction of Entrepreneurial Initiatives: It's imperative to clearly highlight the distinctive nature of these entrepreneurial initiatives to avoid creating distortions and competitive dynamics among issuers with varying and incomparable characteristics.

- Lack of Recognized Investment Instruments: Absence of recognized and investor-attended instruments that can express and codify the value proposition of socially oriented businesses.

- Complexity of Procedures: The complexity of procedures, in some cases incompatible with loosely structured organizational processes or available competencies.

Regarding the technical aspects of creating the informational document, a good balance has been struck between the customized approach in defining the model for measuring and evaluating generated social impact and the level of complexity of the proposed metrics and tools. **The participating enterprises were guided in creating their impact model, which, although in all cases constructed from the validation of the Theory of Change, led to the expected selection of various methodologies and measurement tools based on the nature of the anticipated change.** To avoid overwhelming effects, the multitude of indicators and metrics subject to evaluation necessitates the definition of **a process to simplify selected information for investors,** especially during the initial presentation phase of this new market proposal. It's presumed that once a critical mass of issuers is reached, parameters for comparison, especially within related sectors, can be established, facilitating potential standardization practices for ease of investor understanding.

On this topic, reflections conducted within certain working groups have led to the proposal of using warrants (applicable to other hybrid financial instruments as well) to enhance the valuation of social impact performance. The warrant, coupled with the placement of ordinary shares, serves the dual purpose of making investments more attractive without increasing the complexity of the basic structure. This is a preliminary solution aimed at influencing transaction prices, but its structure or underlying principle will need to be replicated throughout the company's listing to ensure continuity in the valuation of impact generation results, as well as the liquidity and tradability of securities. This described mechanism is clearly not necessary or applicable in the case of listing on the bond market, where incremental dividends can be envisaged upon early achievement of impact objectives.

Within the admission document, the section regarding **risk factors** is an element of attention and analysis for investors, as it is considered informative for determining the issuer's risk profile. As customary practice, with the aim of providing investors with all the necessary information for their assessments and considering the likelihood of risk occurrence and the expected extent of its negative impact, risk factors related to the following areas are specified:

- Issuer Characteristics: These include factors such as financial indebtedness, dependence on suppliers, customer concentration, characteristics of commercial agreements, execution of issuer strategies, dependence on key personnel, ownership structure, transactions with related parties, etc.

- Operational Activities and Issuer's Industry: This involves factors such as trends in the international economic climate and their impact on the issuer's operating market, legal and regulatory framework, etc.

- Nature of Offered Financial Instruments: This covers aspects like market liquidity, stock price volatility, potential conflicts of interest, restrictions on shareholders' ability to transfer shares, dilution in case of non-exercise of warrants, concentration of ownership and issuer's non-contestability, delisting of issuer's financial instruments, etc.

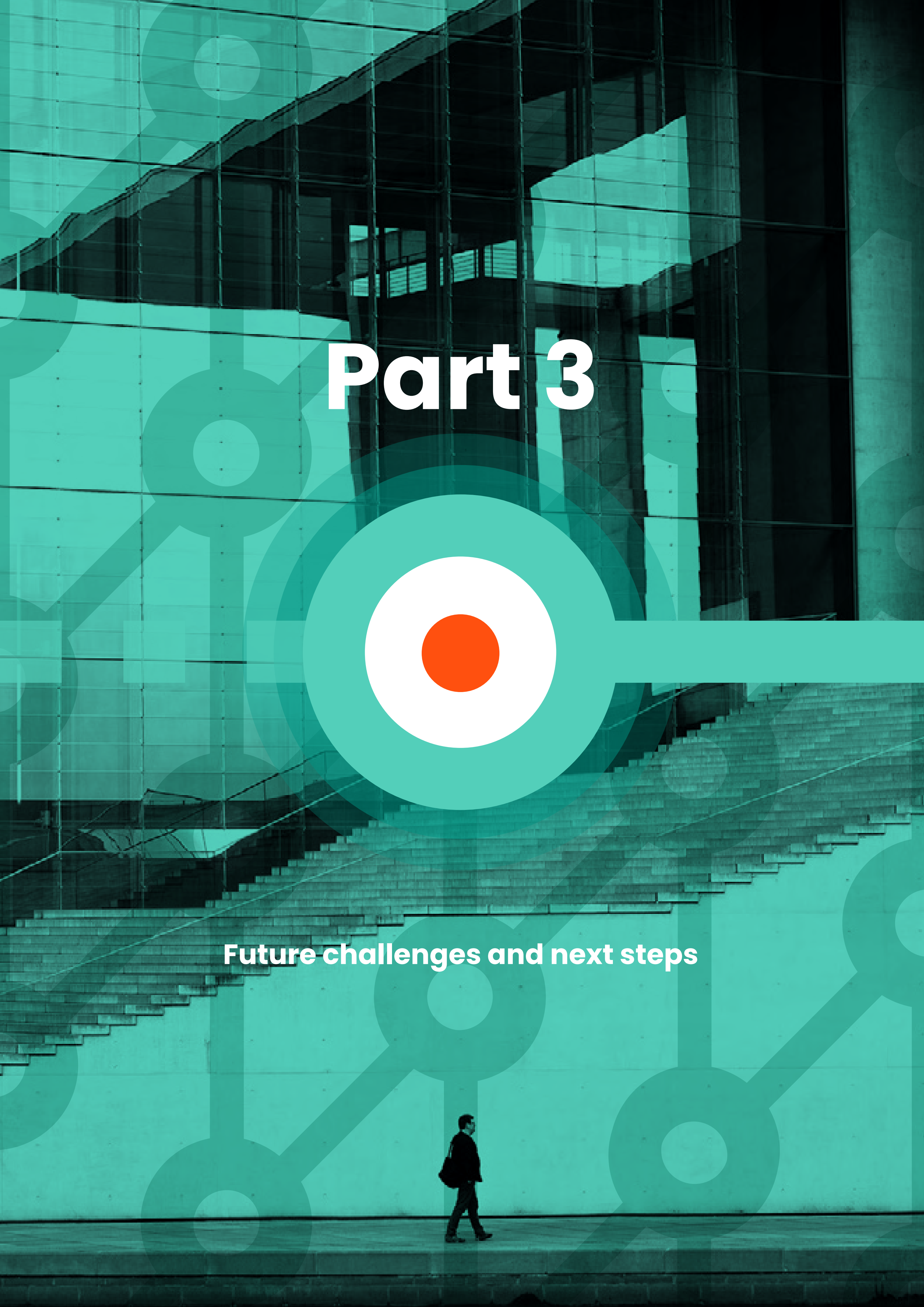
Since it is always essential to consider the risks and factors that could hinder the realization of the intended impact and the achievement of the set objectives in defining an impact strategy, the inclusion of this risk dimension within the section of the admission document dedicated to risk factors has been suggested. To identify the risks associated with the impact strategy, some working groups have proposed using the framework developed by the Impact Management Platform as a methodological reference. This framework identifies the following 9 standard types of risks applicable to any type of impact management process and impact strategy:

- Evidence Risk: Probability that there is insufficient data to understand the extent of the generated impact.
- External Risk: Probability that external factors alter the possibility of generating an impact.
- Stakeholder Participation Risk: Probability that stakeholder expectations and/or experiences are misunderstood or not taken into consideration.
- Drop-off Risk: Probability that positive impact does not persist and/or negative impact is no longer mitigated over time.
- Efficiency Risk: Probability that the impact could have been achieved with fewer resources or at a lower cost.
- Execution Risk: Probability that activities are not carried out as planned and do not lead to desired results.
- Alignment Risk: Probability that the impact is not aligned with the business model.
- Endurance Risk: Probability that required activities are not carried out for a sufficiently long period.
- Unexpected Impact Risk: Probability that significant unexpected positive and/or negative impact is perceived by people and the planet.

From a **financial communication** perspective, it has been confirmed that the value proposition of purpose-driven companies and their impact strategy can indeed serve as true "selling points" on the current markets. These become differentiating elements of the equity story capable of attracting investor interest.

Regarding listing costs, both at the national and European levels, encouraging signals are perceived in terms of the evolution of financial markets towards simplification. Recognizing capital markets as instruments capable of supporting and enabling growth, the Department of the Treasury of the Ministry of Economy and Finance presented the "Green Book" during 2022, proposing possible interventions to promote the development and competitiveness of capital markets. This includes measures to improve the listing process and streamline access to and permanence in the markets, particularly for SMEs. At the EU level, within the Capital Markets Union (CMU) project, the European Commission is adopting measures, known as the "Listing Act," to structurally lighten the regulations applicable to issuers, especially SMEs, making it easier for them to access the markets for financing their growth trajectories, while maintaining a high level of investor protection and market integrity.

In this regard, the conditions for including social economy actors on the markets are even more favorable. The prospect of listing indeed requires a level of organizational quality that, until now, has been attainable only for a limited number of impact-driven enterprises. The vast majority of these enterprises still have dimensions that are relatively small and/or a managerial culture that falls short of the minimum required levels. From this perspective, the experience of preparing the Admission Document for Initial Public Offerings (IPOs), even in a simulated context, has proven valuable for the involved companies in understanding an inherently complex process that demands time, resources, and adherence to procedures.



Part 3

Future challenges and next steps

Future challenges and next steps

by Davide Dal Maso

The experimentation has shown that, as Gene Wilder exclaimed in the famous scene from "Young Frankenstein," "it can be done!" The question remains open: do we really want to do it?

Our answer is, predictably, yes — but not because we have grown attached to the idea, but for a very specific reason, which is that the Social Impact Stock Exchange can provide a significant boost to the growth of the social economy. And there is an extreme need for this growth, for at least two reasons: the first is that the size and complexity of the social and environmental challenges of our time require proportional responses in size and complexity. It's no longer the time for "best practices," "case studies," and similar laboratory experiments. It's necessary to scale the most convincing initiatives and position ourselves as "problem solvers," even within the framework of the free market, capturing increasing shares of it. But to do this, as mentioned several times above, investments are needed, which can only be financed with additional resources beyond what the social economy can currently mobilize. The second reason is that the social economy is an essential element of the solution: the state organization is not able, in this historical phase and with the current institutional models, to reorient the system alone. It is a necessary actor, but not sufficient. The for-profit private sector (the capitalist one, to be clear), despite its tempering, is unable to overcome the fundamental contradictions inherent in its nature. Despite well-intentioned efforts to identify areas of overlap between economic and social interests, when faced with the trade-off between shareholders and stakeholders, it inevitably chooses the former. Therefore, in summary, a capital market for social economy entities is necessary to make them larger and stronger.

Furthermore, participation in a structured financial market would also serve an "educational" function towards the issuers. Listing imposes discipline, transparency, and accountability. Not that these characteristics are absent in social economy enterprises today, but certainly there is ample room for improvement. Therefore, besides becoming larger and stronger, they could also become better governed and managed.

However, for the Social Impact Stock Exchange to become a reality, certain conditions are necessary.

A first set of factors is related to the supply side of capital: Is there anyone willing to invest in social economy enterprises? The market is represented by two large subsets, both very heterogeneous within themselves: institutional investors and retail investors. The former are, for the purposes of our discussion, the most promising, because they are theoretically more aware and more ready for change. I say "theoretically" because, much like capitalist enterprises, investors have also adopted the rhetoric of sustainability, only to continue more or less what they were doing before or, at most, adopt superficial changes that don't require excessive efforts or sacrifices. ESG (Environmental, Social, and Governance), in short, is trendy but not binding. Naturally, this isn't always the case and it doesn't apply to everyone, but this isn't the place for sophisticated segmentation or analyses of motivations and constraints. The fact remains that the trillions of ESG investments are not significantly impacting value creation models or generating visible effects on the environmental and social performance of the entire economic system. In short, it's not enough. One might think it's better than nothing, but in reality, the growth of so-called "sustainable" or "responsible" investments carries the risk of creating an excuse, whereby the financial community might feel it's in a position to claim they've already done their part. However, as argued above, much more is needed. To put it more explicitly, the responsibilities that large investors are called upon to assume are much higher and more radical. From this perspective, **the existence of a market that allows the representation of a capital demand oriented towards profoundly different and, in some ways, alternative purposes compared to the current state will put investors at a very clear crossroads: Do they want substantial continuity with the past, which, at best, could only slow down the implosion of the system, or do they want to support a change of course?**

The retail market is more complex, as it is heavily influenced by the product offerings of intermediaries and distribution networks. It's hard to imagine that the average citizen, the famous "casalinga di Voghera" (referring to an average Italian housewife), would independently invest their savings directly into companies listed on the Social Impact Stock Exchange. Perhaps a "prophetic minority" might do so, but the task here should be to strengthen the growing public opinion movement and provide a new opportunity to translate opinions into concrete actions. **Today's informed citizen can express opinions, vote, and make sustainable purchases. With the Social Impact Stock Exchange, tomorrow they might also invest (which today is only possible with a few operators, through limited instruments, and within a restricted number of asset classes). The retail market, therefore, fits into a wholly political perspective and presents extraordinary opportunities for participation and democratization of the economic system.**

A second set of enabling conditions pertains to the institutional level and thus highlights the role of politics. Even in this case, the discussion must be placed within a broader framework concerning public policies. It must be said that this is not an easy time: in many countries, in Europe and beyond, conservative forces are emerging, leveraging the fear generated by uncertain evolutionary scenarios and proposing a political offer of closure and resistance to change. In sociology, this is referred to as "retropia," which is the opposite of utopia: it's based on the inability to look at the future with hope and confidence, instead preferring to turn one's gaze towards an idealized past, proposed as a comfortable and reassuring situation. In other words, after several decades of economic growth, increased social well-being, and relatively easy opportunities for many, if not all, a future of crisis and risks is looming. For the first time, present generations are handing over to the next a situation worse than what they inherited. Demographic dynamics accentuate this conflict: the young are fewer in number than the elderly, poorer, and less organized. In short, the interests of preservation outweigh those of change. And all of this happens precisely in a historical phase where change is desperately needed, as current models (social, institutional, entrepreneurial, organizational) are dramatically inadequate, conceived and developed in a context that no longer exists. Therefore, it's challenging to expect strong disruptive and systemic reform capabilities from the current political class. **What does all of this have to do with the Social Impact Stock Exchange? It's relevant because it can represent an element of innovation for public policies as well, insofar as it proposes a mechanism that rewards actually achieved results. It is, to use impact terminology, outcome-based.** The first thing that would come to anyone's mind when thinking about the political dimension is the request for support measures: facilitations, simplifications, reliefs, incentives, and so on. These can certainly be useful, especially in the initial phase of the market. However, what's new is that they would materialize in response to concrete and measurable benefits. **The positive social impact generated by companies listed on the Social Impact Stock Exchange translates into cost reductions for the community. The objectives of impact-driven companies are aligned with those of public policies.** They operate in areas (health, care, welfare, culture, education, etc.) that fall under the purview of public administration. In other words, they perform a part of the work that the State should be doing. They fill the gaps left unattended - due to lack of will or capacity.

Given all that has been said, what can we expect? The Promoter Committee for the Social Impact Stock Exchange has outlined a work plan structured into three main areas.

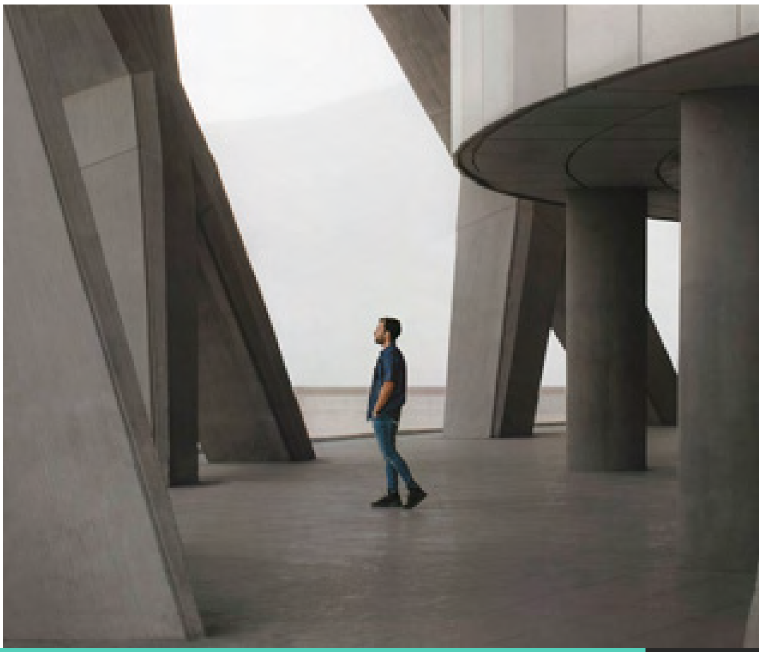
The first focuses on the demand side of capital, meaning impact-driven enterprises. The eight that have participated in the simulated listing process are, in fact, pilot examples. The aim is to broaden the perspective and involve a much larger number of such enterprises, both within the "traditional" social economy (largely represented by the cooperative sector) and the "potentially impact-oriented" economy (comprising hybrid companies like benefit corporations, and quasi-public or public companies that manage local services, for example). There is significant work to be done in this regard, seeking alliances with industry associations (both sector-specific and territorial) and other intermediaries.

The second area focuses on the capital providers, i.e., the investors. For the reasons mentioned earlier, the primary objective is institutional investors, particularly those with a "socially oriented" approach. The goal is to gradually overcome barriers (starting with cultural ones) that currently hinder the adoption of impact investment strategies and promote the gradual transfer of resources from portfolios managed according to traditional principles.

The third area centers around building the market infrastructure. Merely saying "it can be done" is not enough; it must be done. This entails defining the business model (a market is like a business: it must also be economically sustainable to endure over time), clarifying operational rules, identifying a managing entity, and attracting market participants with a compelling value proposition.

All of this has a domestic dimension but at least a European ambition, as the same issues faced in Italy are found, with not-so-substantial differences, in other European Union countries. By operating in a continental market, significant economies of scale and scope can be achieved.

In summary, today marks the completion of one cycle and the beginning of another.



ANNEX

Checklist for companies

1. Involvement in controversial business areas	YES	NO	Notes
Defense			
Manufacturing of weapons or weapon systems			
Manufacturing of components intended for weapon production			
Manufacturing of components that can be used in weapon production			
Supply of goods or services (other than weapons) to armed forces			
Gambling			
Direct operation of gambling activities			
Management of facilities hosting gambling instruments			
Manufacturing of goods or services intended for sector operators			
Tobacco or alcoholic products			
Raw material production			
Finished product manufacturing			
Manufacturing of goods and services exclusively intended for sector operators			
Fossil energy sources			
Extraction or initial processing of raw materials			
Design, construction, or operation of facilities for transforming or producing energy from fossil sources			

2. Risk and Opportunity Analysis and Planning	YES	NO	Notes
The company has conducted a comprehensive assessment of sustainability risks and opportunities			
The company has conducted a materiality analysis			
The company has conducted a partial assessment of some sustainability risks and opportunities:			
• Environmental risks (pollution)			
• Health and safety at work			
• Significant incidents			
• Company culture			
• Diversity and inclusion			
• Other ______________________________			
The company has adopted a (multi-year) specific plan for improving sustainability performance			
The company has integrated some sustainability objectives into industrial strategic planning			

3. Risk and Opportunity Management			
	YES	NO	*Notes*
The company has established an ethical code or equivalent			
The company has developed a comprehensive sustainability strategy			
The company has adopted partial corporate strategies or policies that cover some areas of sustainability:			
• Responsible use of resources and energy			
• Biodiversity			
• Climate change			
• Supply chain management			
• Closed-loop processes in industrial operations			
• Reduction in the use of toxic or hazardous substances			
• Respect and promotion of human rights			
• Equal opportunities			
• Diversity			
• Engagement with the local community			
• Other ________________________________			
The company has implemented some management processes to oversee sustainability issues (please specify which)			
The company has implemented some operational procedures to oversee sustainability issues (please specify which)			
The company has organized itself to manage sustainability risks and opportunities:			
• Defined organizational roles for implementing sustainability policies			
• Adopted a management model in accordance with decree 231			
• Introduced certified management systems (quality)			
• Introduced certified management systems (environment)			
• Introduced certified management systems (health and safety)			
• Introduced certified management systems (other ____________________________)			
The company has a key performance indicator monitoring system			
The company periodically reviews the level of achievement of objectives			
The company periodically reports to its stakeholders			

4. Governance

	YES	NO	*Notes*
The company has a governance system focused solely on compliance (compliance with basic norms established by the civil code)			
The company has voluntarily adopted advanced governance tools and practices (e.g., self-discipline code for listed companies)			
The company has separated the roles of Chairman and CEO			
The company has appointed independent directors to the Board of Directors			
The company has organized the Board of Directors into internal committees			
The company has a committee overseeing sustainability issues			
The company periodically conducts self-assessment activities			
The company has established a remuneration policy			
The company links the remuneration of executive directors to sustainability objectives			

5. Controversies

	YES	NO	*Notes*
The company has faced criminal convictions in sustainability-related areas.			
The company had to compensate for damages due to unlawful activities in sustainability-related areas.			
The company has incurred administrative penalties for wrongdoings in sustainability-related areas.			
The company is entangled in disputes with stakeholders (individuals or collectives) concerning sustainability matters.			
The company has been implicated in breaches of UN Global Compact principles or similar ones.			

ANNEX

Summary of the admission document to the Euronext Growth Milan stock market

SECTION ONE

1. MEMBERS OF THE WORKING GROUP THAT DRAFTED THE ADMISSION DOCUMENT
2. SELECTED FINANCIAL INFORMATION
3. RISK FACTORS[1]
4. ISSUER INFORMATION
    a. History and Evolution
    b. Relevant Investments Made and Underway

5. OVERVIEW OF ACTIVITIES
    a. Main Activities
    b. Key Markets and Competitive Positioning

6. ORGANIZATIONAL STRUCTURE
    a. Parent Group
    b. Subsidiary Companies

7. REGULATORY CONTEXT
8. INFORMATION ON EXPECTED TRENDS[2]
9. ADMINISTRATION, MANAGEMENT, SUPERVISORY BODIES, AND SENIOR EXECUTIVES
    a. Board of Directors
    b. Supervisory Body
    c. Key Executives
    d. Family Relationships among Individuals Mentioned in Points a and b
    e. Conflicts of Interest among Administrative, Management, Supervisory Bodies, and Senior Executives

10. BOARD OF DIRECTORS' PRACTICES
    a. Duration of the terms of Board members and members of the Board of Statutory Auditors
    b. Employment contracts with provisions for severance pay
    c. Implementation of corporate governance rules
    d. Potential significant impacts on corporate governance

11. EMPLOYEES
    a. Number of employees in the group
    b. Shareholdings and stock options
    c. Any employee participation agreements in the share capital

1 Describe the risk factors related to the Issuer, the sector of activity in which the Issuer operates, and the financial instruments subject to the Offering.

2 Describe trends in production, sales, and the evolution of costs and selling prices; uncertainties, demands, commitments, and known events that could reasonably have significant repercussions on the Company's prospects.

12. MAJOR SHAREHOLDERS
    a. Shareholders holding financial instruments exceeding 5% of the Issuer's share capital
    b. Different voting rights held by major shareholders of the Issuer
    c. Controlling entity of the Issuer
    d. Agreements that may result in a change in the Issuer's control structure

13. TRANSACTIONS WITH RELATED PARTIES
14. ADDITIONAL INFORMATION
    a. Share capital[3]
    b. Articles of association and bylaws[4]

15. SIGNIFICANT CONTRACTS

SECTION TWO

1. IMPACT STRATEGY
    a. Impact statement[5]
    b. Impact story[6]
    c. Theory of change[7]
    d. Impact objectives[8]

2. IMPACT GOVERNANCE
    a. Roles and responsibilities of governance bodies and management
    b. Planning, implementation, control, and review processes of the impact strategy

3. IMPACT MANAGEMENT
    a. Key stakeholders[9]
    b. Impact measurement methodology[10]
    c. Relevant impact metrics and indicators
    d. Transparency and reporting[11]

4. RISK FACTORS[12]
5. ADDITIONAL INFORMATION[13]

3 Subscribed and paid-up share capital; any shares not representing capital, treasury shares, amount of convertible, exchangeable, or warrant bonds, existence of purchase rights and/or obligations, evolution of share capital from the date of incorporation.

4 Corporate purpose and objectives of the Issuer; rights, privileges, and restrictions associated with each class of existing shares; statutory provisions that could delay, defer, or prevent a change in the Issuer's control structure.

5 Expresses intentionality by stating the social challenge the Company intends to address and the social change it aims to generate in the medium and long term.

6 History of generated impact results.

7 Description of the chain of causal links connecting the addressed social challenge(s) (needs > target groups > inputs > outputs > outcomes > impact).

8 Indication of "impact promises," i.e., the (quantified) changes that the company believes it can generate in the business cycle opened by the listing.

9 Indicate direct and indirect beneficiaries and other parties involved in the impact generation process.

10 Describe data collection systems and methods for processing them.

11 Describe market communication tools related to impact, publication frequency, and adopted assurance processes.

12 Definition of impact risks, related mitigation mechanisms, and lock-in of impact objectives.

13 Any social or sustainability reports, certifications.

SECTION THREE

1. RESPONSIBLE PERSONS AND POSSIBLE STATEMENTS OR REPORTS FROM THIRD EXPERTS
2. RISK FACTORS RELATING TO FINANCIAL INSTRUMENTS
3. ESSENTIAL INFORMATION
   a. Statement regarding working capital
   b. Reasons for the offer and use of proceeds

4. INFORMATION REGARDING FINANCIAL INSTRUMENTS TO BE OFFERED AND ADMITTED TO TRADING
   a. Description of financial instruments to be offered and/or admitted to trading
   b. Legislation under which the financial instruments are issued
   c. Characteristics of the financial instruments
   d. Currency of issuance of the financial instruments
   e. Description of rights associated with the financial instruments
   f. Indication of resolutions, authorizations, and approvals pursuant to which the financial instruments will be issued
   g. Expected date of issuance of the financial instruments
   h. Any restrictions on the free transferability of the financial instruments
   i. Indication of any rules regarding the obligation of a public purchase offer and/or residual purchase offer with respect to the financial instruments
   j. Public purchase offers made by third parties for the financial instruments during the last financial year and current financial year
   k. Tax considerations

5. HOLDERS OF FINANCIAL INSTRUMENTS SELLING
   a. Information about entities offering the financial instruments for sale
   b. Number and class of financial instruments offered for sale by each holder of financial instruments selling
   c. Lock-up commitments
   d. Lock-in for new businesses

6. EXPENSES RELATED TO THE ADMISSION OF FINANCIAL INSTRUMENTS
7. DILUTION
   a. Amount and percentage of immediate dilution resulting from the offer
   b. Dilutive effects in case of failure to subscribe to the offer

8. ADDITIONAL INFORMATION

ANNEX

Summary of the Admission Document for the ExtraMOT PRO³ Bond Market

COMITATO PROMOTORE
Borsa dell'Impatto Sociale
TORINO SOCIAL IMPACT

SECTION ONE

1. COMPOSITION OF THE WORKING GROUP THAT DRAFTED THE ADMISSION DOCUMENT
2. RISK FACTORS[1]
3. COMPANY INFORMATION
    a. History and Evolution

4. ORGANIZATIONAL STRUCTURE
    a. Description of the Issuer's Organizational Structure
    b. Dependence on other entities within the Group

5. MAJOR SHAREHOLDERS
    5.1 Social Structure
    5.2 Voting Rights
    5.3 Direction and Coordination
    5.4 Agreements known to the Issuer that may lead to a change in the control structure of the Issuer subsequent to the publication of the Admission Document

6. FINANCIAL INFORMATION REGARDING THE ACTIVITIES AND LIABILITIES, FINANCIAL POSITION, AND PROFITS AND LOSSES OF THE ISSUER
7. INFORMATION ABOUT THE BONDS
8. ADMISSION TO TRADING AND TRADING METHODS
9. REASONS FOR THE OFFER AND USE OF PROCEEDS
10. TAX REGIME APPLICABLE TO THE BONDS
11. RESTRICTIONS ON THE CIRCULATION OF SHARES

ANNEX A: ANNUAL FINANCIAL STATEMENTS
ANNEX B: EMISSION REGULATIONS

SECTION TWO

1. IMPACT STRATEGY
    a. Impact statement[2]
    b. Impact story[3]
    c. Theory of change[4]

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1 Describing the risk factors related to the Issuer, the industry in which the Issuer operates, the bonds, and their listing.

2 It expresses intentionality by stating the social challenge that the Company aims to address and the social change it intends to generate in the medium and long term.

3 Historical record of impact results generated.

4 Description of the causal chain linking the social challenges addressed (needs > target groups > inputs > outputs > outcomes > impact).

d. Impact objectives[5]

2. IMPACT GOVERNANCE
   a. Roles and responsibilities of governance bodies and management
   b. Planning, implementation, control, and review processes of the impact strategy

3. IMPACT MANAGEMENT
   a. Key stakeholders[6]
   b. Impact measurement methodology[7]
   c. Relevant impact metrics and indicators
   d. Transparency and reporting[8]

4. RISK FACTORS[9]
5. ADDITIONAL INFORMATION[10]

5 Indication of "impact promises," i.e., the (quantified) changes that the company believes it can generate in the business cycle opened by the listing.

6 Indicate direct and indirect beneficiaries and other parties involved in the impact generation process.

7 Describe data collection systems and methods for processing them.

8 Describe market communication tools related to impact, publication frequency, and adopted assurance processes.

9 Definition of impact risks, related mitigation mechanisms, and lock-in of impact objectives.

10 Any social or sustainability reports, certifications.

The results of the Mock IPO reported in this document has been reached thanks to the collaboration of top-level consultants and experts who have contributed with their resources and expertise, sharing the ambitious goal of creating a capital market dedicated to impact-driven enterprises.

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ARCO - Action Research for CO-development
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BGR Tax and legal
BLF Studio Legale
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Brainscapital
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IRTOP Consulting
Legacoop Piemonte
Legance
Linklaters
Open Impact
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PwC Italia
RP Legal & Tax
uniaudit
UniCredit
Unigens
White & Case

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Anteo Impresa Cooperativa Sociale
Cooperativa Sociale Quadrifoglio
Cooperjob
Coopselios
PMG Italia S.p.A. Società Benefit
Reynaldi S.r.l. Società Benefit
Slowfood Promozione S.r.l. Società Benefit

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Social Impact Stock Exchange:
a step forward towards the new market

Final Report Mock IPO 2023

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