UNIVERSITA' DEGLI STUDI DI PADOVA

DIPARTIMENTO DI SCIENZE ECONOMICHE ED AZIENDALI
"M. FANNO"

CORSO DI LAUREA MAGISTRALE IN MANAGEMENT FOR SUSTAINABLE FIRMS

TESI DI LAUREA

Sustainability in Mergers and Acquisitions: Empirical Evidence on Corporate Growth.

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ANNO ACCADEMICO 2025-2026

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OUTLINE

ABSTRACT

This thesis examines the role of sustainability in mergers and acquisitions (M&A) and its relevance in corporate growth strategies. In recent years, sustainability has become an increasingly important factor in strategic decision-making, influencing both firms and investors. At the same time, the literature highlights the complexity of the relationship between sustainability and firm performance, which appears to be context-dependent and not univocal. Within this framework, the study explores how the integration of sustainability may influence corporate behaviour in the context of M&A, with particular attention to its potential implications for growth strategies.

Questa tesi analizza il ruolo della sostenibilità nelle operazioni di fusione e acquisizione (M&A) e la sua rilevanza nelle strategie di crescita aziendale. Negli ultimi anni, la sostenibilità ha assunto un'importanza crescente nelle decisioni strategiche, influenzando il comportamento delle imprese e degli investitori. Allo stesso tempo, la letteratura evidenzia la complessità della relazione tra sostenibilità e performance aziendale, che risulta dipendente dal contesto e non univoca. In questo quadro, lo studio esplora come l'integrazione della sostenibilità possa influenzare il comportamento delle imprese nel contesto delle M&A, con particolare attenzione alle possibili implicazioni per le strategie di crescita.

CHAPTER ONE. Sustainability and the Benefit Corporation Model.

1.1 Introduction

In recent decades, the increasing awareness of global environmental and social challenges has profoundly reshaped the way organizations define their purpose, governance, and strategic orientation. Sustainability has evolved from a marginal concern into a central driver of competitiveness, innovation, and legitimacy in the modern economic landscape. Understanding this evolution is essential to grasp how new business paradigms have emerged to reconcile profit with purpose. This first chapter explores the conceptual and institutional evolution that links the rise of sustainability as a guiding principle in corporate strategy with the emergence of new organizational forms that embody this transformation. The chapter first examines the concept of sustainability as a strategic driver for modern organizations, retracing its historical roots and highlighting the international frameworks, such as the Brundtland Report and the European Green Deal, that have shaped the contemporary discourse. Based on this, the chapter moves into the rise of hybrid organizations, entities that combine social and economic logics and represent an intermediate step between traditional for-profit and non-profit models. Building upon this background, Section 1.4 focuses on Benefit Corporations and certified B Corp, analyzing their origins, legal framework, and global expansion. Special attention is given to the Italian context, where the Benefit model has been formally recognized since 2016 and has experienced significant growth. In particular, Section 1.4.3 presents the results of the research conducted by the Department of Economics and Management (DSEA) of the University of Padua, which investigates the evolution of Italian Benefit Corporations and compares their growth trajectories with those of traditional enterprises. Through this progressive analysis, the chapter demonstrates how sustainability has evolved from a normative and ethical aspiration into a concrete managerial and organizational model capable of generating shared value, promoting innovation, and fostering a more responsible and inclusive economy.

1.2 Sustainability as a strategic driver in Benefit Oriented Organizations

The idea of sustainability is not as new as many might think. Its modern meaning dates back to 1987, when the United Nations World Commission on Environment and Development published the well-known *Brundtland Report*, also called *Our Common Future* (1987). This report marked a key moment in shaping the modern idea of sustainability , not only in environmental terms, but also ethical, social, and economic. It introduced the idea that today's generations are responsible for the well-being of future ones. This first event gave impetus to an ever-intensifying political and social activity, with growing centrality of sustainability issues especially in the business world, social sphere and politics. An example of this is the work of international organizations such as the United Nations, which since 2015 have endorsed the Agenda 2030, divided into 17 Sustainable Development Goals (SDGs), which envisage a collective and global commitment from companies, associations and social organisations, developed and developing countries alike (United Nations, 2015). Ten years after its adoption and five years before its final realisation, the results of the SDG Agenda appear mixed. In the preface to the 2025 SDG Report, António Guterres, Secretary General of the United Nations, describes the current situation as a "global development emergency." He explains that although many areas have improved since 2015, such as access to electricity and internet connectivity reaching 70 percent of progress score, "conflicts, climate chaos, geopolitical tensions, and economic shocks continue to hinder progress at the pace and scale necessary to reach the 2030 target " (United Nations Statistics Division, 2025). The same report states that only 35 percent of SDGs are on track or showing moderate progress. Nearly half are progressing too slowly, and alarmingly, 18 percent are regressing. These outcomes are supported by data showing that more than 800 million people remain trapped in extreme poverty, CO_2 levels have reached record highs, and warmest temperatures ever , with year 2024 surpassing the 1.5 °C threshold. At the same time, goals such as *Peace and Justice* (Goal 16) have deteriorated due to wars with global consequences. (United Nations Statistics Division, 2025). The decade 2015–2025 is described as a period of learning , marked by challenges but also by overall development. Many positive results have emerged in health and social fields, such as a 40 percent reduction in HIV infections since 2010, malaria prevention saving over 2.2 billion lives. Since 2015, 110 million more children can access to education. Infrastructure access has also improved significantly: "by 2032, 92 percent of the world's population will have access to electricity, and from 2015 to 2024 internet usage rose from 40 percent to 68 percent" (United Nations Statistics Division, 2025). However, despite these achievements, changes remains insufficient to meet the 2030 objectives, and the next five years will be decisive. It is pivotal to properly monitoring progress and development, noting that high-quality data and statistical systems represent essential infrastructure for the digital age. This reflects not only implementation challenges but also a fundamental issue in how we measure, monitor, and respond to global development needs." This issue arises because many statistical systems remain under-funded and are treated as supplementary rather than essential. (United Nations Statistics Division,2025). In the introductory section of the 2025 report, three key areas are also presented. The first examines goal performance: of 169 SDG targets, 139 can be measured using global data trends from 2015 onward. Among these, 35 percent show adequate progress, of which 18 percent are on track and 17 percent show moderate improvement, while 48 percent are insufficient and 18 percent have regressed below 2015 baseline levels (United Nations Statistics Division, 2025). Figure 1 shows these results.

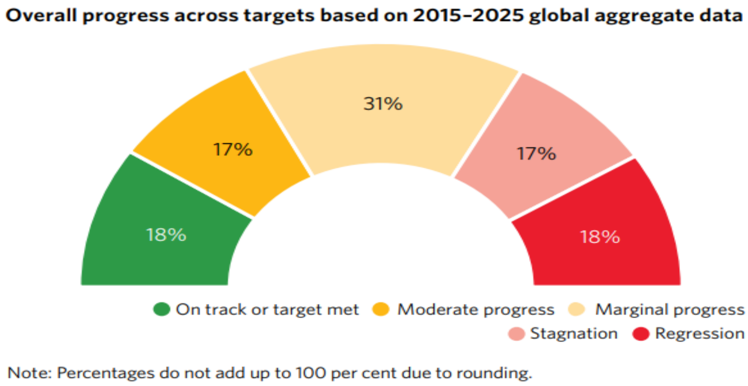


Figure 1. Overall progress across target 2015-2025. United Nations (2025).

More specifically, it is possible to observe that some results have been achieved more successfully than others. For example, Goal 7 *Affordable and Clean Energy* together with Goals 8, 9, 12, 13, and 17, show stronger progress. These objectives are closely linked to corporate and industrial activities, as illustrated in Figure 2.

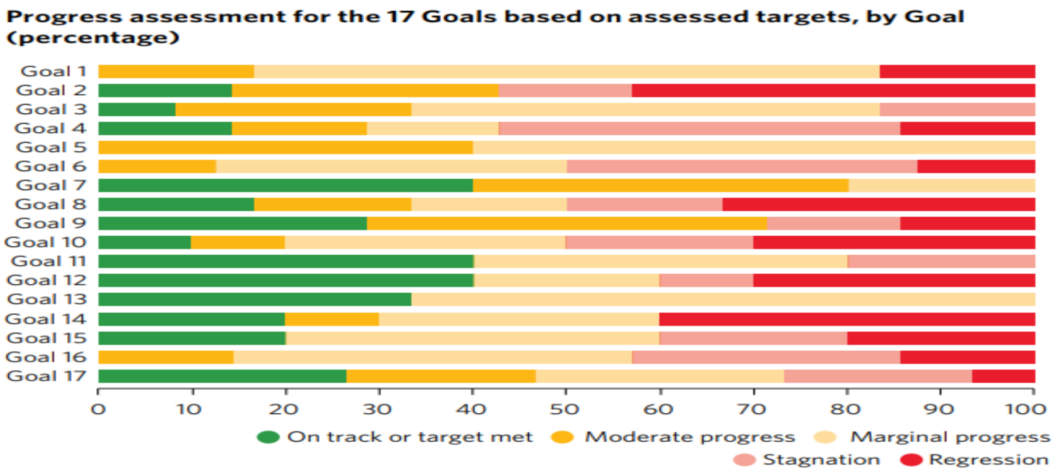


Figure 2 : Progress for the 17 SDGs based on assessed targets. United Nations (2025).

It is difficult to analyze each individual goal in detail, but for the purposes of this discussion it is important to focus on those that include indicators directly connected to business activities. Among the 17 Sustainable Development Goals, the most relevant in this sense are Goals 8, 9, 12, 13, and 17, as they represent the areas in which companies can have a concrete impact through their strategies and operational practices. Goal 8, dedicated to decent work and economic growth, promotes sustainable, inclusive, and lasting growth by encouraging full employment and decent working conditions. The indicators associated with this goal concern aspects such as productivity, job quality, workplace safety, and gender equality , all elements directly linked to human resource management and work organization. The report highlights that, from a business perspective, Goal 8 shows both positive trends and persistent challenges for the world of work and enterprises. Global unemployment has fallen to 5 percent and productivity has grown again (+1.5%), but overall economic growth remains weak and uneven. Informal employment still involves 58 percent of the global workforce, with strong gender disparities and insufficient protections. These factors continue to limit the ability of companies to generate stable and sustainable employment. (United Nations, 2025).

Goal 9, focused on industry, innovation, and infrastructure, concerns the development of a productive system that is both innovative and sustainable, based on clean technologies, digitalization, and process efficiency. The related indicators measure investments in research and development, the innovative capacity of enterprises, and the creation of resilient infrastructure, elements that reflect the competitiveness and sustainability of industrial models. Within the report, progress in industrialization and innovation is shown clearly: between 2015 and 2024, the global manufacturing value added increased by 17.3 percent, and 5G coverage reached 51 percent of the world’s population. However, significant regional

disparities persist, with limited access to technology in low income countries and a slight decrease in industrial employment. CO_2 emissions have reached a new record, highlighting the need for more sustainable industrial policies. (United Nations, 2025).
Goal 12, related to responsible consumption and production, focuses on the efficient use of resources, the reduction of waste, and the adoption of transparent and sustainable production practices. The indicators linked to this goal include energy efficiency, waste management, and sustainability reporting, encouraging companies to adopt circular models and to minimize their environmental impact. Goal 12 reveals a steady increase in food waste, electronic waste, and material consumption, all of which place growing pressure on the environment and natural resources. However, institutional progress has been made: 96% of large companies now publish sustainability reports, and more than 530 national policies promote responsible production models. Despite this, only 22% of electronic waste is properly recycled, and more than one billion meals per day are wasted in households. For companies, it becomes essential to translate declared commitments into concrete actions, focusing on circular economy practices, waste reduction, and transparency in production processes. (United Nations, 2025).
Goal 13, dedicated to combating climate change, directly involves businesses in reducing emissions and transitioning to renewable energy sources. The indicators measure mitigation and adaptation strategies, climate risk management, and investments in low-emission technologies, which are now central to corporate environmental responsibility. Goal 13 shows some encouraging results: fossil fuel subsidies decreased by 34.5% in 2023, and more than 130 countries have adopted climate risk reduction strategies and early warning systems, which have halved deaths related to natural disasters. In addition, there is growing international commitment toward climate neutrality and green finance. However, 2024 was the hottest year ever recorded, with a rise of +1.55°C above pre-industrial levels, and global emissions reached a new record. Strengthening public–private cooperation is therefore essential to support the energy transition and environmental resilience. Finally, Goal 17, which promotes partnerships for the goals, emphasizes the importance of collaboration between the public sector, private sector, and civil society for the achievement of the 2030 Agenda. The associated indicators refer to cooperation, resource and knowledge sharing, and transparency in reporting, reinforcing the role of businesses as key actors in sustainable development processes. Goal 17 also shows progress in international cooperation and digitalization, with 68% of the world's population now online. (United Nations, 2025).

The consequence of all these elements is that business activities have gradually been adopting new corporate paradigms. The interest of shareholders must certainly be protected, but so too must the interests of stakeholders, who represent broader economic and social groups affected by the company's actions. According to this approach, the importance of generating an economic result for shareholders remains undisputed, yet it is now seen as a necessary but no longer sufficient condition for ensuring the company's long-term survival. In the same way, attention to employees' working conditions, the financial solidity of suppliers, technological innovation, the use of renewable energy sources, and dialogue with local communities are among the factors that, in the long term, support not only greater business profitability but also collective well-being. At the same time, investors have shown increasing interest in companies that adopt innovative operating models aimed at promoting social and environmental welfare. Ignoring this evolution of the market could, in the long run, compromise the economic and financial stability of the company itself. It is therefore essential to understand what drives companies to focus on these elements and what factors might instead act as barriers (United Nations,2025).

The key question becomes: what is the relationship between financial and social performance ? The nature of the relationship between a company's socially beneficial behaviour and its financial performance has long been debated.
According to Milton Friedman (1970), economist and leading representative of the Chicago School, social responsibility actually reduces a firm's financial performance because any discretionary spending on social improvements unnecessarily increases corporate costs, placing the company at an economic disadvantage in a competitive market. Critics of corporate social responsibility argue that engaging in socially responsible practices such as corporate philanthropy, company childcare or environmental impact reduction is costly and administratively burdensome. These additional expenses directly affect profits and may put socially responsible firms at a competitive disadvantage compared to those that do not adopt such practices (Friedman,1970).
On the other hand, scholars such as Porter and Freeman view social responsibility as a source of competitive advantage, referring to the concept of *shared value*. As previously discussed, Milton Friedman (1970), considered the father of *Agency Theory* and one of the main critics of the concept of corporate social responsibility, argued in his famous article published in *The New York Times Magazine* that "the only social responsibility of business is to increase its profits," provided that this occurs within the rules of the market and the law. Friedman further criticized the notion that "business" itself can have responsibilities, arguing that only individuals can. Friedman examined the network of corporate relationships underlying the concept of business responsibility, asserting that in a system of private enterprise, the

corporate executive is an agent of the company's owners and, as such, has direct responsibility to them. His task is to conduct business in accordance with their interests, typically oriented toward maximizing profits (Friedman, 1970).
If a manager decides to pursue social objectives such as reducing pollution beyond legal requirements, limiting prices to control inflation, or hiring less qualified staff for ethical reasons he is, in effect, using other people's resources (those of shareholders, customers, or employees) for purposes outside his remit. In doing so, according to Friedman, the manager exercises functions that properly belong to the public sphere, such as imposing taxes or determining public expenditure, which in a democratic society are reserved for the State. For this reason, Friedman considered the doctrine of Corporate Social Responsibility to be a form of Socialism, as it shifts decisions about resource allocation from the market to politics, thereby undermining the foundations of economic freedom (Friedman, 1970).

An interesting study by Michael L. Barnett and Robert M. Salomon (2006) examined whether the relationship between financial and social performance is negatively or positively associated. The research focuses on *socially responsible investing* (SRI), defined as the practice of choosing financial investments based on social responsibility criteria. The authors analyzed 61 SRI mutual funds, assessing how the type and intensity of social criteria adopted influence risk-adjusted financial performance (Barnett, 2006).
Through a process known as *screening*, SRI funds limit their investments to companies that adopt socially responsible and often costly practices. Screening describes the inclusion or exclusion of corporate securities from investment portfolios on the basis of social or environmental criteria. Socially conscious investors generally seek to own profitable companies with strong employee relations, active community involvement, excellent environmental policies and practices, respect for human rights worldwide, and safe and useful products. Conversely, they tend to avoid investing in firms that fail to meet such standards. The authors also note that screening can lead to the exclusion not only of certain companies but of entire industries or even economic sectors from SRI fund portfolios. For example, the tobacco industry is commonly excluded from SRI funds, and the defense sector is also excluded from many. This exclusion of companies, industries, and sectors has significant implications for financial performance (Barnett, 2006).
Integrating modern portfolio theory (Markowitz) with stakeholder theory (Freeman), Barnett and Salomon (2006) show that the relationship between social responsibility and financial results is not linear. The highest returns are observed in funds with either very low or very high levels of social responsibility, while funds with moderate levels perform worse. Their

study also reveals that not all types of social responsibility produce the same economic effects, offering a more nuanced view of the link between ethics and finance.
The study further shows that sustainability can influence the financial performance of funds, but the effect depends on how it is implemented. When a fund applies only a few sustainability criteria, it can maintain strong diversification and achieve good financial results. Conversely, when a fund applies many selection criteria, performance initially tends to decline but can later improve because the chosen companies are more solid and responsible. The worst results occur in funds that apply a moderate number of criteria: they are not sustainable enough to select the best firms, yet not diversified enough to reduce risk.
In particular, the research finds that community-related criteria tend to benefit performance, while those related to environmental issues and working conditions do not always produce positive results, at least in the short term. Overall, the study suggests that the relationship between social and financial performance may be curvilinear rather than strictly monotonic .
In general,sustainability is therefore not an obstacle to financial performance, but to be truly effective it must be applied consistently and strategically. Being either highly sustainable or minimally so can be acceptable, but remaining in the middle is often the least effective choice.
All these results demonstrates that sustainability, when applied correctly, has a generally positive effect on corporate performances. This awareness has led both institutions and companies to adopt new business paradigms capable of addressing contemporary social, environmental, and economic challenges. Every company, through its activities, inevitably generates an impact on the environment, the territory, and the society in which it operates. At the same time, its strategic decisions are influenced by the surrounding socio-environmental context. This interdependence highlights how an approach that takes into account the interests of multiple stakeholders, beyond those of shareholders alone, can enable companies to achieve greater efficiency, increase productivity, and expand their market opportunities (Barnett, 2006).
A particularly emblematic example of this evolution toward sustainability in business activities is the letter *"A Sense of Purpose"* written in 2020 by Larry Fink, CEO of BlackRock, to the company's stakeholders. In it, Fink affirms that long-term value must be protected, as it is now closely linked to factors such as climate change. Climate risk has become a financial risk in every respect, forcing companies to integrate sustainability into their strategies. BlackRock highlights that extreme phenomena such as droughts, floods, and fires can have direct effects on inflation, interest rates, real estate markets, and productivity, particularly in emerging countries (Fink,2020).

These transformations are leading to a profound reassessment of risk and asset valuation. According to BlackRock, a massive reallocation of capital will occur well before climate change reaches its most severe effects. For this reason, the firm has placed sustainability at the core of its investment strategy, abandoning high environmental-risk assets such as thermal coal and promoting new sustainable products.
The energy transition will be long and complex, requiring collaboration among governments, businesses, and investors to ensure that it is fair and inclusive. Not all countries or sectors are equally prepared, but it is crucial to avoid leaving anyone behind. In this context, transparency is fundamental. Companies must provide clear data on the management of *Environmental, Social, and Governance* (ESG) risks, covering not only climate-related aspects but also diversity, ethics, data protection, and supply chain practices (Fink,2020).
Transparency, therefore, is not a mere formal requirement but a strategic tool that makes it possible to verify whether companies are effectively planning their future responsibly. In the absence of robust and consistent disclosures, investors, including BlackRock itself, may conclude that a company is not adequately managing material sustainability risks. In such cases, the firm is willing to act directly at the shareholder meeting, holding management accountable and voting against directors who fail to demonstrate sufficient commitment in these areas. Indeed, BlackRock has already voted against thousands of directors at companies that do not properly address sustainability-related risks (Fink,2020).

2020 represents a particularly significant moment for sustainability, not only because of the message delivered by Larry Fink but also because, during that same period, the European Union launched the *European Green Deal*, an ambitious strategy aimed at making Europe the first climate-neutral Continent by 2050. Announced by President Ursula Von der Leyen on 11 December 2019, with the first concrete actions implemented in 2020, the European Green Deal is based on a series of cross-sectoral initiatives that involve the entire economic and productive system. It focuses on decarbonizing energy, improving energy efficiency in buildings, and developing a circular economy. All these initiatives have reinforced the idea that sustainability is no longer an accessory or purely reputational aspect but a structural element of corporate competitiveness and resilience, capable of driving the creation of long-term shared value.

At the root of this paradigm shift lies a global movement of companies known as Hybrid Organizations, that act as a real counterpoint to the dominant profit maximization model. They represent a new way of doing business, driven by the need to rethink how companies interact with society and the environment. Harvard Business School defines this ongoing social and business transformation as follows: “In the past few decades, however, more business leaders have recognized that they have a responsibility to do more than simply maximize profits for shareholders and executives. Rather, they have a social responsibility to do what’s best, not just for their companies, but people, the planet, and society at large. This realization has led to the emergence of companies identifying as socially responsible. Some even carry designations or seals, such as B Corporations (B Corps), social purpose corporations (SPCs), and low-profit limited liability companies (L3Cs)” (Harvard Business School,2020).

This opens the discussion to the emergence of new forms of sustainable enterprises.

1.3 Hybrid Organizations : The path towards Sustainable Enterprises.

In this context, several forms of enterprises have emerged and evolved, known as *social enterprises* or *hybrid organizations*. These entities combine both for-profit and non-profit logics, pursuing social or environmental objectives alongside economic sustainability, a fusion between social mission and commercial activity, creating what is often called a "hybrid" situation. Such hybrid organizations experiment with new combinations of entrepreneurial activities characterized by innovation and a strong focus on generating measurable social impact. According to Rago and Venturi (2016), an important aspect to analyse is the type of relationships these enterprises develop with both public and private sectors. The authors define these social enterprises as *Third Sector Hybrids* and emphasize that such hybrid forms can be seen as "a coherent and logical passage between the organization and the State, with which they share the aim of public utility." This phenomenon is particularly evident in Europe, where in countries such as Sweden, Germany, and the Netherlands, third-sector entities are increasingly interconnected with State structures (Rago & Venturi, 2016).

Spear (2011) recognized that hybrid organizations emerge in two main ways: either by transforming from existing entities or by being created from scratch to address previously unsolved needs or problems. The author identifies two main categories of factors influencing the birth of these organizations. On the one hand, external dynamics such as social, political, and economic shape their development (*exogenous hybridization*). On the other, internal changes linked to the organization's life cycle, innovation processes, or characteristics of human capital drive evolution from within (*endogenous hybridization*).
External factors may arise from political initiatives (top-down) or from popular social movements (bottom-up). For example, the UK government launched the *Social Enterprise Action Plan* in 2002, a policy designed to foster the development of social enterprises through new legal forms such as the *Community Interest Company*, as well as financial and advisory support. This represents a top-down strategy, from policy to implementation. Conversely, other models have emerged as grassroots initiatives, such as *fair trade*, which originated from community-driven movements (Spear, 2011).

Internal factors, by contrast, are often linked to innovation processes within organizations worldwide. Technological and cultural trends in human capital and the people themselves play a decisive role in achieving a shared mission. Consequently, companies adopt different business models depending on their context and objectives. Viewing the enterprise as a network of actors or nodes, connections are established both internally and externally, creating an ecosystem of interdependent relationships, a systemic vision (Spear, 2011).

Grassl (2011), in his study *Hybrid Forms of Business*, identifies several models of social entrepreneurship and their evolution. This study is particularly useful for introducing the next topic, where the focus will shift to specific forms of social enterprises. Traditionally, companies have been classified according to two main dimensions, ownership and purpose. Grassl proposes a *tertium datur*, a third analytical dimension that captures the true essence of hybrid enterprises, where modern firms often blur these boundaries. This dimension is the integration between Ownership and Purpose and the grade of integration between social and economical purpose. In this framework, Grassl defines various models of hybrid organizations, each with specific characteristics. Among social-purpose enterprises, he highlights the *Low-Income Client as Market* model, in which products and services are developed for low-income populations, and the *Cooperative Model*, where members are both owners and beneficiaries. A concrete example of the latter is *Baywind Energy Co-operative*, a British renewable energy cooperative where members actively participate in management and share both the economic and environmental benefits derived from clean energy production. This demonstrates that relationships based on trust and reciprocity, both with local communities and among employees and clients, are fundamental to these organizations' success and long-term advantage (Grassl, 2011).

Doherty (2014) argue that the hybrid nature of social enterprises not only shapes their business models but also determines how they manage the inherent tensions between financial sustainability and social objectives. The dual mission of social enterprises influences opportunity recognition, resource allocation, and innovation processes, often requiring creative strategies and novel governance structures. This balancing act can sometimes lead to *mission drift*, where social goals risk being overshadowed by economic pressures. Nevertheless, the strategic approaches developed by social enterprises, including partnerships, scaling mechanisms, and innovative combinations of resources, enable them to pursue both economic and social value effectively, demonstrating how hybrid organizations can successfully integrate social and economic logics within their governance and operational models (Doherty, 2014).

These experiences have progressively contributed to shaping new entrepreneurial paradigms in which the creation of economic and social value are not mutually exclusive but mutually reinforcing. Within this context, *Benefit Corporations* emerge as the most advanced evolution of the hybrid model .

1.4 Benefit Corporations

Benefit Corporations, by their nature, represent a new way of doing business, a new paradigm of sustainable economics that goes beyond the logic of profit and embraces objectives linked to ESG factors. The reason for setting up this legal form is rooted in the evolution of the "purpose of business" and its transformation.
In their study *"Why Companies Are Becoming B Corporations"* Kim, Karlesky, Myers, & Schifeling (2016) carried out an extensive analysis to better understand the reasons behind the rise of Benefit Corporations. By combining qualitative research on companies in the process of becoming certified with quantitative analysis of industry-level data, they identified two main motivations that explain why firms choose to obtain B Corporation certification.
The first reason is connected to authenticity and differentiation. (Kim et al, 2016).
Over the years, many large corporations have increasingly adopted Corporate Social Responsibility (CSR) programs and sustainability initiatives, often using them mainly as marketing tools rather than as genuine commitments to social or environmental progress. This trend, sometimes described as *greenwashing*, has created confusion among consumers and investors, making it difficult to distinguish between truly responsible businesses and those that merely claim to be. Small and medium-sized enterprises that had long been committed to social and environmental values began to feel the need to prove the sincerity of their approach. For these companies, a B Corporation certification became a clear and verifiable way to communicate their authenticity, helping consumers identify genuinely ethical businesses in a market full of superficial sustainability claims. Authors also demonstrated that in industries where large firms increasingly used sustainability-related language or trademarks, the number of new B Corporations tended to grow, confirming that smaller firms were reacting to the mainstreaming of CSR by seeking a more credible form of recognition (Kim et al., 2016).

The second motivation identified by the authors is the desire for systemic change.
Many companies that choose to become B Corporations do so because they believe that the major crises of our time such as social inequality, environmental damage, and excessive focus on short-term profits, are consequences of how traditional business has been conducted. These firms wish to take part in building a new economy with new rules, one that redefines success not only in financial terms but also through the creation of positive impact for people and the planet. Quantitative data from the study also revealed that industries characterized by

practices strongly focused on shareholder interests, such as mass layoffs or high income inequality between executives and workers, showed a higher likelihood of new B Corporations emerging. This suggests that many companies are consciously reacting against exploitative or purely profit-driven corporate behaviors (Kim et al., 2016).
Benefit Corporations go beyond the simple desire to be “sustainable”; it is not just a matter of being responsible for the externalities produced, but of taking on a purpose for the common good that defines the direction of all business activities.Adopting the status of a Benefit Corporation allows companies to make their commitment to local areas, communities, and consumers visible. Consumption choices are not only guided by principles of economic rationality but also by identity needs. When consumer choices are oriented towards identity principles, consumers necessarily demand to know the aims and objectives pursued by companies. The legal status of Benefit Corporation and B Corp certification convey the guarantee of responsible consumption to consumers (Kim et al., 2016).

We will now take a look at the rise and development of these forms of enterprise, analyzing their legal form and the impact these choices have had globally.

1.4.1 Origins and development of the Benefit Corporation model

Fasan (2018) traces the history and development of the Benefit Corporation model, whose first form dates back to 2006 in the United States with the creation of the non-profit organization B Lab, globally recognized as the main promoter of the so-called “Benefit paradigm.” The B Corp movement was born when a group of entrepreneurs decided to transform the dominant business model and promote a radical evolution of capitalism as we know it. Since its foundation, B Lab, supported by major philanthropic organizations such as Rockefeller, Lumina, and Skoll, has developed the B Impact Assessment (BIA), the world’s most rigorous framework for measuring corporate impact. This tool enables companies to be assessed and certified as B Corporations when they demonstrate a measurable and positive impact on society and the environment, alongside the creation of profit for shareholders. (Fasan, 2018). From 2008 onwards, the first 100 certified B Corps began to promote new legal forms of business designed to protect and align their mission in the medium and long term. This process led, in 2010, to the establishment of the first Benefit Corporation legislation in the State of Maryland, which formally recognized this innovative corporate model. Today, Benefit Corporations are legally recognized in 32 U.S. states (Fasan,2018). Field (2013) identifies Maryland not only as the pioneering state in introducing Benefit Corporation legislation but also as a real experimental laboratory for understanding its social and economic impact. It remains the only U.S. state to have also established Benefit LLCs, Limited Liability Benefit Corporations, thus providing a unique legal advantage compared to other states. This dual approach has allowed Maryland-based companies to integrate social responsibility into different corporate forms, strengthening both local entrepreneurship and the broader institutionalization of the Benefit model across the country. These early developments represent only the beginning of the evolution of the Benefit Corporation phenomenon, first in the United States and later worldwide (Field,2013).

B Lab (2025), in its Global Annual Report 2024, provides an updated overview of the movement’s current scale and impact. As of 2024, there were 9,368 certified B Corporations employing over 917,000 people across 51 different jurisdictions worldwide. Today there are more than 10000. (B Lab, 2025). Figure 3 summarizes the growth of this phenomenon.

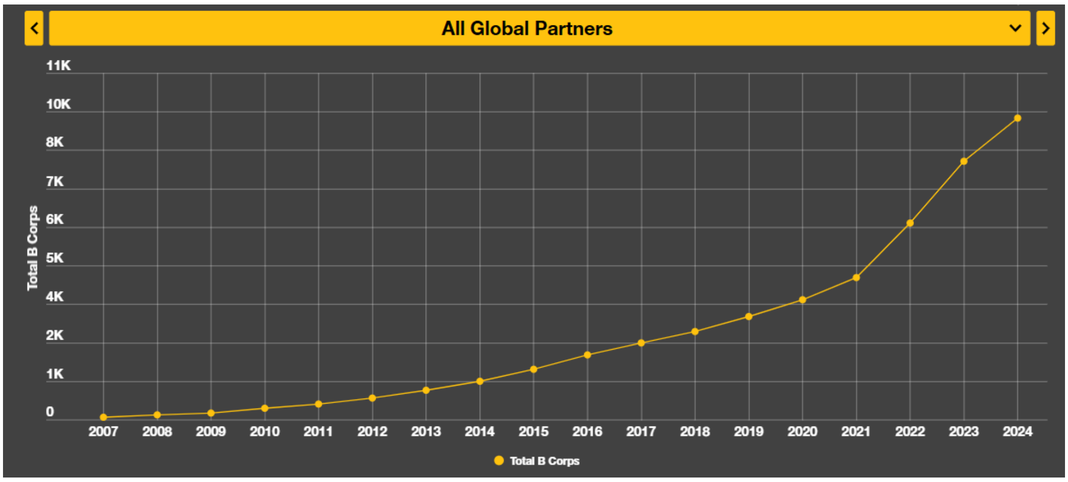


Figure 3. Number of B Corps over time (2007–2024) . *B Lab (2025).*

The report also highlights a steady rise in publicly traded B Corps, with particularly strong representation in sectors such as food and beverage, apparel, financial services, and personal care. From a workforce perspective, the majority of B Corp employees are located in the United States, followed by the United Kingdom, Brazil, and France. Italy ranks among the leading European countries, employing 22,703 workers in certified B Corp companies as of 2024 (B Lab, 2025). Figure 4 summarizes these results.

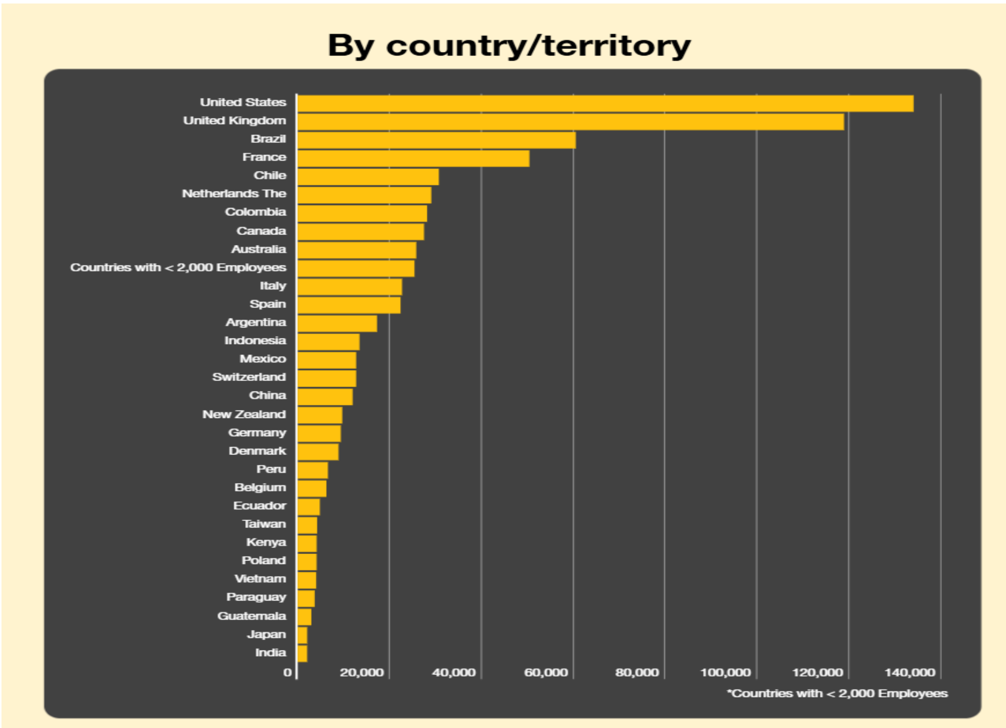


Figure 4 : Workforce of B Corps in countries with over 2,000 employees. *B Lab (2025).*

From the consumer perspective, the report shows that 56% of global consumers claim to use certifications as a key factor in their purchasing decisions, confirming the growing public awareness of B Corp values and reputation . This trend demonstrates the global resonance of the movement, further strengthened by the academic and institutional attention it has attracted in recent years. Academic research on B Corporations has increased exponentially, reflecting broader discussions on sustainability, corporate governance, and social innovation (B Lab, 2025).

Diez-Busto (2021), in their Literature Review on the B Corp Movement, identified fifty peer-reviewed studies indexed in Web of Science and Scopus up to 2020. Their analysis shows that two themes recur most frequently: the motivations that drive companies to obtain certification and the economic and social effects observed after certification. The study reveals that no academic articles were published before 2009, but from 2016 onwards there was a sharp increase, with 70% of all studies published in the last three years and a peak in 2020. The majority of research originates from the United States, followed by Italy and Chile, with Italy emerging as one of the most active research hubs in Europe. States with higher unemployment rates also tend to register a greater number of new B Corps annually. The study concludes that while the social impact of certification is positive, the economic results remain mixed and context-dependent (Diez-Busto et al., 2021).

Overall, the growth of the Benefit Corporation movement demonstrates a global redefinition of corporate purpose, one that integrates profit generation with measurable, long-term social and environmental value.

1.4.2 How to become a certified B Corp: Legal and Strategic Aspects.

In the previous section, we analyzed how the phenomenon of *Benefit Corporations* has significantly evolved over time, reaching a global scale by 2025.
In this section, we will examine in more detail what a *B Corporation* is, the process of transformation, and the main organizational and legal aspects related to its establishment.
Benefit Corporations represent a relatively new legal form of corporate organization in the United States, defined as “a new legal form of corporate organization in the United States that allows a corporation to pursue the goal of positively impacting society and the environment while also seeking financial success.” American business entities are structured within U.S. corporate law, which serves as the legal foundation for the first forms of *Benefit Corporations* (Teal, 2019). In the United States, the legal forms available to for-profit enterprises that choose not to incorporate as a corporation include the *sole proprietorship* , the *partnership* and the *limited liability company* (LLC). Since each state enacts its own corporate laws, the regulation of *Benefit Corporations* varies across jurisdictions. The State of Maryland was the first to authorize the incorporation of *Benefit Corporations* in 2010, followed by numerous other states. For example, Tennessee refers to them as *For-Profit Benefit Corporations*, while Delaware, the leading jurisdiction for corporate registration in the U.S., hosting over one million entities including more than 60 percent of the *Fortune 500* companies, adopted the *Public Benefit Corporation* legislation in 2013 (Teal,2019).
If a state has not enacted Benefit Corporation legislation, a business owner may choose to incorporate in another state. A company is not required to conduct business or maintain an office in the state of incorporation, but it must designate a registered resident agent to receive legal notices on its behalf. There are no specific tax advantages to becoming a *Benefit Corporation*, as these entities are not non-profit organizations and are therefore ineligible for the federal tax exemption. The *Benefit Corporation* designation is a legal incorporation structure and such corporations are taxed in the same way as any other for-profit entity. (Teal,2019).

Benefit Corporations differ from traditional companies in three main areas: purpose, governance, and transparency. A corporation organized under this model is legally required to pursue two objectives: first, the traditional aim of maximizing shareholder value; and second, the creation of a “general public benefit,” defined as a material positive impact on society and the environment resulting from the company’s operations and activities.

This means that a *Benefit Corporation* is legally obligated to produce a positive impact on people and the planet while continuing to pursue financial profitability (Teal,2019).
Each state maintains a degree of flexibility regarding how companies must demonstrate the achievement of public benefits. Some jurisdictions require performance measurement based on third-party standards, although no single benchmark is imposed nationally. In states such as Delaware and Colorado, *Benefit Corporations* must also specify "specific public benefits" they intend to pursue in addition to the general public benefit, thereby ensuring greater accountability and clarity in the disclosure of their social and environmental goals.
Another core legal requirement of *Benefit Corporations* is the preparation of an annual benefit report to shareholders, stakeholders, and the general public. This report discloses how the company has pursued its stated objectives, evaluates its performance against the chosen standards, and enhances transparency and accountability toward the community and investors. It provides evidence of the company's commitment to balancing profit and purpose in a verifiable way (Teal,2019).

One of the most effective ways for a *Benefit Corporation* to meet its reporting obligations is to obtain certification as a *Certified B Corporation*. However, incorporation as a *Benefit Corporation* does not automatically confer this certification, nor does it authorize the company to use the B Corp title. A *Certified B Corporation* is an entity independently certified by *B Lab*, the non-profit organization that promotes the Benefit model and evaluates company performance against rigorous third-party standards of social and environmental responsibility. Recertification is required every three years, and certification fees range from $500 to $50,000, depending on the company's revenue. Importantly, any business, regardless of its legal form, state, or country of incorporation, can apply for B Corp certification, provided it meets the required performance and verification standards. Achieving certification is therefore considered an important milestone, as it officially confirms a company's B Corp status (Teal,2019).

To obtain certification, companies must complete the *B Impact Assessment (BIA)*, a tool used to measure corporate performance in terms of environmental, social, and economic impact. In order to be certified, a company must achieve a score of 80 or higher out of 200. Once this result is achieved, B Lab initiates a verification process that includes a review of the company's claims, often involving an on-site visit to confirm their accuracy. .

On the official website of B Lab , a detailed description of the project is provided, divided into several sections. The site explains that since its foundation in 2006, B Lab has been working to revolutionize the global economic system for the benefit of all people.
According to B Lab, “the current economic system, driven by businesses as one of its key actors, fails to realize its potential and promise to create a positive impact. In fact, it creates significant negative impacts for people, communities, and the planet.”(B Lab, 2025).
The organization identifies three key aspects that reinforce this problematic corporate role:
-the design of legal systems,
-business behavior and operations, and
-the prevailing business culture and dominant narratives about success.

These aspects generate three major categories of negative impact observable across societies and cultures worldwide: structural social and economic inequality, environmental degradation and resource extraction, and the decline of individual well-being and social cohesion.

B Lab identifies a comprehensive solution to these issues through five main strategies:
-Promoting the adoption of B Lab’s standards for managing business impact.
-Certifying and engaging companies to improve their impact.
-Expressing and amplifying stories of business as a force for good .
-Catalyzing policy change to enable companies to act as a positive force.
-Developing a network of local, regional, and global communities for change.

The organization also highlights that it has strengthened its corporate impact standards in an effort to raise the overall bar for sustainable business practices. Certification, according to B Lab, signals to customers, employees, and investors that a company is different from the rest, demonstrating leadership, building trust, and driving systemic change (B Lab, 2025)

The initial eligibility requirements for certification represent the first step toward qualification, before addressing the more specific impact topics. These standards are adapted based on the company’s context, size, and industry sector.
The fundamental requirements include meeting the eligibility criteria for B Corp certification : a company must be legally incorporated, have been operating for at least twelve months, and comply with local and national regulations. In addition, companies must commit to stakeholder governance by adopting B Corp legal requirements, which ensure

accountability to all stakeholders. This involves integrating stakeholder governance principles into legal frameworks and signing the *B Corp Declaration of Interdependence*. (B Lab, 2025). B Lab also specifies the impact requirements, which require companies to take meaningful action in key areas of social, environmental, and governance impact. By meeting these expectations, companies can demonstrate leadership in responsible business practices and impact management.

These standards have been designed to enhance corporate impact, clarify what it means to be a leading company in sustainability, and incorporate stakeholder feedback throughout their development process. In this way, B Lab ensures that certified B Corps exemplify responsible, transparent, and measurable performance, setting a benchmark for how modern businesses can create value not only for shareholders but for society and the planet as a whole (B Lab, 2025). In figure 5 the main impact requirements.

Figure 5: Impact Requirements. B Lab (2025)

The impact requirements for B Corp certification are organized into seven main areas that define how companies must operate to achieve meaningful and mesurable positive impact. The first area, Purpose and Stakeholder Governance, ensures that companies act in accordance with a clearly defined purpose and integrate stakeholder governance into their decision-making processes. By doing so, they contribute to building an inclusive, equitable, and regenerative economic system for all people and the planet.

The second area, Fair Work, refers to the commitment of companies to provide high-quality jobs and cultivate a positive corporate culture that supports employee well-being, engagement, and fair treatment.

The third area, Justice, Equity, Diversity, and Inclusion (JEDI), focuses on promoting inclusive and diverse workplaces, where companies actively contribute to the creation of fair and equitable communities.
The fourth area, Human Rights, emphasizes the duty of companies to treat people with dignity and respect their fundamental human rights in all business operations and throughout their supply chains.
The fifth area, Climate Action, requires companies to adopt concrete measures to fight the climate crisis and mitigate its environmental and social impacts.
The sixth area, Environmental Stewardship and Circularity, highlights the importance of responsible environmental management and the adoption of circular economy principles. Through these practices, companies are expected to minimize negative impacts and contribute to maintaining ecological balance while pursuing positive outcomes. Finally, the seventh area, Government Affairs and Collective Action, recognizes the leadership role of companies in promoting mutual understanding, fostering collaboration, and supporting the development of fair, inclusive, and regenerative economies. This also includes contributing responsibly to the economies and infrastructures of the countries where they operate.
To obtain B Corp certification, companies must meet both Foundation and Impact requirements. The specific criteria depend on a company's size, sector, and industry, ranging from 20 to 124 measurable requirements. The company's location determines eligibility for capital participation mechanisms. By leading the global movement to transform economic systems, B Corps derive several long-term benefits. They build trust among consumers, communities, and suppliers; attract and retain employees; and appeal to investors aligned with their mission. Moreover, because certified companies are required to undergo verification and recertification every three years, B Corps inherently foster a culture of continuous improvement, enhancing their long-term resilience and sustained impact(B Lab, 2025).

1.4.3 Benefit Corporations in Italy: How Are They Growing?

This section analyzes how the Benefit Corporation model, and subsequently the certified B Corp model , has developed over time in Italy, as well as the ongoing changes.
"Italy is the first European country to have formally recognized for-benefit enterprises through the establishment of the 'Società Benefit'. This new corporate form came into effect with the approval of the 2016 Stability Law and was the result of a broad awareness campaign promoted by Italian communities with the support of B Lab Europe." (Lanza, 2016).
Benefit Corporations were officially introduced into Italian law on January 1, 2016, adding the Società Benefit as a supplement to existing legal forms rather than creating an entirely new corporate type. All companies governed by the Italian Civil Code, specifically those regulated under Book V, Titles V and VI, including capital companies, partnerships, and cooperatives, can adopt the benefit qualification. A company may be established as a Società Benefit at the time of incorporation by selecting its corporate type according to the Civil Code. Alternatively, existing companies may later amend their articles of association to include the benefit purpose, following the same procedures required for amending corporate charters. By including in their corporate purpose the pursuit of a common benefit,defined as the creation of value for all stakeholders,companies formalize their commitment to generating social and environmental value alongside profit (Di Cesare, 2020).
The operational principles of such enterprises, according to NATIVA & Assobenefit (2025), can be defined as follows: "The management of these companies requires managers to pursue a social and environmental impact within their economic activities, balancing the interests of the few (shareholders) with those of the many (society and the environment). It is also required to appoint an individual responsible for the company's impact, which must be rigorously measured and transparently reported together with objectives and results in an annual impact report, to be filed with the Chamber of Commerce along with the financial statements. The adoption of benefit status does not represent an end point but rather a starting condition for implementing an advanced form of governance." (NATIVA & Assobenefit., 2025). Returning to Lanza's (2017) work, the author analyzes the geographical and sectoral distribution of the first Italian Benefit Corporations using data available from the official website of B Lab for the year 2016.

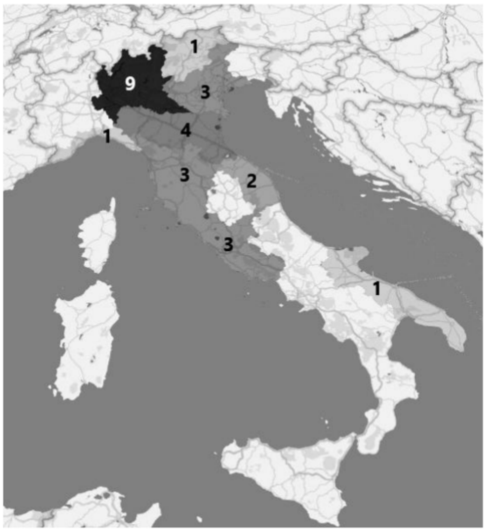


Figure 6: Distribution of Benefit Corporations in Italy in 2016. Lanza *(2017).*

This analysis is essential to visualize the initial stage of development of Benefit Corporations in Italy, as 2016 marked the first year of the related legislation's implementation.
Lanza (2017) notes that most of the first Benefit Corporations were located in Northern Italy, with 18 companies, followed by Central Italy with 8. The region with the highest concentration was Lombardy, with 9 companies, followed by Emilia-Romagna, Tuscany, Lazio, and the Marche. The author further examines the main business sectors in which these pioneering enterprises operated. More than 22% were engaged in services connected to sustainable business, followed by 14.8% in the ICT sector, 11.1% in the food industry, and 11.1% in the beauty and personal care industry. Other relevant sectors included healthcare services and interior design. (Lanza,2017). In her analysis, the author also evaluates the scores achieved by these first enterprises across the four main thematic areas defined by the B Impact Assessment (BIA): governance, community, workers, and environment. The aggregated results revealed that the highest average scores were achieved in the *community* area, which aligns with the business focus of many of these early companies in sustainable services and healthcare. From these findings, it is evident that the main advantage of B Corps operating within the Italian territory lies in their contribution to the overall improvement of collective well-being. Lanza (2017) emphasizes that the connection between these enterprises and their local context is strongly influenced by a combination of geographical, economic, and social factors, which play a decisive role in shaping their mission and impact orientation (Lanza,2017).
It is now particularly interesting to observe how these companies have evolved from 2016 to the present day.

"In recent years, the adoption of the Benefit Corporation model has steadily progressed worldwide. To date, Benefit Corporations have been introduced in 38 U.S. states, in Italy (since 2016), Colombia (2018), Puerto Rico (2018), British Columbia (2019), Ecuador (2019), Peru (2020), Rwanda (2021), Spain (2022), Panama (2022), and San Marino (2023). Moreover, legislative processes are underway in over ten additional countries, including Uruguay, Argentina, Australia, Chile, Taiwan, and South Korea. In Europe, France introduced in 2019 the so-called *Société à Mission*, which, although differing in structure, shares the same core values and foundational principles as the international Benefit Corporation model." (NATIVA & Assobenefit, 2025). Focusing on the Italian context, the number of Società Benefit is growing rapidly, confirming the vitality and adaptability of the Italian entrepreneurial ecosystem. The *National Research on Benefit Corporations 2025* provides an updated overview of this trend. In 2025, nine years after the approval of the Italian law, the partners of this research project , including the Department of Economics and Management (DSEA) of the University of Padua , conducted a comprehensive study using a database made available by the Chamber of Commerce of Taranto and developed in collaboration with InfoCamere, based on data from the national business register. The first section, namely a descriptive and profitability analysis, shows Italian companies as dynamic entities, capable of combining positive economic results with a growing focus on sustainability and shared value. The picture that emerges from the new analysis, focused on the financial years 2021–2023, shows a group of companies that grow and perform better than non-benefit ones in terms of economic and profitability indicators (NATIVA & Assobenefit, 2025). Figure 7 summarizes these results.

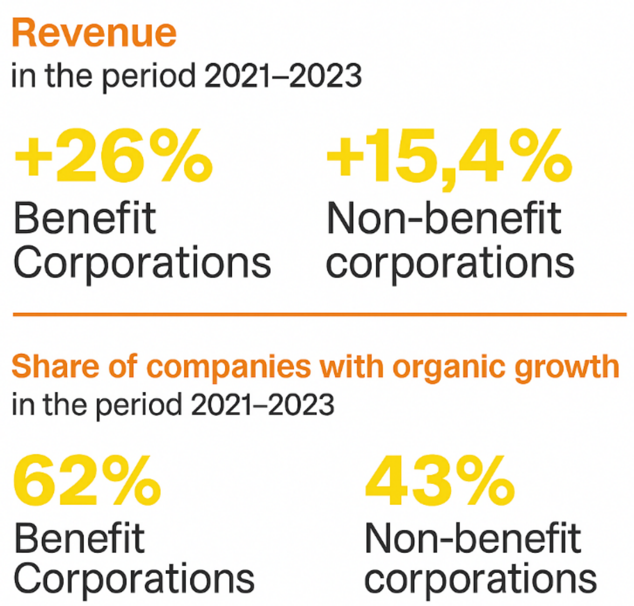


Figure 7: Comparison of revenue and workforce growth between Benefit and non-Benefit Corporations in the 2021–2023 period. (NATIVA & Assobenefit, 2025).

During the period considered, the turnover of Benefit Corporations grew by 26% (median value), exceeding the 15.4% recorded by non-benefit companies, with a particularly marked difference in the segment of micro-enterprises, where it can be assumed that the adoption of this governance model affects the strategic profile of the company more deeply and pervasively than in larger and more structured realities. At the employment level, growth has been equally significant, with 62% of Benefit Corporations increasing their workforce compared to 43% of non-benefit companies. The tendency to distribute value to employees has also proved significant, with the labor cost per employee in Benefit Corporations being about €3,000 higher than in non-benefit ones, confirming a concrete commitment to enhancing human capital and supporting the purchasing power of workers during a period of high inflation (NATIVA & Assobenefit, 2025). For the first time, an analysis of board composition was also carried out, combining the Intesa Sanpaolo database with the Cerved database. The survey shows that diversity in the composition of the boards of directors of Benefit Corporations, in terms of age and gender, is greater than in non-benefit ones: female representation affects 48% of companies (compared to 38% of non-benefit), with a peak of 62% in large companies, while the presence of young people under 40 reaches 27.9% (compared to 20% of non-benefit), with significant peaks in Southern Italy, where it reaches 30.4%. Benefit Corporations that include at least one under 40 director, compared to those with boards composed exclusively of members over 65, prove to be particularly dynamic, recording stronger revenue growth (+30.6% compared to +23.5%), a greater propensity to hire (+20% compared to +10.9%), and more generous wage policies (labor cost +34.5% compared to +23.2%) . (NATIVA & Assobenefit, 2025).

From a structural point of view, the descriptive analysis based on data from the *Registro Imprese* of the Chambers of Commerce highlighted a widespread presence of Benefit Corporations in all sectors and across all size classes, with a higher incidence among large companies, where it almost reaches 2%. The territorial distribution shows a significant concentration in Northern Italy (64.9% of the total), with Lombardy leading both in the absolute number of Benefit Corporations (about 1,500 companies) and in incidence (2.74% compared to 1.57% of the Italian average). This phenomenon can be partly explained by the driving effect of large companies, which are more concentrated in this area, but it also reflects a greater cultural predisposition of the Lombard entrepreneurial fabric toward innovation in

business models and the experimentation of new forms of sustainable governance (NATIVA & Assobenefit, 2025).
Benefit Corporations therefore represent the avant-garde of change within the Italian entrepreneurial landscape, demonstrating the possibility of successfully combining the pursuit of profit with the commitment to generate a positive social and environmental impact. Their multi-stakeholder approach, supported by solid economic performance and a stronger focus on sustainability and inclusion, makes them a reference model for the transformation of business practices toward more advanced and responsible paradigms. This edition of the research also highlights the importance of further exploring the strategic positioning and authentic interpretation of the spirit of the law on Benefit Corporations, in order to fully understand its transformative potential and promote its increasingly conscious and widespread adoption within the national economic fabric (NATIVA & Assobenefit, 2025).

Figure 8 summarizes the growth in numbers of Benefit Corporations in Italy.

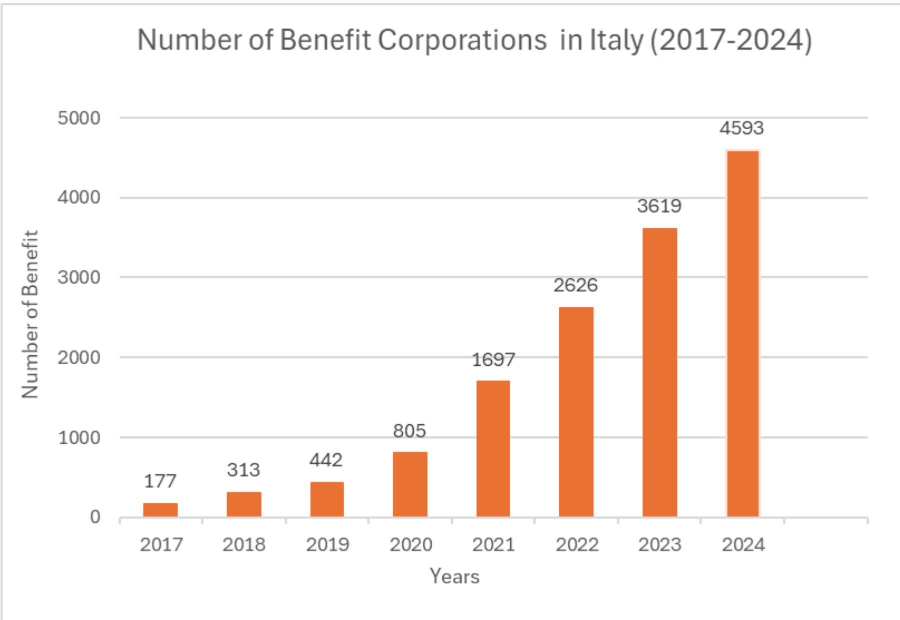


Figure 8: Number of Benefit Corporations in Italy from 2017 to 2024. Author's Elaboration.

By the end of 2024, the total number of active Benefit Corporations in Italy reached 4,593, marking an increase of approximately 27% compared to the previous year and representing an incidence rate of 1.57 per thousand of all registered companies. From an employment perspective, these companies collectively employ more than 217,000 people, while their total production value exceeds 62 billion euros, accounting for 2.2% of the national output. Benefit Corporations are present across all productive sectors, with a higher concentration in information services (8.35%), professional activities (7.52%), education (4.9%), and water supply (4.14%). In absolute terms, however, manufacturing and trade dominate, representing the sectors with the largest number of Benefit enterprises. (NATIVA & Assobenefit, 2025). From a dimensional standpoint, the model's presence increases with company size: among large firms (over 250 employees), the incidence reaches about 2%, while in absolute numbers, microenterprises prevail, accounting for 3,324 units, followed by 825 small companies. This suggests that, although proportionally more common among larger firms, the Benefit model has also taken root within small and microenterprises, which increasingly recognize its potential in terms of innovation and reputation (NATIVA & Assobenefit, 2025).

Another point of interest highlighted in this edition of the research is the regional distribution analysis, which reveals significant territorial differences in the diffusion of the model. Lombardy confirms its leading role, with approximately 1,500 Benefit Corporations and an incidence rate of 3.95%, well above the national average of 1.57%. Northern Italy as a whole accounts for nearly two-thirds of all Benefit enterprises (64.9%), followed by Central and Southern regions.(NATIVA & Assobenefit, 2025). The geography of Benefit Corporations across the country reveals concentrations in certain areas, both at a macro-territorial and micro-territorial level, highlighting cities with a strong presence of increasingly sustainable enterprises.

A natural question arises after this analysis: do Benefit Corporations grow differently compared to non-Benefit companies?

The results of the economic and profitability analysis, conducted on a closed sample of Benefit Corporations compared with a group of non-Benefit firms homogeneous in terms of macro-sector and size class, provide clear answers. The study, covering the period 2021–2023 and deliberately limited to exclude the distortive effects of 2020, has made it possible to broaden the number of observed cases and offer a more detailed overview, including sectoral insights (NATIVA & Assobenefit, 2025).

Figure 9 summarizes these results.

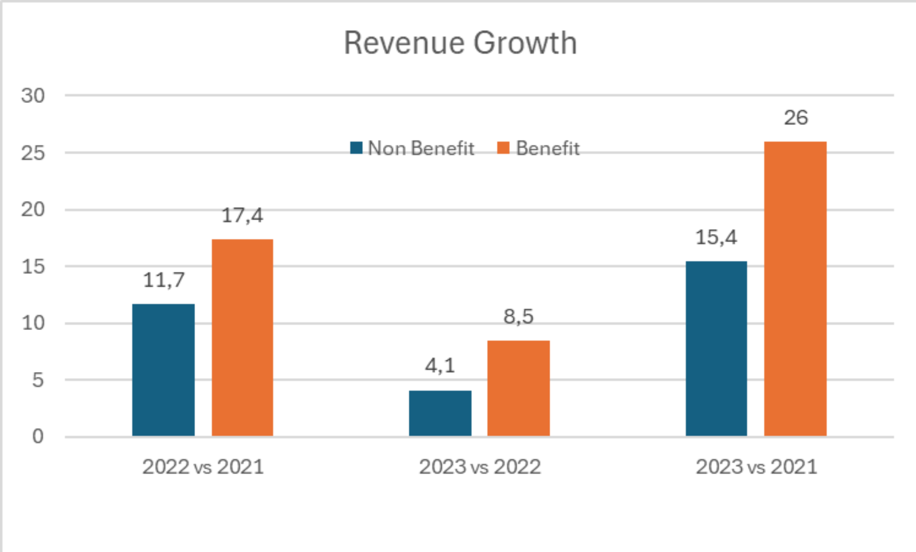


Figure 9: Revenue growth, a comparison. Author's elaboration.

The findings confirm that Benefit Corporations stand out for their greater dynamism and stronger revenue growth compared to non-Benefit companies. Over the three-year period, the median turnover increased by 26%, compared to +15% for traditional enterprises. This gap is particularly significant, as growth has been driven not only by commercial expansion but also by targeted investments in innovation, internationalization, and sustainable efforts.
Employment trends, analyzed for the first time in this edition, also confirm this positive trajectory: the number of employees in Benefit Corporations has grown more rapidly than in non-Benefit firms, demonstrating a stronger tendency toward expansion and job creation. At the same time, there is clear evidence of internal value redistribution, as many of these companies have chosen to reduce their profit margins to provide higher wages for employees during a period of high inflation. The labor cost per employee is in fact higher than in non-Benefit enterprises, reflecting a concrete commitment to valuing human capital and supporting worker well-being. This is a consequence of internal policies and long-term strategies, which are increasingly oriented toward inclusive, participatory, and innovative decision-making. Benefit Corporations led by younger executives, that is with at least one board member under 40, are even more dynamic: they record higher revenue growth, a greater propensity to hire new staff, and stronger attention to fair compensation compared to those whose boards are composed exclusively of older members. This highlights how generational diversity in governance can serve as a lever for innovation and performance, confirming the crucial role of younger generations as key drivers in the transformation toward more sustainable and inclusive business models (NATIVA & Assobenefit, 2025).

1.5 Conclusions

The analysis presented in this chapter highlights the central role of sustainability as a transformative force within contemporary organizations. From its institutional definition in the Brundtland Report to its consolidation through initiatives such as the European Green Deal, sustainability has evolved into a strategic framework that guides decision-making processes, governance structures, and business models.

The examination of hybrid organizations illustrates how the boundaries between for-profit and non-profit entities are increasingly blurred, giving rise to new organizational forms that integrate economic and social objectives. These hybrid models demonstrate that pursuing social and environmental impact does not necessarily conflict with financial performance; on the contrary, it can reinforce a company's long-term value creation.

Within this context, Benefit Corporations represent one of the most advanced expressions of this paradigm shift. Originating in the United States and later expanding globally, they embody a new legal and managerial framework that formally incorporates public benefit objectives into the corporate mission.

The Italian case, analyzed through the research conducted by the Department of Economics and Management (DSEA) of the University of Padua, confirms the growing relevance of this model. The findings reveal that Italian Benefit Corporations are increasing both in number and diversity, displaying distinctive patterns of growth compared to traditional firms. These companies tend to show greater dynamism, innovation capacity, and commitment to social and environmental responsibility, suggesting that the integration of sustainability into corporate strategy can represent a competitive advantage rather than a constraint.

CHAPTER TWO. M&A and Sustainability

2.1 Introduction

Mergers and acquisitions (M&A) are one of the main strategies used by companies to promote growth and strengthen their competitive position. Through these transactions, companies can access new resources, expand their geographical presence, acquire technological expertise and achieve operational synergies that improve efficiency and accelerate business development. For this reason, M&A is traditionally considered a key strategic tool for supporting business expansion processes.

In recent years, however, growing interest in sustainability has begun to significantly influence corporate strategies and business models. As highlighted in Chapter 1, more and more companies are integrating social and environmental objectives alongside economic ones, giving rise to organisational models that seek to reconcile the creation of economic value with the generation of positive impacts for society and the environment. This context includes sustainability-oriented companies, such as Benefit Corporations and B-Corp certified companies.

Within this evolving scenario, mergers and acquisitions can also play an important role in supporting the development of sustainable businesses. Through such transactions, companies can acquire new skills, technologies and resources that enable them to strengthen sustainability-oriented strategies and respond to growing stakeholder expectations.

However, M&As are not the only factor influencing the growth and performance of companies pursuing sustainability goals. Other elements, such as sustainability certifications, stakeholder relations and governance structure, can also have a significant impact on business results.

For this reason, in addition to analysing the role of mergers and acquisitions as a growth strategy, this chapter also examines the differences in performance between sustainability-oriented companies and traditional companies, to understand whether companies that integrate social and environmental objectives exhibit different growth dynamics compared to their counterparts.

2.2 Mergers and Acquisitions:an overview.

There are certain events to which every organization must respond promptly in order to maximize potential gains, such as entering new markets, launching new products, or expanding its portfolio. For small or less profitable firms, mergers and acquisitions often represent one of the few viable strategies to survive in increasingly competitive markets. In this sense, M&A can be considered a global business strategy that enables firms to access new markets or enter new business areas (Malik et al., 2014). Although the two terms are often used synonymously, they refer to distinct and complex operations that require clear definitions. As stated by Candra et al. (2021), a merger occurs when one or more companies join another company and therefore the company disappears or ceases to exist, while an acquisition is the activity of transferring the ownership of a company to another company. In other words, the shares or assets of a company are purchased by the acquirer. M&A transactions fall within the broader category of corporate restructuring processes, which aim to modify firms' structures, systems, and organizational boundaries (Candra et al.,2021).

Figure 10 illustrates the main corporate restructuring operations.

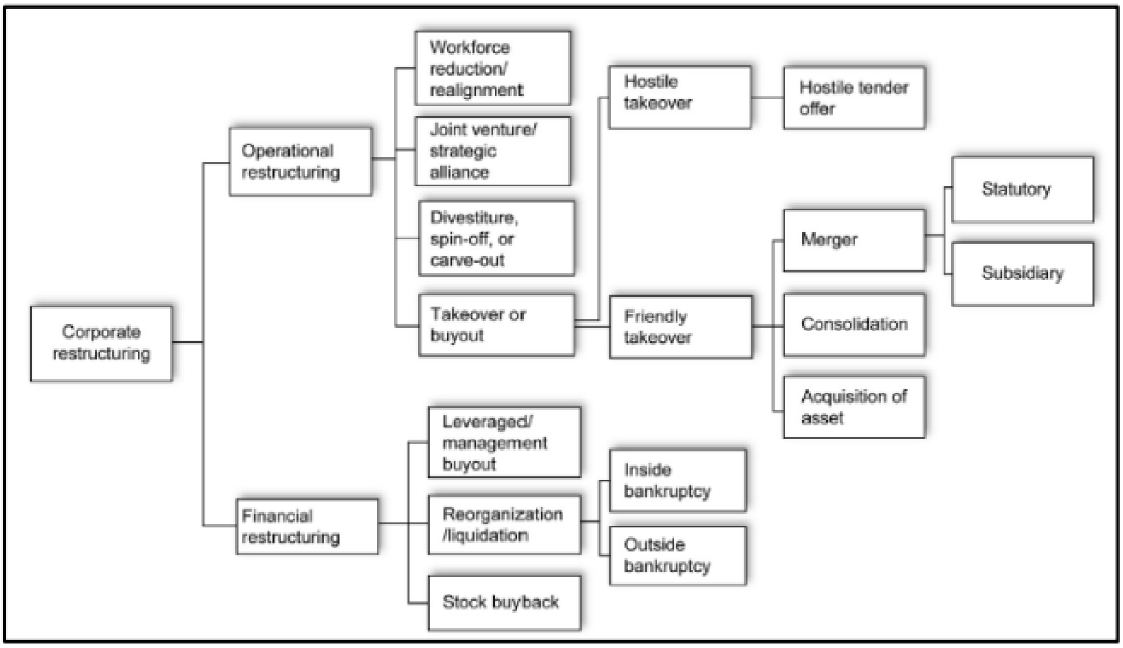


Figure 10: Types of Corporate Restructuring. Candra (2021).

The author divides Corporate Restructuring operations into two main categories: operational restructuring and financial restructuring. Mergers and acquisitions are part of operational restructuring as they substantially modify business operations even though their financial implications are also significant.They can take the form of either backward or forward integration. When a firm's core business is concentrated on the supply of raw materials or upstream operations, it may seek to control distribution channels and final products through mergers and acquisitions; in this case, the company engages in forward integration, moving closer to the final customer. Conversely, when a firm's core activity is focused on sales, marketing, or the development of final products, it may attempt to secure the availability of inputs and resources by acquiring upstream suppliers; this strategy represents backward integration through M&A (Candra *et al.*, 2021).
Mergers and acquisitions represent a strategic tool for companies seeking rapid growth and market expansion, particularly for firms with strong financial capabilities or access to leverage. In some cases, this growth is pursued through financial restructuring operations, such as leveraged buyouts, corporate reorganizations, or equity-based transactions, including stock buybacks. These instruments allow firms to reshape their asset structure, optimize capital allocation, and strengthen their competitive positioning (Candra *et al.*, 2021).

While early M&A activities were focused primarily on acquiring undervalued or struggling businesses with the goal of improving their performance, over time M&A transactions have evolved into a broader strategic necessity. Candra et al. (2021) classify M&A transactions into five groups:
1. Horizontal M&A, which occur between firms operating in the same market or product.
2. Vertical M&A, which take place between firms operating at different stages of the same supply chain.
3. Conglomerate M&A, involves the acquisition of one or more companies in unrelated industrial sectors.
4. Market expansion M&A, aimed at expanding the geographic or customer market area in which a company operates.
5. Product expansion M&A,carried out to expand the production lines of a company.

A first set of M&A strategies to be analysed includes horizontal and vertical mergers and acquisitions, which represent two distinct corporate approaches aimed at strengthening and expanding a firm’s market position (Candra et al., 2021).

Horizontal consolidation occurs when a company acquires or merges with another firm operating in the same industry and at the same stage of the value chain. A notable example of this type is the merger between Vodafone and Mannesmann in 2000, which marked a turning point in the telecommunications sector. Valued at more than US$190 billion, it remains the largest cross-border acquisition in history and reflects the rapid expansion of the European M&A market at that time (Goldman Sachs, 2025). Horizontal M&A enables firms to significantly increase production capacity, as the assets of the target company are integrated into existing operations to produce the same goods or services. One of the main expected benefits is the achievement of economies of scale, which allow firms to reduce average production costs over the long term and improve operating margins. These cost efficiencies can subsequently be reinvested in research and development activities. In addition, acquisitions involving firms in the same industry facilitate the exchange of knowledge, technical capabilities, and organizational practices, thereby generating further competitive advantages. When the merging firms operate in different geographic markets, horizontal M&A can also support international expansion and risk diversification (Dickson,1986).

Vertical mergers occur when a firm acquires another company operating at a different stage of the production process or value chain, thereby internalizing part of the supply chain and reducing dependence on external market transactions (Candra et al., 2021). In most cases, the acquiring firm integrates either an upstream supplier or a downstream distributor with the objective of improving coordination, increasing operational efficiency and reducing transaction costs (Candra et al., 2021). A relevant example of vertical integration is Amazon's acquisition of Whole Foods in 2017, a transaction valued at approximately US$13.7 billion including net debt, which represented the largest acquisition ever completed by Amazon at that time. Through this operation, Amazon combined its technological infrastructure and logistics capabilities with Whole Foods' established presence in the physical grocery sector, strengthening its market position and bridging the gap between online and offline distribution channels (Candra et al., 2021).

The acquisition allowed the company to internalize part of the distribution process, improve supply chain control, and enhance customer reach in the food retail market. Vertical M&A are primarily motivated by efficiency-seeking objectives, as firms aim to minimize market transaction costs, reduce uncertainty related to input availability and improve the reliability of supply. By internalizing upstream or downstream activities, firms can achieve better coordination across the value chain, reduce intermediate margins, and optimize production planning. However, these operations require careful evaluation, as the expected cost savings and efficiency gains must outweigh the financial and organizational costs associated with the acquisition and subsequent integration (Candra et al., 2021).

Conglomerate mergers differ from both horizontal and vertical transactions, as they involve firms that are neither direct competitors nor linked through buyer–supplier relationships and are primarily motivated by diversification objectives (Nakagawa, 2023).
These operations typically occur when large corporations expand their activities through the acquisition of companies operating in unrelated industries, as in the case of multinational groups such as Procter & Gamble or Nestlé, whose product portfolios span multiple and heterogeneous sectors. In this type of M&A, value creation does not necessarily derive from operational synergies but may instead emerge from financial synergies, portfolio diversification, and economies of scope, whereby different products are produced using shared resources and organizational capabilities. The main objective is to broaden the firm's business portfolio and reduce dependence on a single market, thereby lowering overall risk exposure (Nakagawa, 2023). A relevant example of conglomerate expansion is Google's acquisition of Fitbit, which enabled the company to enter the health technology sector and strengthen its presence in life sciences and digital health. Alphabet, Google's parent holding company, had already established subsidiaries such as Verily and Calico, focused on health research and life sciences and had allocated a significant share of its investments to these activities, which explains its strategic interest in acquiring Fitbit (Nakagawa, 2023). The transaction, valued at approximately US$2.1 billion, raised regulatory concerns within the European Union regarding the potential use of sensitive health data to reinforce Google's dominant position in digital advertising. The European Commission initiated an investigation in August 2020 and approved the acquisition only after Google agreed to a set of binding commitments aimed at protecting user data and ensuring fair competition. These commitments included the technical separation of Fitbit user data within a dedicated data silo, the prohibition of using such data for advertising purposes and the guarantee that users in the European Economic Area would have the option to allow or deny the sharing of health and wellness data across other Google services (Il Corriere della Sera, 2021).

The last two forms of mergers and acquisitions, namely market expansion and product expansion, represent strategic objectives rather than distinct structural types of M&A, as they are often embedded within horizontal or vertical transactions (Candra et al., 2021).

Once the main types of mergers and acquisitions have been introduced, it becomes essential to deepen analyse the primary reasons that drive companies to undertake these operations.
M&A represent a complex phenomenon that has been extensively examined in the literature through different theoretical and empirical approaches aimed at explaining the underlying motives behind these transactions (Irwin et al., 2025). The author identifies three main categories of motivations: technological motivations, risk-reduction motivations, and human capital motivations.

Technological motivations arise from firms' need to acquire fully developed technological products or services that fill gaps in their product portfolios, particularly in highly competitive environments. A further technological sub-motive concerns the expansion of research and development and innovation activities through patents. Intellectual property (IP) constitutes a key source of knowledge-based competitive advantage. Firms may seek to block a patent race by acquiring a competitor or a potential competitor, or they may acquire targets for their patents in order to obtain the intellectual property necessary to offer new products or services, rather than licensing the technology or developing it internally (Irwin et al., 2025).
Risk-reduction motivations are particularly relevant in rapidly changing industries, where firms aim to mitigate competitive uncertainty or reduce future losses. One common approach is the "competitor removal" strategy, whereby a company acquires a potential rival to prevent future competition. This dynamic is illustrated by Marvell Technology Group's acquisition of Intel's mobile phone chip business. Although the transaction was officially presented as a means of strengthening Marvell's position in the growing market for processors used in smart handheld devices, it has been suggested that an underlying objective was the elimination of a potential future competitor. Risk-reduction motives may also emerge when either the acquiring firm or the target is experiencing financial distress or declining performance; in such cases, M&A may function as a survival mechanism aimed at avoiding market exit rather than generating immediate growth (Irwin et al., 2025). Human capital motivations refer to acquisitions undertaken primarily to obtain managerial talent, skilled employees, and firm-specific knowledge. These operations are intended to facilitate the transfer of technological capabilities, market knowledge, and organizational skills that can be leveraged for product development, innovation, and strategic expansion. In most cases, the expectation is that the acquired human capital will contribute to revenue growth or cost efficiency, although the realization of these benefits may require significant integration time and may not produce immediately measurable financial returns. A key factor in the success of human-capital-driven acquisitions is the effective retention and integration of key employees and managers, as the

departure of these individuals can undermine the strategic rationale of the transaction. Moreover, applying conventional valuation parameters to human capital is particularly challenging, since standard metrics often fail to capture the value created by these operations. Their benefits are typically long-term and linked to knowledge transfer, capacity building, and the recombination of complementary resources (Irwin et al., 2025).

These empirically observed motives can be further interpreted within the broader theoretical frameworks developed in the takeover literature, which provide a conceptual explanation of the economic, strategic, and managerial drivers underlying M&A activity (Piesse et al., 2012). While technological, risk-reduction, and human capital motivations represent a substantial part of the strategic rationale behind mergers and acquisitions, they do not fully capture the complexity and diversity of acquisition decisions. The literature has long emphasized that no single hypothesis is sufficient to explain all takeover processes, given the multiplicity of economic, financial, and managerial factors involved. For this reason, scholars have developed more comprehensive theoretical approaches that systematize the main explanations for acquisitions and identify recurring hypotheses that offer a more complete interpretation of their underlying motivations (Piesse et al., 2012). Among these, efficiency theory and agency theory are two of the most widely discussed perspectives in the takeover literature. More broadly, the literature identifies several key theoretical approaches, including efficiency theory, agency theory, the free cash flow hypothesis, the market power hypothesis, the diversification hypothesis, the information hypothesis, and the bankruptcy avoidance hypothesis. These perspectives are not mutually exclusive and may jointly contribute to explaining the rationale behind a single acquisition (Piesse et al., 2012). Efficiency theory represents one of the central explanations for acquisition activity, as takeovers are viewed as a mechanism for improving the performance of inefficient firms through the reallocation of resources and the diffusion of superior management practices.The differential efficiency hypothesis suggests that a more efficient firm operating in the same industry can enhance the performance of a less efficient firm by raising its productivity. Similarly, the inefficient management hypothesis assumes that poor performance is publicly observable and that an acquiring firm can increase efficiency by replacing ineffective management and reorganizing existing resources. Within this perspective, value creation derives from the realization of synergies, which emerge from the optimal combination of complementary resources, the elimination of redundant or unprofitable divisions, and the achievement of operational and financial economies of scale. Efficiency gains may also result from the introduction of new organizational practices and corporate cultures, although unsuccessful cultural integration can negatively affect post-merger performance and represents a frequent cause of acquisition failure (Piesse et al., 2012).

Agency theory explains acquisition activity in relation to the separation between ownership and control, which generates potential conflicts of interest between shareholders and managers. Since managers typically do not hold a significant share of the firm's equity, they may pursue personal objectives that do not necessarily maximize shareholder value. In this context, takeovers can function as a disciplinary mechanism imposed by capital markets, aligning managerial behavior with shareholder interests. The threat of a takeover therefore incentivizes managers to improve firm performance in order to avoid losing their position. However, the effectiveness of takeovers as a governance mechanism depends on the presence of appropriate incentive systems, monitoring structures, and the ability of markets to distinguish between value-creating and value-destroying transactions (Piesse et al., 2012).

The free cash flow hypothesis extends the agency perspective by focusing on the role of excess internal funds in driving acquisition activity. Free cash flow is defined as the cash flow generated in excess of that required to finance all projects with a positive net present value. Its availability increases managerial discretion in investment decisions. Rather than distributing these resources to shareholders, managers may use them to finance acquisitions that expand firm size even when such transactions do not create value. In this context, acquisitions become a means through which managers retain control over financial resources and pursue growth strategies that increase their compensation and influence. At the same time, firms with significant free cash flow may themselves become attractive acquisition targets, as their internal liquidity reduces the financial burden associated with the transaction and can be used to service existing or future debt (Piesse et al., 2012).

According to the market power hypothesis, takeover activity can be interpreted as a strategy aimed at increasing a firm's ability to influence prices, output, and market conditions through greater scale and concentration. Acquisitions, particularly horizontal and vertical ones, allow firms to expand their geographical presence, strengthen control over supply chains, and create barriers to entry, thereby improving their competitive position. However, the pursuit of market power may raise antitrust concerns, as increased concentration can reduce competition and lead to oligopolistic market structures (Piesse et al., 2012).

The diversification hypothesis suggests that acquisitions may be undertaken to reduce business risk and stabilize cash flows across different sectors. By combining activities with imperfectly correlated earnings, firms can increase their borrowing capacity, benefit from tax shields, and reduce the likelihood of financial distress. Nevertheless, empirical evidence regarding the value creation associated with diversification strategies remains mixed. The information hypothesis interprets acquisitions as a signal to the market. When a firm announces a merger or acquisition, it conveys that its management possesses private information about the target's true value or potential future synergies. This often leads to a revaluation of the share prices of the firms involved. In this sense, a takeover may signal that the target is undervalued or that the acquirer is capable of generating value through the transaction (Piesse et al., 2012). Finally, the bankruptcy avoidance hypothesis views acquisitions as an alternative to liquidation for financially distressed firms. Being acquired may allow such firms to continue operating under new ownership, thereby preserving economic value and employment. For the acquirer, these transactions can be advantageous because distressed targets are often purchased at lower prices and with reduced competition from other bidders. For shareholders of a firm in crisis, an acquisition frequently represents a preferable outcome to bankruptcy, as it enables them to recover at least part of their investment. All these theoretical perspectives collectively represent the main explanatory frameworks that should be considered when analysing mergers and acquisitions, as they capture the economic, financial, strategic, and managerial drivers underlying these transactions. Having outlined both the empirically observed motives and the broader theoretical interpretations proposed in the takeover literature, the next section will examine the main trends in mergers and acquisitions at the macro level, with reference to global dynamics, and at the micro level, with a specific focus on the Italian context (Piesse et al., 2012).

2.2.1 Global and Italian M&A Trend.

The year 2025 was characterised by an acceleration in artificial intelligence, changes in international trade policies and moderate global volume growth, factors that prompted many companies to redefine their strategies and return to using M&A transactions as a lever for transformation and value creation (Bain & Company, 2026). Against this backdrop, the global M&A market experienced a significant recovery: the total value of transactions increased by approximately 40%, reaching an estimated $4.9 trillion, while the number of transactions showed more modest growth of 7% (Bain & Company, 2026). The positive trend was largely driven by the return of large-scale transactions, with megadeals exceeding $5 billion accounting for over 73% of the increase in total value (Bain & Company, 2026). Figure 11 shows these trends.

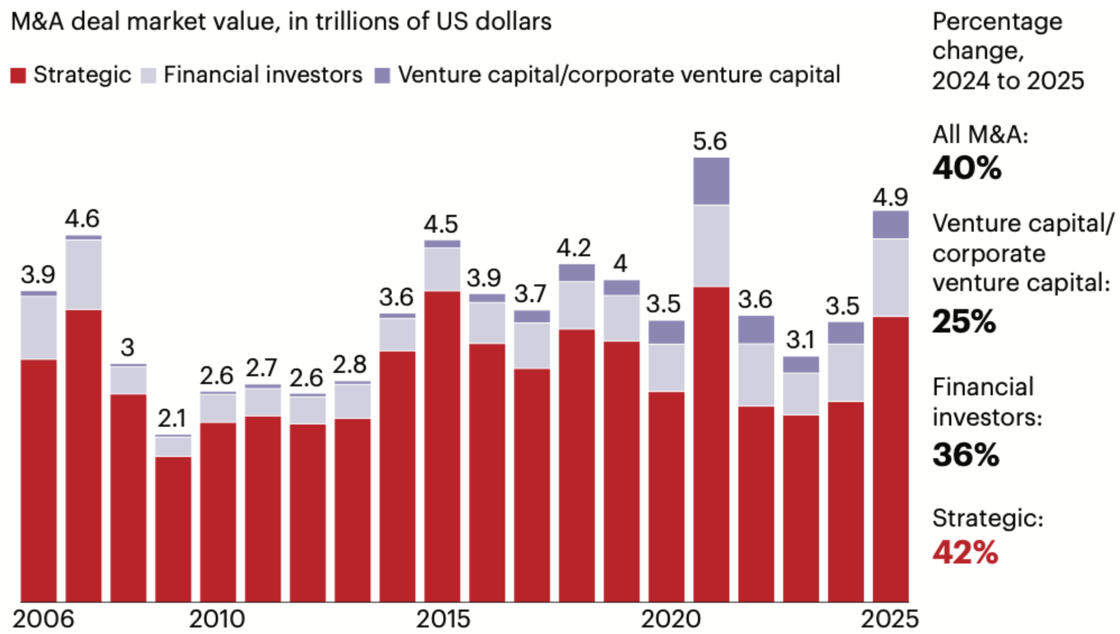


figure 11: M&A deal market value 2006-2025. Bain & Company (2026).

As shown in Figure 11, M&A activity in the period 2006–2025 follows a cyclical pattern, with two particularly significant peaks recorded in 2021 and 2025. After reaching a record level in 2021, the total value of transactions declined in the following years, before returning to strong growth in 2025, which is the second highest year in terms of transaction value for the entire period considered. The recovery in 2025 affected all categories of buyers across the board. In particular, strategic buyers recorded a 42% increase in the value of transactions compared to the previous year, financial investors recorded a 36% increase, while transactions attributable to venture capital and corporate venture capital increased by 25%. These figures confirm that the rebound was not limited to a single market segment, but involved the entire dealmaking ecosystem (Bain & Company, 2026). A more detailed analysis of the factors driving the recovery in 2025 reveals two particularly significant trends. Firstly, the year was characterised by a significant number of large-scale transactions, including by companies that are not traditionally very active in the acquisitions market, raising questions about the ability of these operators to generate value in the long term. Secondly, despite the strength of the market, M&A transactions accounted for a relatively small share of companies' overall capital allocation, with companies allocating more resources to fixed capital and research and development than to acquisitions in 2025.

The recovery was also characterised by widespread growth across sectors and geographies, with double digit increases in all major regions and industries. In particular, the technology sector saw a 77% increase in transaction value, driven by acquisitions related to artificial intelligence assets, which accounted for a significant share of larger strategic transactions. Advanced manufacturing was also a major contributor to strategic M&A growth in 2025 (Bain & Company, 2026).

Figure 12 shows the main growth sectors linked to M&A in 2025.

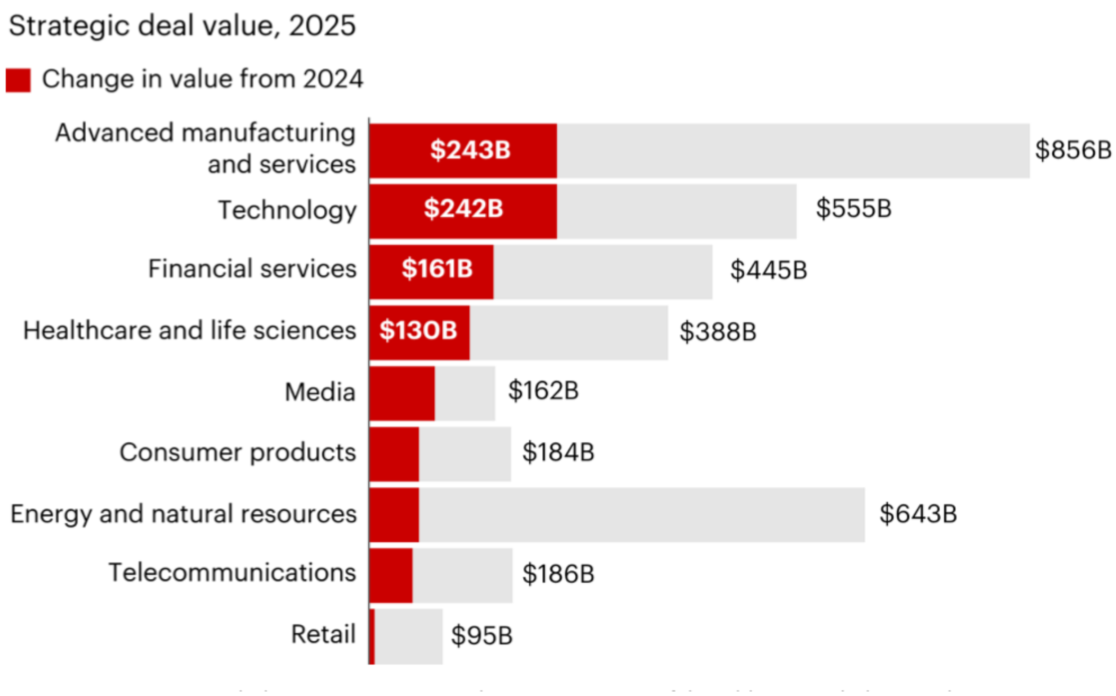


Figure 12: Change in Strategic M&A Deal Value by Sector, 2025. Bain & Company (2026).

The recovery in 2025 has reached global proportions. Transactions targeting US companies were the main driver of growth, accounting for nearly half of the total value of strategic transactions worldwide. Greater China, the world's second-largest market, led the rankings in terms of number of transactions, thanks to a particularly dynamic domestic market that generated over 80% of the total value of transactions in the region. This highlights the central role of internal dynamics within the region in sustaining commercial activity. Japan also experienced significant growth, doubling the value of its M&A market and becoming the third largest market globally, with double-digit growth in the number of completed transactions. This trend signals renewed strategic activism on the part of Japanese companies. Europe, Middle East and Africa region recorded solid growth in terms of transaction value, supported in particular by the presence of mega-transactions. However, the overall number of transactions in the region remained largely stable. (Bain & Company, 2026).
Another distinctive feature of M&A activity in 2025 is the marked shift towards scope deals. In the first nine months of the year, 60% of transactions worth more than $1 billion were classified as scope deals, putting 2025 on track for the highest rate of strategic expansion-oriented transactions in recent years. While the previous period saw a return to scale deals, mainly driven by the search for short-term cost synergies in a context of high macroeconomic uncertainty and rigid cost structures, 2025 is seeing a significant change in approach. The renewed focus on scope transactions reflects greater confidence in the ability of acquisitions to generate revenue growth through entry into new markets, the acquisition of distinctive skills or access to new customer segments. This strategic shift is particularly evident in the technology sector, where the recovery in transaction volumes, especially in artificial intelligence, reflects the growing importance of capacity expansion and innovation strategies over the simple pursuit of operational efficiency (Bain & Company, 2026).

Seeking to understand the trends predicted for 2026 in the field of global mergers and acquisitions is particularly relevant in light of the late but significant recovery observed in 2025, which occurred in the second half of the year. According to the Boston Consulting Group Sentiment Index data, the outlook for 2026 is characterised by cautious optimism rather than full confidence, reflecting a complex macroeconomic and geopolitical environment (Boston Consulting Group, 2026). The recovery in 2025, described as “late booming”, was driven mainly by large transactions rather than a general increase in deal volume. This trend indicates that the recovery was concentrated in high-value transactions, a dynamic that continues to influence expectations for 2026.From a sector perspective, there are significant differences in growth prospects. The financial services and technology sectors appear particularly well positioned for increased activity, supported by solid fundamentals and a dynamic of transactions already evident in 2025.

In particular, the TMT (technology, media and telecommunications) sector continues to be one of the main drivers of global M&A, with the expansion of artificial intelligence fueling acquisitions in areas such as data centers, semiconductors, cybersecurity and cloud infrastructure. Both strategic and financial investors remain active, and structural transformation along the AI value chain is set to sustain dealmaking in 2026 as well (Boston Consulting Group, 2026).

Financial services are also heading towards a further phase of consolidation and strategic repositioning, particularly in the banking, insurance, payments and asset management sectors. The resumption of consolidation in traditional banking observed in 2025, especially in Europe, suggests that these trends will continue in 2026, in a context marked by regulatory pressures and digital transformation. The healthcare sector, and in particular the pharmaceutical sector, remains structurally active, with large operators constantly seeking targets to strengthen their pipelines and support long-term growth. Similarly, energy and utilities are expected to see intense activity, driven by the energy transition, electrification and growing demand linked to the development of data centres and artificial intelligence (Boston Consulting Group, 2026).

After outlining the global picture, we can now turn our attention to the Italian context in order to understand its evolution and main dynamics. Italian firms show a growing tendency to use various forms of collaboration and aggregation among enterprises. From the early 2000s to today, almost 40,000 extraordinary finance operations have been recorded in Italy in which at least one of the parties involved in the agreement, buyer or seller, is a company headquartered in the Italian territory. Among these operations, mergers and acquisitions represent a significant share, accounting for 41% of the total, corresponding to more than 16,000 transactions in absolute terms (Giannini, 2022). In 2020, the impact of the pandemic crisis on the number of completed transactions is evident through a contraction in the number of such operations. Previously, a slowdown in extraordinary finance operations had been recorded during the years of 2008–2009 with the global financial crisis and in the period between 2011–2012. From 2014 onward, a recovery in operations can instead be observed. In absolute terms, in the period prior to the 2009 crisis, an average of 1,755 extraordinary finance operations per year were recorded in Italy. From 2010 onward, an average of 1,673 operations per year were recorded. The number of aggregation operations among firms does not show a significant increase during periods of crisis; on the contrary, it tends to rise in the years following a crisis. This can be explained by the fact that companies, during periods of crisis, focus more on internal entrepreneurial restructuring than on external operations. A second explanation is that the value of equity stakes (equity value) is lower and, in order not to sell at too low a price, ownership generally tends to postpone these operations, which may represent a response to periods of external shocks such as the global financial crisis or the pandemic crisis (Giannini,2022).

Analysing the trend in this type of transaction in Italy over the last two years, 2024 closed with a solid trend in investment activity in Italy, with a total of 1,365 transactions, up 13% from the 1,210 recorded in 2023. The aggregate volume of transactions reached approximately €63.9 billion, an increase of 9% compared to the previous year. The Industrials & Chemicals (26%) and Retail & Consumer (14%) sectors remain among those with the highest concentration of transactions, together with Technology (13%) and Energy & Utilities (10%). In 2024, Italian companies announced 280 M&A transactions on foreign targets, up from 261 in the previous period, with an investment of approximately €14.3 billion, broadly in line with the historical average of previous years. (EY, 2025). The year 2025 instead represents a year of strong recovery in merger and acquisition operations both globally and in Italy. In 2025, the overall value of M&A transactions in Italy increased by 47% compared to the previous year, exceeding the historical average and recording growth well above the global level. The most significant Italian transactions were concentrated in the financial and consumer goods sectors, which were the main protagonists of the major deals in the 2024–2025 two-year period. Overall, Italy confirms itself as a dynamic and competitive market, with prospects for further consolidation by the end of the year, thanks to improved market sentiment and a more stable macroeconomic context (Boston Consulting Group, 2025).

2.3 The Role of Sustainability in Mergers and Acquisitions

Nowadays, sustainability must be considered as an integral element of merger and acquisition (M&A) operations. At both local and European levels, the introduction of the CSDDD (Corporate Sustainability Due Diligence Directive) requires companies with more than 1,000 employees to monitor their entire supply chain with respect to ESG issues. As a result, sustainability has become a key factor for funds and firms involved in M&A transactions, increasingly guiding investment decisions. In this context, companies that prioritise sustainability across their operations and supply chains are expected to become the most attractive acquisition targets in the evolving landscape of responsible transactions (Mancini, 2024).

Sustainability and mergers and acquisitions can no longer be treated as separate domains but must be considered as interconnected dimensions of corporate strategy. In the current phase of economic transformation, sustainability is increasingly viewed as a prerequisite for the success of M&A transactions (Kayser & Zülch, 2024).

Research on mergers and acquisitions has expanded significantly in recent decades, highlighting the need to analyse the evolution of the academic literature in this field. In particular, understanding how sustainability has progressively become part of this debate is essential. To this end, González-Torres et al. (2021) conducted a bibliometric analysis and a systematic review of the literature based on articles indexed in the Web of Science database. The study explores the development of research linking M&A processes to sustainability issues, showing that, alongside the increase in the number of transactions and the growing complexity of these operations, sustainability has gained increasing attention from both scholars and practitioners. At the same time, sustainability is recognised as a broad and multidimensional concept, characterised by different interpretations and strongly dependent on the specific context in which it is applied. In line with this perspective, the review was conducted using the keywords “merger and acquisition”, “M&A” or “merger” in combination with “sustainability” or “sustainable development”, covering publications from 1900 to November 2019 (González-Torres et al., 2021).

Figure 13 presents the main results.

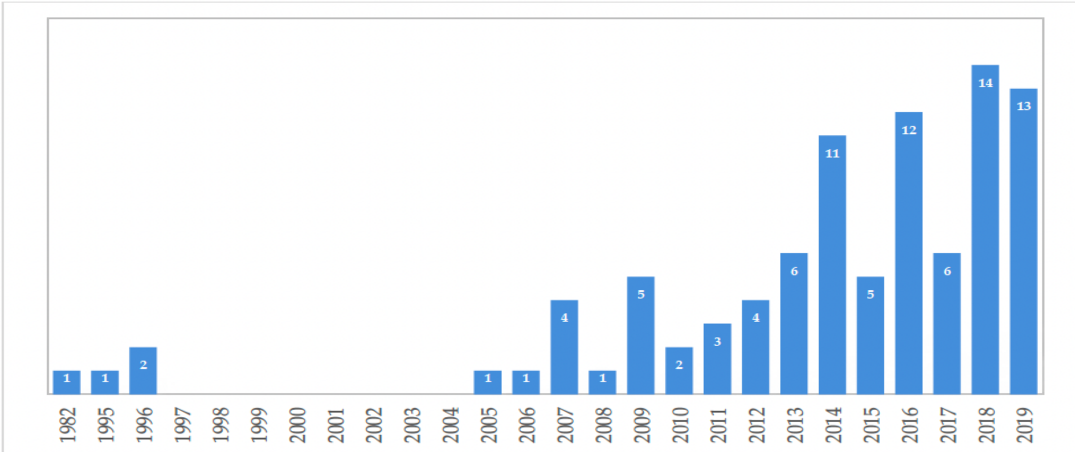


figure 13: Annual Number of Publications on M&A and Sustainability (1982–2019). González-Torres et al. (2021).

A total of 92 relevant articles were identified. The first contribution dates back to 1982, while a significant increase in the number of publications has been observed since 2006 onwards. In particular, the years 2014, 2016, 2018 and 2019 saw the highest number of studies dedicated to the intersection between M&A and sustainability, as illustrated in the figure trend.

These findings suggest that the integration between mergers and acquisitions and sustainability is relatively recent but rapidly expanding. This trend highlights the growing need to analyse these two dimensions jointly, as sustainability is becoming an increasingly relevant factor in both academic research and business practice (González-Torres et al., 2021). To synthesise the main empirical insights emerging from this stream of literature, the key contributions identified by González-Torres et al. (2021) are summarised in Table 1.

Author(s)	**M&A Context**	**Sustainability Dimension**	**Key Findings**
Dollery & Kortt	Municipal mergers	Financial & environmental sustainability	M&A can affect long-term financial sustainability depending on governance and scale
Mendez-Naya	Mixed oligopolies	Social sustainability	Outcomes depend on information asymmetry and market structure
Clapp	Agrifood sector	Environmental sustainability	M&A increase concentration with implications for sustainability systems
Young (2006)	Environmental governance	Ecological sustainability	M&A can help coordinate environmental issues but may concentrate power
Moatti et al.	Global retail M&A	Competitive sustainability	Performance depends on efficiency vs strategic positioning

Author(s)	M&A Context	Sustainability Dimension	Key Findings
Wei et al.	Industrial restructuring	Economic sustainability	M&A support regional development and structural change
Vasconcelos	Theoretical M&A models	Market sustainability	M&A influence competition and efficiency

Table 1: Empirical Evidence on the Relationship Between Sustainability and M&A
Author's elaboration based on González-Torres et al. (2021).

As shown in Table 1, the relationship between sustainability and mergers and acquisitions (M&A) is multifaceted and not straightforward. On the one hand, several studies highlight that M&A transactions can serve as a strategic tool for improving efficiency, supporting economic development and strengthening long-term competitiveness. In particular, acquisitions can facilitate structural transformation, knowledge transfer and improved business performance. On the other hand, the literature also highlights the potential risks associated with M&A processes. These include increased market concentration, governance imbalances and negative environmental or social externalities, which can undermine sustainability objectives. The empirical evidence suggests that sustainability does not uniformly improve the outcomes of M&A transactions. On the contrary, it introduces a series of trade-offs that depend on the specific context, sector characteristics and the strategic orientation of firms. Therefore, the integration of sustainability into M&A processes should be interpreted as a complex and context-dependent phenomenon, rather than as a linear driver of positive performance (González-Torres et al., 2021).

While the bibliometric evidence confirms the growing academic interest in the intersection between M&A and sustainability, it is necessary to examine in greater depth how sustainability effectively influences the different stages of the acquisition process. Today, companies are required to develop internal capabilities to adapt and align their business activities with the principles of sustainable development. Alternatively, they may pursue sustainable solutions externally through mergers and acquisitions. The growing importance of such operations is reflected in the significant increase in so-called "green M&A" transactions in recent years (Kayser & Zülch, 2024). This trend is driven by several factors. On the one hand, firms face the need to transition toward more environmentally friendly business models and must therefore identify new approaches to redesign their value chains. On the other hand, the shift in investor preferences and the increasing attention of stakeholders toward sustainability have further accelerated this development. The rapid expansion of both the socially responsible investment (SRI) market and private equity firms in recent decades clearly illustrates this dynamic (Kayser & Zülch, 2024).

In this regard Kayser and Zülch (2024) propose a structured framework that analyses the role of sustainability throughout the main phases of a M&A transaction, from target selection to post-acquisition integration, considering both the perspective of the acquirer and that of the target. More specifically, the M&A process can be divided into two main phases: the pre-deal phase and the post-deal phase**.** Within these phases, several key decision areas can be identified. The pre-deal phase includes target selection, the determination of the bid premium, the choice of payment method and the short-term performance at the time of the announcement of the transaction. The post-deal phase, on the other hand, concerns long-term financial performance and sustainability performance following the acquisition.
Across these areas, the role of sustainability and its impact on the acquisition process are analysed (Kayser & Zülch, 2024).

First, sustainability can influence the target selection process.
From the buyer's perspective, a high level of commitment to sustainability may reduce the propensity to engage in M&A transactions. This is because investments in sustainability and acquisitions can generate conflicts between different stakeholders, leading more sustainability-oriented firms to limit their acquisition activity, especially when resources are constrained. However, in some cases, companies may also use M&A transactions as a tool to manage or reduce specific sustainability risks, for example through international acquisitions aimed at diversifying or mitigating emissions-related risks.
From the target's perspective, sustainability represents a significant factor in the likelihood of being acquired. Evidence shows that firms with higher sustainability performance are more likely to become targets of M&A transactions, as these characteristics are associated with lower risks and greater potential economic benefits. Furthermore, the quality of sustainability disclosure can increase a company's attractiveness by reducing information asymmetries and facilitating investor interest (Kayser & Zülch, 2024).
Second, sustainability can also influence the determination of the bid premium.
From the buyer's perspective, the literature shows conflicting results. Some studies highlight that companies with high sustainability performance tend to pay lower premiums, as greater attention to stakeholders and stronger governance reduce opportunistic behavior by management and agency costs. Other studies, however, find a positive association, suggesting that more sustainability-oriented firms are willing to pay higher premiums to acquire targets consistent with their strategic or reputational objectives.

From the target’s perspective, strong sustainability performance can act as a signal of quality, reducing information asymmetry and perceived risk for buyers, thus increasing the likelihood of receiving a higher premium. Furthermore, the importance of sustainability in determining the premium tends to be more relevant in cross-border transactions and in sectors characterized by a higher presence of intangible assets, where firm quality is more difficult to assess (Kayser & Zülch, 2024).

Third, sustainability can influence the choice of payment method in M&A transactions, affecting whether the transaction is financed through cash or equity.

From the buyer’s perspective, several studies show that companies with high sustainability performance tend to prefer cash payments, as this method reduces transaction risks and agency costs. However, other evidence shows that sustainable companies may also resort to equity payments, especially when the objective is to manage risks related to the target or in contexts characterized by greater information uncertainty.

From the target’s perspective, higher sustainability performance is generally associated with a greater likehood of cash payments, as sustainability reduces information asymmetry and strengthens the acquirer's confidence in the value and future performance of the acquired company. Furthermore, in international transactions, cultural or institutional differences between the buyer and the target may influence the choice of payment method, increasing the preference for cash in the presence of greater uncertainty (Kayser & Zülch, 2024).

Sustainability also influences the short-term performance of M&A transactions. This is generally measured through stock market reactions at the time of the announcement of the transaction.

From the buyer’s perspective, some studies show that companies with high sustainability performance receive more positive market reactions, as sustainability can be interpreted by investors as a sign of good governance, reputation and strong stakeholder relations. However, other research shows more mixed or insignificant results, suggesting that investors may focus more on the immediate costs of the transaction or perceive investments in sustainability as potential forms of overinvestment, especially in contexts of economic uncertainty.

From the target’s perspective, higher sustainability performance tends to be associated with more positive market reactions, as investors expect the acquirer to benefit from the acquired company's expertise, reputation and sustainable practices.

Furthermore, differences in the level of sustainability between the buyer and the target or between the institutional contexts of the two countries can influence market reactions, particularly in cross-border transactions (Kayser & Zülch, 2024).

After examining the pre-deal phase, the analysis now focuses on the post-deal phase**,** which concerns the outcomes following the completion of the transaction.
Sustainability can influence the long-term financial performance of M&A transactions.
From the buyer's perspective, most studies highlight a positive relationship between the level of sustainability and post-acquisition performance. Companies with a strong stakeholder orientation tend to achieve better financial results in the years following the transaction. This effect can be explained by improved stakeholder relations, reduced risks and greater integration capacity between the companies involved.
From the target's perspective, sustainability can also affect post-deal results. Acquiring companies with higher sustainability performance can generate benefits through knowledge transfer, organisational learning and value creation. However, some studies show that excessive levels of investment in sustainability by the target may have negative effects on financial performance if associated with inefficiencies or governance issues (Kayser & Zülch, 2024).
Finally, sustainability can also influence the sustainability performance of the acquiring company.
From the buyer's perspective, the literature highlights that, in the medium to long term, acquisitions can contribute to improving the acquirer's ESG performance, especially when the transaction enables the acquisition of new skills, technologies and sustainable practices. This effect is particularly relevant in cross-border transactions, which facilitate learning and knowledge transfer related to sustainability.
From the target's perspective, higher sustainability performance can positively influence post-acquisition outcomes, as the practices of the acquired company may be transferred to the acquiring firm. This leads to an overall improvement in the acquirer's sustainability performance in the post-acquisition period (Kayser & Zülch, 2024). Overall, this analysis highlights that sustainability, and M&A transactions are deeply interconnected. Sustainability considerations influence the main decision areas throughout the acquisition process, from pre-deal strategic choices to post-deal outcomes. At the same time, M&A transactions represent a key strategic tool through which companies can acquire new capabilities, knowledge and technologies related to sustainability. As a result, the relationship between M&A and sustainability is not unidirectional but mutually reinforcing sustainability shapes how transactions are designed and evaluated, while acquisitions enable firms to strengthen their sustainability performance. This interaction ultimately contributes to both corporate development and long-term value creation (Kayser & Zülch, 2024).

2.4 Sustainability, Corporate Growth and M&A Strategies: What drives firm performance?

In the previous section, the relationship between sustainability and mergers and acquisitions has been analysed by examining how sustainability influences the different stages of the M&A process.

Assessing the performance of mergers and acquisitions is not easy, as several aspects must be evaluated simultaneously by observing changes in results, for example using accounting data from financial statements. This practice has both advantages and disadvantages. On the one hand, it relies on objective data: financial accounts are generally more reliable than market valuations, which reflect investor sentiment and perceptions. Moreover, accounting data are better suited to capturing long-term changes in performance. Comprehensive research must also consider performance in terms of productivity and profitability and should involve multiple variables, including, among others, sales or revenues, the net sales-to-assets ratio, net income, EBITDA, operating cash flow, return on investment (ROI), return on equity (ROE), and return on assets (Landoni,2024).

In this regard, Landoni (2024) conducted an exploratory study on 446 M&A transactions carried out by foreign companies on Italian Sustainable and Non-Sustainable Companies in the period 2005-2015 and on their performance in the period 2013-2022. The aim of this study is to assess generally if M&A operations affect positively or negatively the performance of companies. The article analyses a well-defined and specific subset of completed acquisitions, namely those that resulted in a change in corporate control. The transfer of ownership and control occurs when more than 50% of the shares are acquired. The acquisition direction of interest for this research is that of foreign acquisitions targeting Italian companies, whose ownership and control are transferred to foreign companies or groups. The information was collected from the Bureau van Dijk, Orbis and Zephyr databases. The research context includes the international crisis of 2007-2008, which caused a collapse in M&A transactions, leading to a one-third decrease in transaction value, which only returned to standard levels in 2015. In 2015, cross-border acquisitions accounted for 43% of global value and 80% in Europe (Landoni, 2024).

In this scenario, Italy was performing below its potential as one of the world's most industrialised countries. Foreign direct investment (FDI) in Italy did not reach 20% of GDP before 2015. Italy ranked fifth in Europe in terms of value, far behind France and the United Kingdom, which led the ranking, and also far behind Germany and slightly behind Spain. In

Italy, the number of mergers and acquisitions has increased in recent years and exceeded pre-economic crisis levels. However, the overall value of these transactions is now much lower than in the past. An important change concerns the growth in acquisitions of Italian companies by foreign companies, while acquisitions between Italian companies have decreased (Landoni,2024).
Since 2009, foreign acquisitions in Italy have been more numerous and also have a higher economic value than other transactions and there are many reasons for that explains this phenomenon.
These include renewed confidence in the country, the attractiveness of certain valuable assets and the ample availability of liquidity on the international market. Foreign acquisitions in Italy account for over half of the cases involving companies from EU Member States. The remaining half is divided almost equally between North America and all other countries. The United States is the leading country in terms of the number of transactions with Italy, followed by Germany, France, the United Kingdom, and China (Landoni, 2024). Analysing the 446 transactions between 2005 and 2015, the two years between the second half of 2013 and the first half of 2015 saw the highest number of acquisitions by foreign companies in Italy, with the United States accounting for the majority, followed by France, Germany, the United Kingdom and Switzerland. These five countries alone account for over 60% of acquisitions of control in Italy, with the United States accounting for 24%. Of the 446 Italian companies whose control was transferred abroad, 436 were acquired in a single transaction, without consolidating previous shareholdings. Data on the value of the acquisition transaction is available for 150 of the 446 companies that came under foreign control. Of the 150 transactions for which the transaction value is known, the average acquisition value was €300 million. The extreme values range from a minimum of €24 million to a maximum of €6.5 billion. The most attractive sectors were manufacturing (54%), services and trade. The aim of the study was to examine the impact of acquisitions. The research collected data on 267 companies still active in 2023 out of the 446 acquired between 2005 and 2015, representing 60% of the initial sample. The author's analysis is based on the value of production, on the net profit and on employment in the period 2013-2022, creating a pre- and post-acquisition comparison (Landoni, 2024).

Figure 14 shows the main results.

Year	Number	Value of Production	Net Income	Employment
2013	245	152,086.17	2599.84	279.04
2014	264	119,087.33	993.21	328.93
2015	267	114,763.48	3627.50	381.83
2016	265	109,451.63	5064.25	371.73
2017	262	140,590.16	6541.28	393.15
2018	263	121,073.73	3782.76	386.48
2019	263	143,615.71	3373.45	412.16
2020	265	111,324.37	−2289.66	421.22
2021	265	144,192.28	2240.76	440.49
2022	260	184,852.71	10,253.91	451

figure 14: Post-Acquisition performance in Italy, in thousands of Euros. Landoni (2024).

The three variables remained generally stable in the first few years following the acquisition and have shown an upward trend in recent years, particularly after the economic shock caused by the 2020 pandemic crisis. The value of production fluctuated slightly after 2015 and has been growing since 2020. Net profit initially grew, declined a few years before 2020, and then returned to growth, reaching its highest level. Employment, one of the variables considered most at risk after foreign mergers and acquisitions, shows a positive trend and steady growth over time(Landoni, 2024).
The results show that the growth in merger and acquisition activity cannot be interpreted as an "invasion" of the national production system, but rather as part of a broader process of industrial and financial reorganization at the international level, mainly involving companies from the United States and the major European economies. Empirical evidence suggests that foreign acquisitions do not focus on companies in crisis, but rather on structured companies, often small to medium-sized, capable of attracting international capital despite the relatively low average value of the transactions. Furthermore, the trend in the main economic and financial variables in the period following the acquisition does not show any systematic negative effects in terms of performance or employment, helping to dispel the idea that the transfer of control to foreign entities automatically leads to a loss of wealth or productive capacity for the host country. Another important factor is the limited impact of acquisitions within the same industrial sector. This suggests that M&A transactions are not primarily driven by sector consolidation, but rather by diversification strategies, access to technological expertise and strategic reorientation, elements that deserve specific attention in the analysis of post-acquisition dynamics (Landoni, 2024).

These findings suggest that mergers and acquisitions can generate a positive impact on firm performance. However, these results are mainly based on financial indicators and do not explicitly account for the role of sustainability. From a sustainability perspective, it is necessary to consider whether the alignment between the acquiring and target firms in ESG terms affects post-acquisition outcomes. In particular, differences in governance structures, organisational practices and stakeholder orientation may influence the success of the transaction.

In this regard a study conducted by Depperu et al.(2025) analyzed how mergers and acquisitions affect sustainability outcomes by examining the gap in the ESG structure between the acquiring company and the target company, focusing on the governance component mainly. In the context of M&As, governance is the dimension most directly involved in decision-making processes, integration mechanisms and fiduciary relationships with stakeholders, thus offering a more refined perspective for understanding how sustainability translates into post-deal value. To investigate this phenomenon, this study is based on a dataset of approximately 200 M&A transactions completed between 2015 and 2022 in various sectors and countries. The dependent variable of the study is represented by the post-acquisition ESG results of the acquiring company expressed on a scale of 100 based on environmental, social and governance components. The study includes several control variables, including company size, debt level, liquidity, profitability (ROE) and research and development (R&D) expenditure. Given the longitudinal structure of the dataset, the research hypotheses were tested using the "difference-in-differences" technique implemented through panel regressions. This method made it possible to isolate the effect of M&As from other dynamics of analysis. The study shows that a large gap in governance systems reduces the effectiveness of integration processes, generating internal tensions, organizational costs and difficulties in strategic coordination. Conversely, a substantial alignment of governance principles and practices promotes consistency in decision-making and the achievement of sustainable synergies. These results confirm that governance constitutes the institutional architecture of sustainability in M&As, as it defines the rules and processes through which companies integrate resources, knowledge and values (Depperu et al.,2025).

These findings suggest that mergers and acquisitions should not be analysed solely from a financial perspective, but also as organisational processes. Consequently, it becomes necessary to consider a broader set of factors—particularly those related to organisational structure and sustainability—which influence how such transactions are planned and implemented .

In this context, a relevant contribution is provided by Gazzola et al al .(2022) who investigates the correlation between the B Corp phenomenon in Italy and the M&A

transactions carried out by these companies. Although the strategic aspects of B Corp development are beginning to be studied, there is a gap in the analysis of those factors that certified B corp companies consider when planning similar operations**.** Conducting a literature review on extraordinary corporate transactions, particularly those M&As carried out by certified B Corps, it is evident that this area is underdeveloped. This is an important issue to focus on, as Italy is the second country internationally and the first in Europe to have been particularly active in the development of B Corporations (Gazzola et al.,2022). The analysis therefore focuses on B Corp-certified companies based exclusively in Italy. A sample of 117 Italian certified B Corps was contacted, consisting of firms that could potentially undertake extraordinary corporate transactions, such as mergers and acquisitions. Out of the total population of 117 firms, 46 companies responded, representing 40% of the population. Although this response rate may appear limited, the sample achieves a confidence level of 90% with a margin of error of 10%, which can be considered adequate indicators for a sufficiently robust analysis.

A survey comprising 25 questions, subdivided into four sections, was administered between June 2021 and October 2021. The questionnaire covered general company information, such as firm size and number of employees, as well as aspects related to B Corp practices (Gazzola et al., 2022). The first section of the questionnaire identified the composition of the sample. The most represented belong to the ATECO 4 and ATECO 9 macro codes, corresponding to the manufacturing and services sectors. Company size was analysed based on the number of employees. To facilitate responses, firm size was classified into three categories: small enterprises with 10 to 50 employees, medium-size enterprises with 50 to 250 employees and large enterprises with over 250 employees. In perfect coherence with the dimensional data of the Italian entrepreneurial system, albeit in a restricted analysis with respect to the entire size structure of Italy, the data reported a clear majority of small companies. In the second stage of analysis, medium and large companies were merged to create a single group, creating a final tally of 33 small and 13 medium-size companies where dynamics and prerogatives from being a B Corp were investigated (Gazzola et al.,2022).

The first area analysed concerns understanding whether being a B Corp has significantly improved the company's economic and financial results, measured on a Likert scale from 1 to 5. It is interesting to note that a significant portion of the sample assigned a low value (1 or 2) to this aspect. Furthermore, there is a clear difference between the values of companies based on their size. Medium-to-large companies placed greater importance on economic and financial results, highlighting a more significant improvement in performance compared to small companies (Gazzola et al.,2022).

These results are shown in figure 15.

Value	Total	Small size	Medium-large size
1	19	14	5
2	9	8	1
3	9	6	3
4	4	2	2
5	5	3	2
Average	2.28	2.15	2.62
Number	46	33	13

figure 15: Relevance of financial results in Italian B Corp. Gazzola et al. (2022)

Another aspect examined is the relationship between being a certified B Corp and the importance of expanding market share, to determine whether being a certified B Corp is considered important for increasing market share. B Corp certification in market share expansion was rated low by most of the sample. Company size, unlike for economic and financial aspects, does not seem to be a relevant factor in expanding a company's market share in relation to being a B Corp. The last section of the second part of the study highlights that a large share of the sample consists of already Benefit Companies. In fact, 83% of firms already hold the Benefit status, indicating formal recognition of sustainability commitments embedded in their corporate purpose. Moreover, most companies strongly recommend joining the B Corp movement: over 60% gave the highest score, while only 7% expressed low agreement. Overall, these findings confirm the positive value attributed to being part of the B Corp world (Gazzola et al.,2022).

The third section of the questionnaire is critical, as it represents the core of the analysis. In this section, 14 variables were identified, and respondents were asked to evaluate their importance related to carrying out M&A operations, using a Likert scale from 1 to 5.

These dimensions capture a broad range of strategic, organizational, and sustainability-related factors (Gazzola et al.,2022). The most important aspects, in line with the literature, are related to ethics, sustainability, transparency, diligence and managerial culture. Medium to long term strategic orientation is also perceived as relevant, whereas organizational integration and economic financial aspects receive comparatively lower evaluations. The results show a high degree of coherence between small and medium-large companies, even though larger firms report higher scores for 13 out of the 14 dimensions. (Gazzola et al.,2022). Figure 16 shows these results.

Variable	Overall	Small	Medium-large
Economic and financial aspects	3.85	3.79	4.00
Market expansion	4.17	4.09	4.38
Creation of a complete distribution network (vertical and or horizontal integration)	3.37	3.33	3.46
Involvement and relations with stakeholders	3.87	3.76	4.15
Corporate and managerial culture	4.24	4.18	4.38
Safety	3.89	3.73	4.31
Transparency and diligence	4.39	4.21	4.85
Ethics and sustainability (social, environmental and economic)	4.54	4.39	4.92
To have a competitive advantage	3.98	3.76	4.54
Gender relevance in entrepreneurship	3.59	3.67	3.38
Medium-long-term strategy	4.39	4.30	4.62
Process efficiency	4.04	4.03	4.08
Process effectiveness	4.13	4.09	4.23
Importance of the digitization	3.98	3.91	4.15

figure 16: Descriptive statistics: relevance of M&A aspects. Gazzola et al. (2022)

After analysing the sample from a descriptive perspective, the correlation between being a Certified B Corp and planning M&A operations was examined.Of the respondents, 46% reported having considered M&A plans, while 54% had not. Company size emerged as an influential factor: among 33 small firms, 21 had never planned such operations, whereas 9 out of 13 medium large companies had. A chi-squared test confirmed a statistically significant association between company size and M&A planning, showing that size plays a key role in the conception of extraordinary corporate operations (Gazzola et al.,2022). Focusing on Italy, where most B Corps are small firms operating in a highly competitive environment, the study highlights the complexity of extraordinary corporate operations such as mergers or spin-offs. These require significant time, strategic planning, and organizational effort. While standard motives such as market expansion, competitive advantage, and improved economic performance guide decisions, attention to corporate identity and cultural compatibility is equally important. The results indicate that ethics, sustainability, transparency, and long-term strategic vision are the core values guiding B Corps, strongly influencing their organizational culture and M&A behaviour. Overall, these results indicate that most variables identified in the literature are perceived similarly across all companies, with company size as the only consistent differentiator influencing the likelihood of engaging in M&A.These findings suggest that extraordinary corporate transactions among B Corps cannot be interpreted solely through traditional financial or strategic lenses (Gazzola et al.,2022).

2.4.1 Growth Outcomes: Do companies that embrace sustainability grow differently?

In the previous section mergers and acquisitions were analysed as a structured set of financial, organisational and strategic factors. While these operations represent an important growth strategy for sustainable businesses, they are not the only elements that influence firm performance. This chapter therefore aims to examine the impact of additional factors, such as sustainability certifications, on company performance, by comparing the performance of sustainable companies with that of traditional ones. An initial study conducted by Pealman et al. (2021) analyses whether B Corp certification affects the short-term growth rates of socially responsible companies, using panel data from European firms that obtained B Corp certification between 2012 and 2018. The study applies a difference-in-differences design with the aim of isolating the effects of certification by comparing certified firms with a control group. A list was compiled of European companies that obtained B Corp certification between 2012, the first year in which such certifications were granted in Europe, and 2018, the last year for which financial results were available in the Orbis database (Pealman et al., 2021). Companies certified in 2012 serve exclusively as the treatment group, while those certified in 2018 serve exclusively as the control group. A statistically significant positive impact was found one year after certification on the revenue growth rates of certified companies compared with the control group. However, no statistically significant effects were found on employee growth rates or total assets. These findings suggest that external certification can help firms become part of a visible and recognisable category while also facilitating the internal alignment of company values, organisational structures, resource allocation and employee efforts. In other words, external certification can help a hybrid company transform its social mission from a potential source of tension into a strategic advantage (Pealman et al., 2021). This demonstrates that B Corp certification can represent a tool for increasing competitiveness. However, this finding also raises a broader question: do companies that incorporate sustainability grow differently from their counterparts that do not?

In this regard, a relevant study conducted by Bringas-Fernández et al. (2024) examines the relationship between B Corp certification and financial performance using an international sample of 103 B Corp companies certified between 2013 and 2020. The authors collected financial data from the S&P Capital IQ database. In order to ensure a reliable comparison and avoid potential distortions, a control sample of non-B Corp companies was also constructed. For each B Corp company included in the sample, a control firm was selected with similar characteristics. Specifically, control companies were chosen based on comparable size, defined as having total assets between 95% and 105% of those of the B Corp firm, as well as belonging to the same sector and country, and observed in the same year in which the B Corp certification was obtained. The results of the study indicate a direct relationship between B Corp certification and financial performance, although this relationship emerges only in the ex post analysis, that is, in the period following certification. In contrast, the ex ante analysis does not provide evidence that firms with higher financial performance are more likely to apply for certification. This finding suggests that companies deciding to obtain B Corp certification are not primarily motivated by their financial conditions, but rather by other, more institutional or mission-driven reasons (Bringas-Fernández et al., 2024)

With regard to the impact of B Corp certification on financial results, the findings of Bringas-Fernández et al. (2024) partially contradict initial expectations. When compared with non-certified firms, the effect of certification on companies' economic profitability appears significantly negative in the short term. In particular, the negative impact is concentrated in the first full year following certification, with an estimated decrease in return on assets (ROA). These results suggest that B Corp certification may initially generate a negative short-term effect on financial performance (Bringas-Fernández et al., 2024). This outcome can be interpreted in light of the trade-off hypothesis, which suggests that when firms allocate additional resources and managerial effort to a specific objective, fewer resources remain available for other organisational goals. In the case of B Corp certification, compliance with certification standards requires substantial investments in terms of time, financial resources and organisational adjustments. Firms may need to revise their supply chains, update production processes or invest in employee training to ensure fair labour practices. These adjustments can generate additional costs and may temporarily divert managerial attention from activities directly aimed at increasing business growth, thereby affecting short-term profitability (Bringas-Fernández et al., 2024).
Moreover, although B Corp certification may provide a competitive advantage in attracting socially responsible consumers, the potential demand for sustainable products may also be limited. As a consequence, firms may devote greater attention to sustainability-oriented practices while temporarily sacrificing access to broader market segments that prioritise price over social impact. However, the decline in profitability observed after certification appears to be temporary. The negative impact on financial performance tends to disappear after the

second full year following certification, once the initial costs associated with the certification process are absorbed. At this stage, returns begin to increase and the short-term negative effect gradually fades. It can be concluded that B-Corp certification negatively affects in the short term financial performances when comparing certified companies with non-certified companies that do not incur the costs associated with this specific certification (Bringas-Fernández et al., 2024). In the longer term, companies that adopt sustainability-oriented values appear more likely to achieve positive and lasting financial outcomes. Although these improvements cannot be attributed entirely to certification alone, B Corp certification may act as a catalyst for organisational and structural changes that encourage the adoption of more effective strategies, ultimately leading to improved cash flows and financial returns over time. From a managerial perspective, these findings suggest that companies should avoid basing their decision to pursue B Corp certification solely on short-term financial considerations or on direct comparisons with non-certified firms. Instead, certification should be approached as part of a broader sustainability strategy that integrates social and environmental responsibility into the core business model and reflects a genuine commitment to sustainable development (Bringas-Fernández et al., 2024).

A further contribution to the comparison between sustainable and traditional companies is provided by Paeleman et al. (2023), who analyse how financial leverage affects corporate performance in certified B Corporations compared to traditional commercial companies. Building on traditional finance theories, the authors highlight how high levels of debt can have negative consequences for company growth and stakeholder relations. In particular, a high level of leverage increases the risk of financial difficulties or bankruptcy, with potential repercussions for both customers and employees. Customers, for example, may be less inclined to buy from heavily indebted companies for fear of losing support services, guarantees or continuity in the commercial relationship. At the same time, employees may perceive greater job instability and demand higher wages as compensation for the risk associated with the company's financial situation. For this reason, several studies have shown that in traditional companies, higher levels of debt are generally associated with lower sales growth and higher labour costs. However, the results of the study show that these dynamics manifest themselves differently in the case of B-Corp certified companies (Paeleman et al., 2023). Unlike traditional companies, B-Corps are hybrid organisations that pursue not only profit maximisation but also explicit social and environmental goals. This orientation also influences the behaviour of stakeholders, such as customers and employees, who tend to share the company's mission and develop stronger relationships based on trust, collaboration and long-term vision. As a result, the negative effects typically associated with increased debt are less pronounced in B Corps. The study highlights that the negative relationship between financial leverage and sales growth, commonly observed in traditional commercial companies, does not extend to certified companies. Similarly, increased debt does not necessarily lead to higher labour costs in B Corps, as employees and other stakeholders may be more willing to support the company in the long term due to shared values and social objectives (Paeleman et al., 2023). Overall, the results suggest that companies that adopt a sustainability-oriented model may experience different financial dynamics than traditional companies. In particular, the presence of a credible social mission and stronger stakeholder relationships can mitigate some of the negative effects normally associated with higher levels of debt. This reinforces the idea that companies that integrate sustainability into their business model can develop different growth paths and performance models than non-sustainable companies (Paeleman et al., 2023).

Another contribution to the empirical understanding of the economic performance of B Corp companies is provided by a study conducted by the Research Department of Intesa Sanpaolo. The research, carried out by economist Sara Giusti, compares approximately 200 B Corp firms with a large sample of traditional companies comparable in terms of size and macro-sector of activity (Giusti, 2024). The analysis highlights several distinctive characteristics of B Corp companies compared with traditional firms. Overall, B Corps appear to be more dynamic, offer higher wages and display stronger economic and financial performance, together with higher levels of productivity, profitability and capitalisation. In particular, the number of B Corp companies in Italy has increased significantly in recent years, rising from only 26 firms in 2016 to around 300 in 2024. Over the period 2019–2022, B Corp firms recorded a median revenue growth of 32.4%, compared with 19% for comparable traditional companies. These results suggest that B Corp firms tend to show stronger growth dynamics than similar firms that do not adopt the same sustainability-oriented model. The study also shows that B Corp companies tend to offer higher wages and display greater labour productivity. The median value added per employee amounts to approximately €69,000, compared with €61,000 for the comparison sample of traditional firms. In addition, B Corp companies exhibit stronger economic and financial indicators. In 2022, the median EBITDA margin reached approximately 10% for B Corp firms, compared with 8.5% for traditional companies, while the level of capitalisation, measured by the ratio of equity to total assets, reached 35.4% compared with 32.6% in the comparison sample (Giusti, 2024).

A final contribution that further links sustainability performance with corporate growth strategies is provided by Tampakoudis and Anagnostopoulou (2020), who analyse the relationship between environmental, social and governance (ESG) performance, mergers and acquisitions, and corporate market value. The authors examine a sample of 100 mergers and acquisitions between European firms during the period 2003–2017, using ESG scores obtained from the Thomson Reuters database for both acquiring and target companies. Within this framework, ESG performance is considered a proxy for corporate sustainability and is analysed as a potential driver of corporate value creation in the context of strategic investment decisions (Tampakoudis & Anagnostopoulou, 2020).

The study focuses on three main relationships. First, it investigates whether improvements in the ESG performance of the acquiring firm after the merger are associated with changes in its market value. Second, it examines whether acquiring companies that purchase targets with higher ESG performance experience greater improvements in their market valuation. Finally, the analysis explores whether the acquisition of sustainability-oriented firms can lead to improvements in the ESG performance of the acquiring companies in the post-merger period (Tampakoudis & Anagnostopoulou, 2020). The empirical results show that increases in the ESG performance of the acquiring firms after a merger are positively associated with increases in their market value. This finding suggests that sustainability practices can act as a value-enhancing factor in the context of corporate investment decisions. Moreover, the results indicate that companies acquiring targets with stronger ESG performance tend to improve their own ESG performance following the acquisition. This evidence supports the idea that mergers and acquisitions may represent a strategic mechanism through which firms can incorporate sustainability-related knowledge, practices and capabilities into their business models period (Tampakoudis & Anagnostopoulou, 2020). The study also provides partial evidence that acquiring companies purchasing targets with higher ESG performance may experience improvements in their post-merger market value. These findings highlight the role of sustainability as an important factor in corporate strategic decisions and suggest that ESG considerations can influence both firm performance and value creation in the context of mergers and acquisitions (Tampakoudis & Anagnostopoulou, 2020).

2.5 Conclusions

The analysis presented in this chapter highlights how the relationship between sustainability, business growth and mergers and acquisitions is becoming increasingly close and interdependent. Although M&A transactions have traditionally been one of the main strategic tools through which companies pursue expansion and the strengthening of their competitive position, in recent years sustainability considerations have progressively been influencing the ways in which companies design and implement such growth strategies. From a theoretical perspective, mergers and acquisitions have historically been interpreted through various conceptual frameworks, including efficiency theory, agency theory and the diversification hypothesis, which explain how firms use acquisitions to improve efficiency, access new resources or reduce risk. However, the growing prominence of ESG issues has introduced a new strategic dimension to investment decisions and post-acquisition integration processes. The literature reviewed in this chapter demonstrates that sustainability can influence various stages of M&A transactions, from the selection of the target to the post-acquisition outcomes. Companies with better sustainability performance are often more attractive as acquisition targets, as they reduce information asymmetries, strengthen stakeholder trust and can contribute to long-term value creation. At the same time, acquisitions can serve as an important mechanism through which companies incorporate new skills, technologies and organisational practices related to sustainability. When analysing the effects of sustainability on corporate growth outcomes in more detail, the empirical evidence presents a complex picture. Several studies on B Corp-certified companies highlight that the adoption of sustainability standards can, in the short term, entail additional organisational costs and investments that may temporarily reduce corporate profitability. However, these effects tend to diminish over time, as companies succeed in integrating sustainability principles into their business models and organisational structures. In the medium to long term, sustainability-focused companies often exhibit different growth patterns compared to traditional companies. Empirical evidence suggests higher levels of revenue growth, greater labour productivity, stronger relationships with stakeholders, and better indicators of profitability and capitalisation in the case of B Corps. Furthermore, a focus on sustainability can help strengthen corporate resilience, mitigating certain negative effects linked to financial factors such as high debt and fostering more stable relationships with employees, customers and other stakeholders.

Overall, the analysed results suggest that companies that integrate sustainability into their business model do not necessarily grow more rapidly in the short term. Instead, they tend to follow different growth trajectories. In particular, the empirical evidence shows that these firms may experience initial trade-offs, such as lower short-term profitability due to the costs associated with sustainability investments and certification processes. However, over time, they tend to achieve more stable and resilient performance. Their growth trajectories are therefore characterised by a greater focus on stakeholder relationships, a stronger integration of economic and social objectives, and a long-term strategic orientation. From this perspective, sustainability is not merely an ethical or reputational commitment, but can be seen as a strategic factor capable of profoundly influencing companies' growth models and value creation.

CHAPTER 3: Empirical Analysis: Chiesi Farmaceutici as a Case Study of Purpose-Driven M&A

3.1 Introduction

The previous chapters of this thesis have established the theoretical and empirical basis for understanding the interaction between sustainability, Benefit Corporation models and mergers and acquisitions as mutually reinforcing strategic dimensions.

Chapter One demonstrated that adopting the Benefit Corporation model and obtaining B Corp certification is associated with measurable differences in terms of growth, governance, and value creation compared to traditional companies.

In Chapter Two, we delved into the expanding incorporation of sustainability considerations into M&A transactions. We emphasised how sustainability impacts each phase of the process, from target selection and the establishment of the acquisition premium to post-acquisition integration and long-term financial performance.

This third chapter links these two strands of analysis through an in-depth, empirical case study of Chiesi Farmaceutici S.p.A., one of Italy's most significant certified B Corps and one of the most active pharmaceutical companies in terms of acquisitions within the Italian pharmaceutical industry. The Chiesi case is particularly suitable for three reasons. Firstly, it is an Italian family-run business that has undergone a significant transformation towards sustainability. Secondly, the company has carried out a series of M&A transactions over more than a decade, enabling a longitudinal comparison to be made between the period before and after certification. Thirdly, the company's communications and the strategic rationale stated for the transactions provide direct evidence of how the B Corp mission is intertwined with the acquisition strategy.

The chapter is structured along the three eras.

The first period includes the timeline before certification (2013–2018), when Chiesi made M&As for purposes of expanding its pipeline and range of therapies. The second period involves the transition phase (2018–2019), when Chiesi officially became a Benefit Corporation and obtained B Corp certification. The third period is the most analytical and focuses on the post-certification period (2019–2026), where the M&A strategy culminated in two significant acquisitions , of Amryt Pharma in 2023 and KalVista Pharmaceuticals in 2026.

This study uses data from PitchBook 2026, publicly available communications from the company, certification records from B Lab, and scholarly literature reviewed in previous chapters.

3.2 Company Overview and Strategic Profile

Founded in 1935 by Giacomo Chiesi through the acquisition of Laboratorio Farmaceutico Parmense, the Chiesi Group is an international, research-driven biopharmaceutical group that develops and markets innovative therapeutic solutions in the fields of respiratory health, rare diseases, and specialty care. With over 90 years of experience, Chiesi is headquartered in Parma and operates in 31 countries, employing over 7,500 people. The group has seven research and development centres in Parma, France, the United States, Canada, China, the United Kingdom and Sweden (Chiesi, n.d).

In 2015, the Chiesi Group launched its Corporate Social Responsibility (CSR) programme, marking a significant step towards integrating sustainability into its operations. This commitment resulted in the publication of its first CSR Report, providing a transparent account of its activities to various stakeholders. In 2018, sustainability became an integral part of Chiesi's identity with the launch of its first Strategic Sustainability Plan, the "WeAct Sustainability Manifesto", and the adoption of Benefit Corporation status in both Italy and the United States (Chiesi, n.d). In 2019, the Chiesi Group conducted an independent assessment to measure and optimise its environmental and social impact, and obtained its first B Corp certification in recognition of its efforts (Chiesi, n.d).

The Chiesi Group organises its activities around three strategic business units:

-AIR, which focuses on respiratory health solutions.

-RARE is dedicated to patients with rare and ultra-rare genetic diseases.

-The CARE segment covers specialist and self-care products for consumers.

The RARE segment has seen significant expansion in recent years, partly due to acquisitions, and represents a strategically important area within the company's portfolio (Chiesi, n.d).

By 2026, Chiesi had grown to employ around 7,900 people across its 30 sales offices worldwide. In terms of financial structure, Chiesi is a private company without institutional private equity funding, confirming its status as a family-run enterprise.

The only recorded external financing round on PitchBook is a €700 million syndicate term loan finalised on 12 April 2023, the same date as the acquisition of Amryt Pharma. This was organised by BNP Paribas, BPER Banca, Crédit Agricole and Deutsche Bank, with Facchini Rossi Michelutti acting as legal counsel (PitchBook, 2026).

This demonstrates that the group has been actively using debt capital markets to fund inorganic growth, striking a balance between financial discipline and strategic ambition.

3.3 Pre-Certification M&A Activity and Growth Indicators (2013–2018)

Even before obtaining official certification as a Benefit Corporation, Chiesi was already fully committed to implementing an active mergers and acquisitions strategy aimed at expanding its presence in the market for rare and specialist diseases. According to information provided by PitchBook regarding Chiesi's transactions, it is clear that the company has actively used mergers and acquisitions to expand its range of treatments and its geographical presence; however, it has not undertaken the kind of horizontal integration typically seen among large pharmaceutical companies.

The first significant acquisition took place when Chiesi acquired the Danish biopharmaceutical company Zymenex for an undisclosed sum in August 2013. A spin-off from the Danish company HemeBiotech ,founded in 1998, Zymenex had previously been backed by Omega Funds and Sunstone Life Science Ventures and was engaged in developing enzyme replacement therapy treatments for rare diseases such as metachromatic leukodystrophy and alpha-mannosidosis. With this acquisition, Chiesi entered the rare disease sector and laid the foundations for future operations under the Global Rare Diseases business unit (PitchBook, 2026).

In 2016, after three years, Chiesi completed its most significant transaction of the pre-certification period: the acquisition of a portfolio of non-strategic assets in the cardiovascular sector from the US pharmaceutical company The Medicines Company. The transaction, worth $792 million plus up to $480 million in contingent payments, had a total value of over €1.1 billion. The list of products included three medicines already on the market: Cleviprex (clevidipine), a calcium channel blocker for the rapid control of blood pressure; Kengreal (cangrelor), an antiplatelet agent used during coronary procedures; and Argatroban for injection, a thrombin inhibitor. Goldman Sachs acted as advisor to The Medicines Company during the process, whilst Chiesi was advised by Jones Day. Classified as an asset purchase rather than a company acquisition, the deal reflects Chiesi's strategy of focusing solely on specific products and avoiding full company acquisitions outside its core expertise in specialist healthcare. The group was keen to expand its product range in the hospital sector, in line with its expertise (PitchBook, 2026).

Furthermore, in 2016, the company undertook its third merger and acquisition, when Chiesi acquired Atopix Technologies Ltd, a British biotechnology firm that develops drugs for the treatment of respiratory and allergic conditions, as well as early-stage AIR products, thereby adding new products to its pipeline (PitchBook, 2026). In 2018, Chiesi successfully entered

the CARE segment with the acquisition of NHCO Nutrition, a French company specialising in the production of personalised nutraceuticals and dietary supplements. Therefore, even during the pre-certification phase, the company demonstrated the distinctive characteristics of its approach to mergers and acquisitions, which were subsequently reinforced by its B Corp status. In particular, Chiesi has focused on therapeutic segments with high unmet medical needs and has conducted M&A transactions driven by scientific and clinical benefits rather than synergies. These patterns reflect the existing literature on the drivers of acquisition practices, particularly in terms of the acquisition of human capital and technology (Irwin et al., 2025). Furthermore, they confirm the efficiency theory, which defines M&A transactions as a mechanism for resource complementarity aimed at improving performance.
A summary of the main M&A transactions carried out by Chiesi during the pre-certification period is presented in Table 2.

Year	Target	Deal Size	Strategic Rationale
2013	Zymenex A/S (Denmark)	Undisclosed	Entry into rare diseases; enzyme replacement therapy for genetic disorders
2016	The Medicines Co. – Non-Core CV Assets (USA)	€704M + €427M contingent	Acquisition of Cleviprex, Kengreal and Argatroban; expansion in specialty cardiovascular
2016	Atopix Technologies Ltd (UK)	Undisclosed	Biotechnology; development-stage asset in respiratory/allergy research
2018	NHCO Nutrition (France)	Undisclosed	Expansion into nutraceuticals and specialty care (CARE segment)

Table 2 : Main M&A Transactions of Chiesi Farmaceutici (Pre-certification period)
Author's elaboration based on PitchBook (2026).

From the growth perspective, revenue for Chiesi rose continuously within this period as a result of the gradual integration of the acquired resources in the business environment. Among other things, products like Kengreal and Cleviprex aided in the improvement of the company’s hospitals and specializations divisions, and the purchase of Zymenex helped build up competencies in the field of rare diseases, which would later become an important division.

3.4 Transition Towards Sustainability: The Path to B Corp Certification

The year 2018 marked a key milestone in the development of Chiesi's corporate identity. Unlike other organisations that view sustainability merely as a complement to their corporate social responsibility initiatives, Chiesi has decided to commit to meeting the highest possible standards in terms of sustainability regulations and certifications.

In 2018, Chiesi Farmaceutici S.p.A. and its US subsidiary adopted Benefit Corporation status under Italian Law No. 208/2015, making them one of the first global biopharmaceutical companies to do so in two jurisdictions.

This legal transition required a formal amendment to the company's articles of association to include specific public interest objectives alongside the generation of profits. Under Italian law, Benefit Corporations are legally required to report annually on the achievement of these objectives through a formally structured impact report. In line with this requirement, Chiesi has defined four specific public interest objectives in its 2026 Impact Report, which guide its activities. These include: the continuous innovation of business processes and practices aimed at reducing negative impacts and enhancing positive effects on people, the environment and the wider ecosystem; contributing to the development of the local communities in which the company operates; promoting the health, well-being and quality of life of patients and people and adopting a responsible and sustainable approach to business activities through active collaboration with stakeholders (Chiesi Farmaceutici, 2026).

In May 2019, Chiesi was awarded B Corporation certification by B Lab, the global non-profit organisation that assesses companies using the B Impact Assessment (BIA) framework.

At the time of its initial certification, the company achieved a BIA score of 87.5, exceeding both the minimum certification threshold of 80 points and the median score of 50.9 recorded by standard companies that completed the same assessment. Chiesi subsequently improved its sustainability performance through the recertification process, achieving a score of 103.7 in 2022 and 117.5 in its most recent certified assessment, demonstrating a progressive strengthening of its governance, environmental and social practices (B Lab, 2026).

The breakdown of this overall score across the main areas of the B Impact Assessment is presented in Table 3.

B Impact Assessment Area	Chiesi Score	Points
Overall Score	117.5 / 200	50.9 / 200 (industry median)
Governance	High (mission-lock, stakeholder governance)	19.2
Workers	Fair work, diversity programmes	29.5
Community	Patient access, rare disease focus	20.2
Environment	Net-zero target 2035, LEED facilities	21.6
Customers / Patients	Access programmes, ethical pricing	26.8

Table 3: *Chiesi Farmaceutici , B Corp Certification Profile*

Author's elaboration based on B Lab Global.

The transition also had significant implications for governance. The B Corp certification process required Chiesi to undergo a rigorous on-site audit by B Lab, to incorporate stakeholder governance principles into its legal framework, and to sign the B Corp Interdependence Pledge.

This process transformed sustainability from a management aspiration into a legally binding organisational commitment – precisely the kind of 'mission lock' described in the first chapter as a distinctive feature of the Benefit Corporation model. The group subsequently extended its Benefit Corporation status to its French subsidiary in 2021 and, in the following years, to its operations in Colombia. The "We Act Actively Care for Tomorrow" programme, launched in 2020, represents an internal sustainability initiative at group level involving all employees, demonstrating that the B Corp transformation was not limited to legal documents and annual reports, but was designed to permeate the operational culture.

Table 4 provides an overview of the company's main sustainability-related activities, highlighting the gradual integration of sustainability elements into the logic underlying these operations and into the company's strategic positioning.

Year	Milestone
2016	Chiesi begins internal sustainability evaluation across all subsidiaries; first group-wide impact mapping
2018	Adopts Società Benefit status under Italian Law 208/2015 (and simultaneously in the United States); social and environmental purpose embedded in corporate charter
2019	Achieves Certified B Corporation status (B Lab), with an overall BIA score of 117.5 – well above the 80-point threshold and the median of 50.9 for ordinary businesses
2020	Chiesi France adopts Benefit Corporation status; group-wide launch of 'We Act – Actively Care for Tomorrow' sustainability mobilisation programme
2022	Recertification as B Corp confirmed; groundbreaking of new Biotech Center of Excellence in Parma (€85M investment, LEED-compliant, operational 2024)
2023	Amryt acquisition explicitly framed in B Corp language: 'sustainable, patient-centred model' cited in deal rationale by Group Head of Rare Diseases
2024/25	Colombia subsidiary adopts Benefit Corporation status; KalVista acquisition rationale references 'mission and strategic objectives' alignment
2035 Target	Net-zero greenhouse gas emissions across all operations

Table 4 : Chiesi Farmaceutici Sustainability Transition Timeline.

Author’s personal elaboration.

The elements presented in Table 4 suggest that, whilst the volume and strategic focus of mergers and acquisitions have remained largely unchanged, the way in which these transactions have been framed and justified has evolved over time. This shift does not indicate a structural break in the company’s acquisition strategy, but rather a gradual alignment between existing growth objectives and a more formalised sustainability framework. Central to this argument is the fact that the transition to Benefit Corporation and B Corp certification did not disrupt or redirect the group’s M&A strategy. On the contrary, it appears to have reinforced and contextualised it, providing a clearer framework through which subsequent acquisition decisions were both planned and communicated.

The following section builds on this data by providing a more detailed analysis of Chiesi’s post-certification M&A strategy, with a particular focus on the role of sustainability as a guiding strategic dimension.

3.5 Post-Certification M&A Strategy: Sustainability as a Strategic Compass (2019–2026)

Since Chiesi obtained B Corp certification in 2019, the pace and strategic importance of its acquisitions have accelerated, aligning even more closely with the company's mission. Specifically, the group completed six mergers and acquisitions between 2019 and 2026, two of which deserve particular attention as they represent the largest transactions in the group's history. The first is the acquisition of Amryt Pharma, valued at €1.37 billion in 2023, and the second is the acquisition of KalVista Pharmaceuticals, valued at approximately €1.63 billion in 2026. It is interesting to note that both these transactions have been described using terms consistent with Chiesi's B Corp mission, providing an insight into how a Benefit Corporation presents its approach to strategic growth for social good in its communications regarding such transactions. However, it would be remiss not to examine the interim acquisitions that took place during the same period, including the agreement between Chiesi and Apotex in 2020, under which the former acquired Ferriprox. This treatment is used in patients with rare diseases, such as beta-thalassaemia, which affects patients in Southern and Eastern Europe, the Middle East and Asia, as well as in other parts of the world. The acquisition of Emerge Health in Australia in 2020 has strengthened the distribution capacity for products targeting rare diseases in an area where patient populations are widely dispersed and underserved (Chiesi, 2020).

The 2022 acquisition of a portfolio of monoclonal antibody rights from Allinaire Therapeutics further enriched Chiesi's biologics pipeline. The 2023 acquisition of the idebenone business from Santhera Pharmaceuticals provided a treatment for rare neuromuscular disease. Although each of these acquisitions was modest in terms of declared value, taken together they have helped to strengthen the RARE segment and the company's strategic vision of expanding access to care for patients suffering from diseases for which no treatments or therapies exist (Pitchbook, 2026).

Table 5 below shows Chiesi's main activities following its B Corp certification.

Year	Target	Deal Size	Strategic Rationale
2020	Apotex – Ferriprox (Canada)	Undisclosed	Iron chelation therapy for rare blood disorders; reinforcing RARE pipeline
2020	Emerge Health (Australia)	Undisclosed	Distribution platform for rare disease products in Southern Hemisphere
2022	Allinaire Therapeutic – MAb Portfolio (USA)	Undisclosed	Monoclonal antibody portfolio; strengthening biologics capabilities
2023	Amryt Pharma plc (UK/Ireland)	€1.37B	Commercial-stage rare disease company; lipodystrophy, HoFH, acromegaly, rare skin disorders
2023	Santhera Pharmaceuticals – Idebenone Business (Switzerland)	Undisclosed	Neuromuscular rare disease; Duchenne Muscular Dystrophy treatment
2025	Nerviano Manufacturing Plant (Italy)	Corporate Asset	Strategic domestic biotech manufacturing capacity expansion
2026*	KalVista Pharmaceuticals (USA/UK)	€1.63B (~$1.9B)	FDA-approved EKTERLY (sebetralstat) for hereditary angioedema; strengthens oral rare disease portfolio

Table 5: Main M&A Transactions of Chiesi Farmaceutici (Post-certification period) Author's elaboration based on PitchBook (2026).

The data presented in Table 5 confirm that Chiesi's post-certification acquisition strategy was characterised not only by an increase in scale, but also by a clearer alignment with its stated mission and its sustainability framework. While the underlying strategic focus on rare and

specialist diseases remains consistent with the pre-certification period, the explicitly patient-centred and accessibility-oriented approach has become more evident in both the selection of transactions and in communications.
In particular, the concentration of acquisitions in the rare diseases segment, together with the expansion of distribution capabilities and expertise in the biologics sector, reflects a coherent strategic path aimed at addressing areas with significant unmet medical need. This suggests that sustainability, rather than acting as a constraint on growth, has functioned as a complementary dimension that has guided the company's external expansion.

The next two paragraphs will focus on the two most significant mergers and acquisitions carried out by Chiesi: Amyrit and KalVista.

3.5.1 The Amryt Pharma Acquisition (2023)

The acquisition of Amryt Pharma plc represents the most significant transaction from an analytical perspective for the purposes of this thesis, as it was the first large-scale merger and acquisition carried out by Chiesi following its B Corp certification and the one most explicitly linked to the group's social mission in its public communications (Chiesi Rare Diseases, 2023**).**

Amryt Pharma (previously listed on the London Stock Exchange and on the NASDAQ OTC market under the symbol AMYT) was a commercial-stage biopharmaceutical company based in London, specialising in the acquisition, development and commercialisation of treatments for rare and orphan diseases. Founded in 2015 as a spin-off from the University of California, San Diego, Amryt had grown through a series of acquisitions, including Aegerion Pharmaceuticals (2019, €138 million), Birken (2016) and Amryt Endo (2021, €229 million), to build a portfolio of approved therapies for lipodystrophy, homozygous familial hypercholesterolaemia and rare skin conditions including epidermolysis bullosa. At the time of its acquisition by Chiesi, Amryt had 289 employees and had raised approximately €247 million in external capital over the course of its history. The transaction was announced on 8 January 2023 and completed on 12 April 2023, the same day that Chiesi drew down the €700 million syndicated term loan arranged to finance the transaction (PitchBook, 2026).

Chiesi paid $1.48 billion (approximately €1.37 billion) in cash to acquire 100% of Amryt's outstanding shares, implying a post-transaction enterprise value of approximately €1.37 billion. Centerview Partners acted as financial advisor to Chiesi, while BNP Paribas and Crédit Agricole served as Global Coordinators and ESG Structuring Banks. They were joined by BPER Banca and Deutsche Bank, which participated as Mandated Lead Arrangers, with Crédit Agricole also acting as facility agent **(**la Repubblica, 2023**).**

Table 6 presents the main characteristics of the transaction.

Parameter	Details
Deal Type	Merger/Acquisition (100% acquisition)
Announced	8 January 2023
Closed	12 April 2023
Deal Value	€1.37B (approximately $1.48B)
Form of Payment	Cash
Financing	€700M syndicated term loan (BNP Paribas, BPER, Crédit Agricole, Deutsche Bank) + internal cash
Target Description	Commercial-stage biopharmaceutical company – lipodystrophy, homozygous familial hypercholesterolaemia, acromegaly, rare skin disorders
Target's Prior Fundraising	€247M total raised (PIPE rounds, debt refinancing, 2PO)
Lead Partner (Chiesi)	Marco Vecchia – General Counsel & Head of Legal and Corporate Affairs
Legal Advisors (Chiesi)	Dechert LLP (David Rosenthal)
Legal Advisors (Amryt)	Cooley (Mor Agam), Gibson Dunn & Crutcher (Boris Dolgonos)
Financial Advisors (Chiesi)	Centerview Partners
Financial Advisors (Amryt)	Moelis & Company, BNP Paribas, Deutsche Bank, LifeSci Advisors
Strategic Rationale	Expand RARE segment; acquire commercial revenues; access rare disease patient communities globally

Table 6: Amryt Pharma Acquisition – Transaction Details

Author's elaboration based on Pitchbook (2026)

From an M&A theory perspective, the acquisition of Amryt reflects multiple motivations. First, there is a clear technological motivation: Chiesi acquired an already established commercial infrastructure, a portfolio of approved products, and specialised capabilities in the rare disease sector, which would have been more costly and time-consuming to develop internally. There is also a human capital motivation, as Amryt's team brought significant expertise in orphan drug commercialisation and in managing rare disease patient communities, particularly in the United States and Europe. Finally, a risk-reduction element can be observed: by acquiring a company with revenue-generating products, Chiesi reduced its reliance on internal pipeline development and the uncertainty associated with late-stage clinical assets.

As highlighted in the company's official communication, the strategic rationale of the transaction was explicitly framed in terms consistent with Chiesi's mission. Giacomo Chiesi, Head of Global Rare Diseases, stated: *"We are excited to add the Amryt family to our company in this acquisition that demonstrates our commitment to rare diseases and aligns with our growth strategy through partnerships beyond internal research and development. Amryt has unique and clinically differentiated products and additional promising drugs in its pipeline, and, as a benefit corporation certified B Corp, Chiesi has a patient-centric and sustainable model in place to make these treatments available to even more patients who need them"* (Chiesi Rare Diseases, 2023).

This statement reinforces the interpretation that the acquisition did not contradict the company's stated purpose, but rather strengthened and operationalised it

3.5.2 The KalVista Pharmaceuticals Acquisition (2026)

On April 29, 2026, Chiesi announces a definitive agreement to acquire KalVista Pharmaceuticals, Inc. (NASDAQ: KALV) for approximately $1.9 billion, or $27.00 per share in cash: this represents the largest acquisition in the group's history and the second major transaction confirmed and executed under its B Corp status. KalVista is a biopharmaceutical company headquartered in the United States and the United Kingdom with offices in Framingham, Massachusetts, and Porton Down, United Kingdom. It specializes in the development of oral protease inhibitor therapies for rare diseases. Its core scientific platform leverages knowledge of the kallikrein-kinin system (KKS) to develop small-molecule drugs for conditions caused by plasma kallikrein and factor XIIa. The company's lead product, EKTERLY (sebetralstat), has received FDA approval as a new on-demand oral treatment for acute attacks of hereditary angioedema (HAE), developed by Kalvista and addressing a significant unmet medical need for patients requiring effective and accessible therapies (Il Sole 24 Ore, 2026).

At the time of the announcement, KalVista had a market capitalization of €1.21 billion, up 133% year-over-year, driven primarily by the FDA's approval of EKTERLY, and an enterprise value of €1.09 billion. The company had 270 employees and had raised €340 million in external capital across 14 funding rounds, including an €86 million PIPE in July 2025 from undisclosed investors. Despite the product's approval, KalVista remained in a pre-commercial phase in terms of revenue, reporting revenue for the past twelve months of just €1.3 million as of July 2025, with a negative EBITDA of €179 million, reflecting the typical pre-commercial cost structure of a rare disease company that has just obtained regulatory approval for its lead product (PitchBook, 2026).

Table 7 presents the main characteristics of the transaction.

Parameter	Details
Deal Type	Merger/Acquisition (100% acquisition – tender offer)
Announced	29 April 2026
Expected Close	Q3 2026
Deal Value	€1.63B (approximately $1.9B) – $27.00 per share cash
Form of Payment	100% cash
Shares Acquired	50,339,823 (100% of outstanding shares)
Target Stock Exchange	NASDAQ (ticker: KALV)
Pre-deal Market Cap	€1.21B (+133% YoY at announcement)
Target's Revenue (TTM Jul-25)	€1.3M (pre-commercial stage for EKTERLY)
Target's EBITDA (TTM Jul-25)	-€179M (R&D-stage company)
FDA-Approved Product	EKTERLY (sebetralstat) – oral on-demand treatment for hereditary angioedema (HAE)
Lead Partner (Chiesi)	Jean-Marc Bellemin (interim CEO)
Financial Advisor (Chiesi)	Lazard
Legal Advisors (Chiesi)	Fenwick & West, Kirkland & Ellis, Ropes & Gray (Zachary Blume)
Financial Advisors (KalVista)	Centerview Partners, Jefferies Financial Group
Legal Advisors (KalVista)	Kirkland & Ellis (Graham Robinson)
Strategic Rationale	First oral on-demand HAE therapy; reinforces RARE rare disease portfolio; accelerates patient access; aligns with mission-driven growth strategy

Table 7: *KalVista Pharmaceuticals Acquisition – Transaction Details*

Author's elaboration based on Pitchbook (2026)

The KalVista deal is particularly significant for the purposes of this thesis because the official summary of the transaction published on PitchBook explicitly states that "the acquisition will accelerate Chiesi Farmaceutici's access to patient care and strengthen its medical and scientific commitment, in line with the Group's mission and strategic objectives" (PitchBook, 2026). This language, which references patient access and mission alignment as the primary drivers of the transaction , is characteristic of communications regarding B Corp acquisitions and represents a clear application of the purpose-driven M&A model described in Chapter Two. From a transaction structure perspective, the deal was financed entirely in cash, with Lazard acting as financial advisor to Chiesi and Centerview Partners and Jefferies Financial

Group advising KalVista. The legal advisory teams were particularly large. The deal represented a premium of approximately 38.9% over KalVista's share price prior to the announcement, in line with acquisition premiums typically seen in rare disease transactions, where the target company holds a unique, recently approved therapy with limited competitive alternatives. It is also worth noting that, prior to Chiesi's offer, KalVista was building its own capital structure for commercialization: it raised €99 million in an initial public offering in February 2024 and an additional €86 million in a PIPE in July 2025, suggesting that it was preparing for an independent commercial launch of EKTERLY.

The decision to accept Chiesi's offer, at a significant premium, reflects a strategic judgment by KalVista's board of directors and shareholders that partnering with a B Corp acquirer aligned with the company's mission and experienced in rare diseases, would provide greater patient access, commercial infrastructure, and long-term sustainability compared to continuing as an independent company.

3.6 Financial Performance and Growth Outcomes

This section of the thesis aims to analyse the evolution of Chiesi Farmaceutici's economic, financial and structural performance in relation to changes at the corporate level following the transition to the Benefit Corporation and B Corp models. The pre-transition situation, supported by documents such as the company's 2017 annual report, will be compared with the post-certification phases, drawing once again on the company's most recent official documents and press releases.

In its 2017 annual report, Chiesi states that it is essential for the company to continue investing heavily in research. Three strategic drivers are cited as key to the company's future growth: innovation, internationalisation and people. Innovation through scientific research with a strong technological focus. Internationalisation through opening up to international markets and expanding overseas operations. People through investment in developing talent. From a financial perspective, the report shows a 2017 turnover of €1,685 million. Financially, EBITDA stood at €469 million with a margin of 27.8%; investment in Research and Development had reached €376 million, an increase of 10.8% compared to the previous year. The company employed at that time 5,318 people (Chiesi, 2017).

Chiesi's 2018 Report is the first to fall under the category of Sustainability Report, noting that the company decided at the end of 2018 to adopt the status of a Benefit Corporation, a milestone in the sustainable business model, which subsequently enabled the company to become a B Corp in June 2019. Sustainability at Chiesi is based on three pillars: the system, shared value and the nature of the business. The system comprises an interdependent network of economic, social and environmental systems, each of which is affected in different ways by our choices and actions. For this reason, the company strives to coordinate its activities whilst taking into account their impact on each system within the network. Chiesi is a for-profit company and its approach to sustainability is also based on the concept of shared value: every choice they make should generate value for society as a whole, whilst creating a competitive advantage for the company. This perspective is gradually being incorporated into every internal process

Research, innovation and development are part of it. Sustainability is considered to be part of the very nature of the company, where the future mission is based on values and expertise. That year, revenues of €1,768 million were reported, up 7.8% on the previous year. EBITDA stood at €512.7 million, an increase of 9.4% on the previous year. EBIT grew from €320.7 million in 2017 to €362.7 million in 2018 (Chiesi, 2018).

The 2019 report, the year the company was officially certified as a B Corp, shows revenue of €1,992.8 million and an EBITDA of €626.07 million. The number of employees as of 2019 was 5,854. The growth trend remains steady (Chiesi, 2019).
Figure 17 shows this upward trend over time.

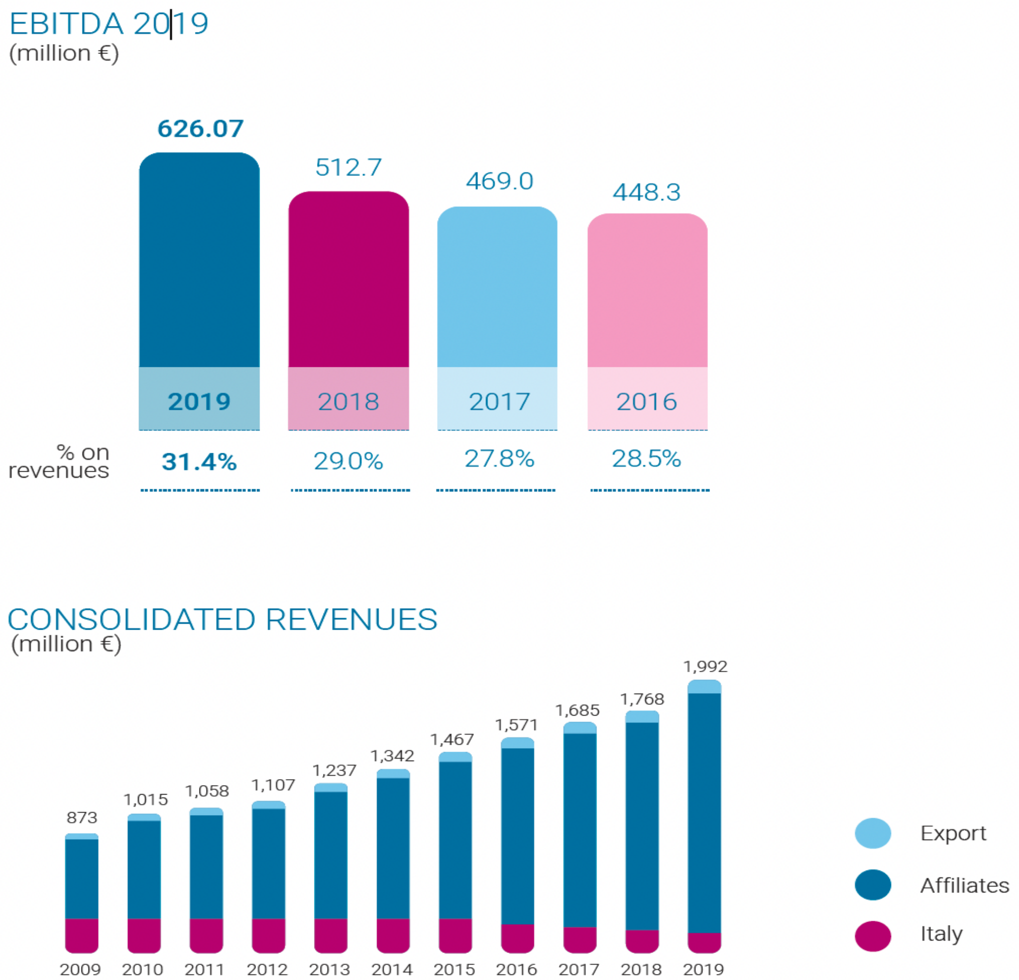


figure 17: EBITDA and Consolidated Revenues growth over time. Chiesi (2019).

Let us now consider the company's performance in recent years during the post-certification period, i.e. from 2020 onwards. Here also, the trend is upward, with significant changes in the company's revenues in 2023, the year in which the company recorded revenues of 3.026 billion, marking a +12% growth at constant exchange rates (CER) compared to the previous year, whilst maintaining an EBITDA margin of approximately 30% for the fourth consecutive year. In 2023, the Company reinforced its strong momentum across geographies and business

areas, encompassing all three main business units: Air, Rare and Care. In particular, the Rare segment, following the acquisition of Amyrit, saw a 65% increase (Chiesi, 2024).
The figure below, taken from an official Chiesi document from 2024, illustrates this development.

Group Revenues	**2022**	**2023**	**Growth @CER**
Total	€2,749M	€3,026M	12%
Air	€1,634M	€1,708M	6%
Rare	€332M	€540M	65%
Care	€783M	€778M	2%
Financials	**2022**	**2023**	**Growth**
EBITDA	€827M	€893M	8%
EBITDA %	30.1%	29.5%	

Figure 18: Group Revenues and Financials in 2022 and2023. Chiesi (2024).

Furthermore, in 2023, from a sustainability perspective, Chiesi remains firmly committed to achieving the goal of net-zero greenhouse gas (GHG) emissions by 2035. In 2023, the company strengthened its commitment to combating climate change by actively participating in the Carbon Disclosure Project (CDP), where it achieved an A- rating. Chiesi's commitment to sustainability was also recognised with a Platinum rating in the Ecovadis sustainability assessment, a world leader in sustainability assessments. These results underscore the Chiesi Group’s firm commitment to high standards of sustainability and ethics, underpinned by its governance model based on transparency and accountability, both as a Benefit Corporation (in Italy, the United States and France) and as a certified B Corp (Chiesi, 2024).

Commenting on the 2023 results, Giuseppe Accogli, Chief Executive Officer of the Chiesi Group, stated that the Company has embarked on a major transformation, adopting a new operating model and adapting to market dynamics through the creation of business franchises and geographical areas. The accelerated evolution experienced by the Chiesi Group in 2023 was consistent with an approach based on shared values. This means tackling social challenges and business opportunities together, promoting a culture of inclusion, respect and empowerment amongst the 7,000 colleagues of the Chiesi Group (Chiesi, 2024).
2024 was another year of growth for the company, with revenues rising further to €3,413 million. This growth was once again seen across all three segments, particularly the Rare segment, which recorded a 41.5% increase compared with 2023. This reinforces the view that the acquisition of Amyrit in 2023 has led to tangible results. EBITDA in 2024 reached €1.004 million, compared to €893 million in 2023.
Below, in figure 19, the results presented by Chiesi in its 2024 report.

CONSOLIDATED REVENUES (M€)

Therapeutic area	2024	2023	Growth @ CER
Total	**3,413**	**3,026**	**13.0%**
Air	1,832	1,709	7.2%
Rare	763	540	41.5%
Care	818	777	6.1%

EBITDA ON REVENUES

EBITDA details	2024	2023
EBITDA (M€)	1,004	893
% on revenues	29.4%	29.5%

Figure 19: 2024 Revenues and Financials. Chiesi (2024).

Furthermore, in 2024, Chiesi redefined its Impact Materiality Analysis from a sustainability perspective; this is a key process for identifying the Group's ESG topics and stakeholders. This ensures that strategies and decisions are aligned with sustainability and the creation of shared value. The process begins with a context analysis that examines both internal and external operations. This is followed by a list of relevant impacts on which the company commits to working. At this stage, the most relevant impacts are selected, and the company commits to working on them annually.

Figure 20 below shows the most relevant topics selected by the company for 2024–2025.

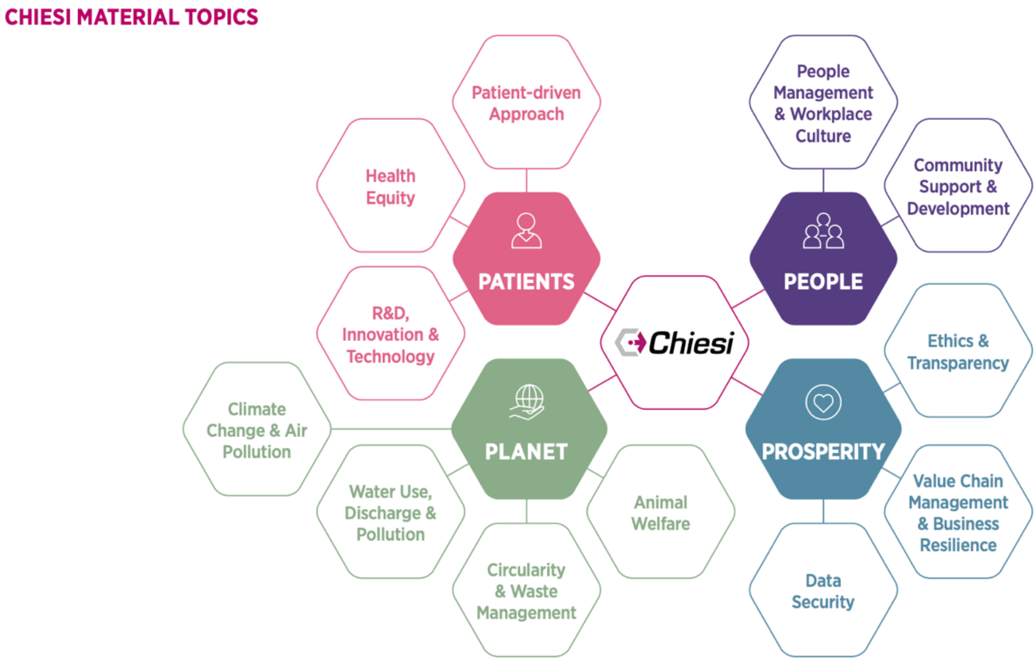


Figure 20: Chiesi 2024 Impact Materiality Topics. Chiesi (2024).

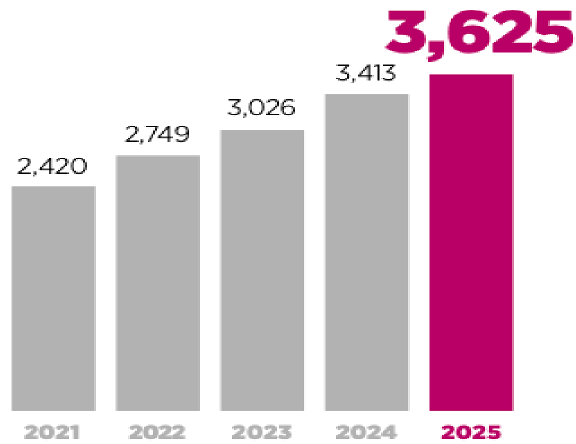
These topics are based on Chiesi's four pillars and are in line with the principles of Benefit and B Corp.

Chiesi’s 2025 report is the latest sustainability report published by the company. Revenue reached €3.625 million, an increase of 8.2% compared with the previous year. The Care and Rare sectors remain the key drivers, with growth of 13% compared with 2024. EBITDA fell to 931 million compared to 2024, when the figure stood at 1,004 million. The total number of employees reached 8,081, marking a further increase compared to the previous year. From a sustainability perspective, Chiesi achieved its third B Corp Certification in 2025, based on the BIA Impact System. In 2025, the group achieved a score of 117.5, which has also risen over time (Chiesi, 2025).

Figure 21 shows these results.

REVENUES

(M€)



CONSOLIDATED REVENUES

(M€)

Therapeutic Area	2025	2024	Growth @CER
Total	**3,625**	**3,413**	**8.2%**
Air	1,886	1,832	3.9%
Care	904	818	13.3%
Rare	835	763	13.0%

EBITDA ON REVENUES

EBITDA details	2025	2024
EBITDA (M€)	931	1,004
% on revenues	25.7%	29.4%

Figure 21: 2025 Revenues and Financials. Chiesi (2025).

3.7 Conclusions

In the previous section, we reviewed Chiesi's performance over time, following a series of mergers and acquisitions, as well as the adoption of Benefit Corporation status and certification as a B Corp. These two factors have simultaneously driven the company's growth, both structurally and in economic and financial terms. It is clear that this case confirms that the B Corp mission can act as a strategic filter for the company's M&A operations. Almost all transactions have, in fact, been directed towards therapeutic areas with limited or no resources. This predates the certification by around six years, with the first transaction, Zymenex, taking place in 2013. The 2019 certification confirms and formalises an orientation that already existed within the company. Secondly, the case highlights how mergers and acquisitions can expand the role of corporate sustainability. In particular, the last two transactions, Amyrit and Kalvista, have enabled Chiesi to incorporate not only new sources of revenue and assets, but also patient communities, with impacts on society and welfare in general.
The period leading up to certification marked Chiesi's entry into the rare diseases sector through targeted acquisitions. The transformation into a Benefit Corporation and a B Corp has firmly institutionalised this strategic direction. From an economic and financial perspective, this chapter has examined growth based primarily on various indicators, including revenue, EBITDA and the company's organic growth. Over time, the trend has generally been positive and is shown in a comparative table below.

Year	Corporate Status	Revenue (€ million)	EBITDA (€ million)	Employees
2017	Pre-Benefit Corporation	1,685	469	5,318
2018	Benefit Corporation	1,768	512.7	5,624
2019	Certified B Corp	1,992.8	626.1	5,854
2023	B Corp	3,026	893	7,000
2024	B Corp	3,413	1004	7,000+
2025	B Corp	3,625	931	8,081

Table 8: Comparative Performance of Chiesi Before and After the Benefit Corporation and B Corp Transition. Author's personal elaboration.

The comparative analysis presented in Table 8 highlights a particularly significant growth trajectory between 2017 and 2025. In financial terms, the Group's revenue rose from €1.685 billion to €3.625 billion, representing an overall increase of 115.1%. Over the same period, EBITDA rose from €469 million to €931 million, a growth of 98.5%, confirming the company's ability to sustain its expansion whilst maintaining high levels of operating profitability. At the same time, the number of employees grew from 5,318 to 8,081, an increase of 52.0%, reflecting the progressive strengthening of the Group's organisational structure and international presence.

These results are particularly significant when viewed in the light of Chiesi's transformation into a Benefit Corporation in 2018 and the subsequent B Corp certification obtained in 2019. The data show, in fact, that the adoption of a governance model geared towards the creation of shared value has not limited the company's growth, but has instead fitted into an already established development trajectory, helping to strengthen its strategic coherence.

These results take on special significance when viewed in the context of Chiesi's transformation into a Benefit Corporation in 2018 and the subsequent B Corp certification obtained in 2019. The results show that adopting a model of governance focused on creating value for all stakeholders has not hindered the company's growth, but has instead contributed to its already established growth trajectory, helping to strengthen its strategic coherence. At the same time, the company's sustainability journey has progressively strengthened, reaching a score of 117.5 points in the 2025 B Impact Assessment, highlighting a growing integration of social and environmental objectives within the corporate strategy.

Overall, the Chiesi case demonstrates how economic growth, organisational expansion and sustainability can develop in a complementary manner. Empirical evidence suggests that the combination of stakeholder-oriented governance and M&A transactions strategically aligned with the corporate mission has helped to generate long-term value, supporting the idea that social objectives and economic-financial performance are not necessarily conflicting goals, but can reinforce one another.

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