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## THE COMPARATIVE ANALYSIS OF HYBRID PURPOSE COMPANIES IN THE EU: LESSONS AND POLICY IMPLICATIONS

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**ABSTRACT.** This study conducts a comparative analysis of hybrid purpose companies in the EU, focusing on Società Benefit in Italy, Sociedades de Beneficio e Interés Común (SBIC) in Spain, and Société à Mission in France. These companies pursue public benefits alongside profit-making, representing an innovative legal framework to address contemporary environmental, social, and economic challenges. The research objectives include systematically evaluating and comparing the legal frameworks with a focus on directors' responsibilities, transparency requirements, and control mechanisms; analysing the organisational perspective of acquiring benefit corporation status; presenting key statistics on growth trends, sectoral distribution, and performance indicators; and comparing mission reports of relevant case studies. Qualitative data analysis was implemented using publicly available secondary data and case study analysis. The results show significant similarities and specific differences between the models, especially in control mechanisms. The Italian model provides stakeholders with public enforcement mechanisms against misleading practices, while the French model relies on mission committees and independent third-party assessments. The Spanish model, introduced in 2022, is expected to develop similar control mechanisms. The growth trends and overall performance indicate that companies recognise the value of adopting this legal framework. The comparative analysis provides valuable insights for EU countries considering introducing similar hybrid-purpose models.

**Keywords:** Benefit Corporation, Società Benefit, Sociedades de Beneficio e Interés Común (SBIC), Société à Mission, Comparative analysis, Hybrid purpose companies

## Introduction

Contemporary environmental, social, and economic challenges have paved the way towards an innovative legal framework: benefit corporations with a dual purpose in which the pursuit of public benefits is raised to the same level as the pursuit of the profit-making purpose; that is, the public benefit is not instrumental to profit, as is the case in traditional non-benefit companies. This does not mean that shareholders' interests will be ignored but that other interests will be at the same level (Afonso Bellod, 2024). Benefit corporations were first introduced in the law of the U.S. (in 2010), and then in the law of Italy (from 2016), Colombia and Puerto Rico (from 2018), Ecuador and Canada (from 2019), Peru (from 2020), Rwanda (from 2021), Spain and Panama (from 2022), and San Marino (from 2023) (Galli, Torelli and Tibiletti, 2021, *Ricerca Nazionale sulle Società Benefit*, 2024). A similar model of a purpose-driven company, *Société à Mission* (a company with a mission or purpose), was introduced in France in 2019. These companies have mutual features with social enterprises; however, the peculiarities vary significantly within different national models (Bilan et al., 2017; Gigauri & Bogacz-Wojtanowska, 2022).

Despite the growing interest in benefit corporations across the EU, comparative studies that simultaneously evaluate the Italian, French, and Spanish legal frameworks, mainly focusing on directors' responsibilities, transparency requirements, and control mechanisms, still need to be available. This study aims to fill this gap by providing a comprehensive comparative analysis. Existing literature predominantly focuses on the Italian *Società Benefit*, leaving a significant knowledge gap regarding the operationalisation, impact measurement, and stakeholder engagement strategies of the French *Société à Mission* and the Spanish SBIC. This study seeks to elucidate these areas.

The purpose of this study is to conduct a comparative analysis of hybrid purpose companies in the EU (all modelled on the U.S. Benefit Corporation): *Società Benefit* in Italy, *Sociedades de Beneficio e Interés Común (SBIC)* in Spain, and *Société à Mission* in France. The lack of academic work on this topic (especially regarding the French and Spanish benefit corporations, which were introduced later than the Italian *Società Benefit*, as well as regarding its similarities and differences) has motivated the authors to undertake the research with the following objectives: to systematically evaluate and compare the three above-mentioned legal frameworks with a special focus on the directors' responsibilities, transparency requirements, and control mechanisms; to analyse the organisational perspective of acquiring the status of benefit corporations; to present the key statistics (review of the growth trends, sectoral distribution, and key performance indicators of benefits companies in Italy, France, and Spain); and to compare the mission reports of relevant case studies. In writing the article, qualitative data analysis was implemented based on publicly available secondary data and a case study analysis.

This study examines stakeholder theory and corporate social responsibility (CSR) as frameworks for understanding how companies balance profit with social and environmental objectives. Key elements include:

**Stakeholder Engagement:** Identifying and engaging diverse stakeholders beyond shareholders.

**Balancing Interests:** Navigating competing interests of various stakeholder groups.

**Governance Structures:** Evaluating mechanisms like mission committees that oversee social/environmental and financial goals.

**Performance Measurement:** Assessing financial and non-financial performance metrics.

**Legal Context:** Analyzing how laws in Italy, France, and Spain affect hybrid business models.

Organisational Change: Transforming business models and structures to align with hybrid purposes.

Accountability: Evaluating reporting practices for social/environmental commitments.

Value Creation: How hybrid models create long-term value for companies and society.

The paper consists of five parts: the first serves as an introduction, followed by Section 1, which outlines the literature review. Section 2 presents the methodology and core research findings. Section 3 discusses these results and their implications, while the last part provides concluding remarks.

## 1. Literature review on hybrid purpose companies in the European Union

The rise of purpose-driven companies among the prevailing market-driven organisations (Bull and Ridley-Duff, 2019, as in Mion and Loza Adauí, 2020) in Italy, France, and Spain in the 21st century is based on a long tradition of the social vocation of business as well as on the corporate social responsibility (CSR) concept adopted in the more recent period (Belás et al., 2024). Pursuing “public interest” has been one of the core elements of business corporations since their birth as chartered companies (Williston, 1888, as in Ventura, 2022). Italian “Economia Aziendale,” the science that combines managerial, accounting and organisational studies, defined business as an instrument of diverse objectives (among which profit) that reflects a broad spectrum of human needs and values (Mion, 2020). France gave birth to the Socio-Economic Approach to Management (SEAM) in the 1970s, which started with the belief that organisations exist not only to make money but to serve society as a whole, especially employees (ISEOR, 2024). Spain, Italy, and France also have a long tradition of social economy organisations, including market-oriented cooperatives and mutual benefit organisations. All these business environment characteristics were fertile grounds for CSR policies and activities, which were self-introduced by companies or initiated through the EU directives (disclosure of non-financial and diversity information, promoting long-term shareholder engagement, corporate sustainability reporting, and the current proposal for a CSDD directive (Corporate Sustainability Due Diligence Directive) or the European Supply Chain Act), and have recently been replaced by ESG policies (Fuentes & Megias, 2023). At first, we witnessed the progressive alignment of soft law with ESG goals, usually through Corporate Governance Codes (Fuentes & Megias, 2023), and recently, new hard law provisions that enable the adoption of a benefit company/Société à Mission status have been introduced.

Italy was the first country, not just in the EU but also in the world, to follow the example of the USA and introduce a benefit corporation (so-called Società Benefit) into its legal system on January 1, 2016, when Law no. 208 of December 28, 2015 (also known as the 2016 Stability Act) entered into force (see: Ventura, 2023, p.652). Italian Società Benefit is not a new type of company but a legal status that can be adopted in existing or newly established for-profit companies (i.e., limited liability companies, corporations, and partnerships) and cooperatives (Speranzin, 2022, p.143). Accordingly, Law No. 208 regulates only the Società Benefit essentials, that is, the Società Benefit purposes, directors' duties, disclosure requirements, control, and enforcement mechanisms. On the other hand, laws regulating for-profit companies are to be applied to all other matters that are not typical of Società Benefit (Ventura, 2023, p.659).

In addition to the profit-making purpose, Società Benefit shall pursue one or more aims of common benefit (i.e., one or more specific public benefit purposes) and shall operate in a responsible, sustainable, and transparent manner towards individuals, communities, territories and the environment, cultural and social heritage, entities and associations as well as other stakeholders – that is, it shall pursue general public benefit (Law No. 208, art. 1., par. 1). To

become a Società Benefit, the company must explicitly state in its articles of incorporation that it has a dual purpose, that is, for-profit purpose and benefit purpose, whereas benefit purpose has to be specified. Respective information shall be registered within the competent company's Register Office, thus becoming publicly available. Companies are not obliged to use the term „Società Benefit“ or the abbreviation „SB“ next to their company name. However, they usually do so to attract socially and environmentally conscious suppliers, clients, and investors. Società Benefit qualification (available for all types of Italian companies) directly affects directors' duties and liabilities. In Società Benefit, directors owe duties to shareholders (as stipulated by law) and stakeholders (as stipulated by the articles of incorporation in a purpose clause). Thus, the directors shall balance these interests. The possibility of balancing different interests enables directors to make discretionary decisions to a much larger extent than in for-profit companies. Suppose it turns out that the director's decision harms Società Benefit as a whole. In that case, the director may exculpate himself on the grounds of both business judgment rules and benefit judgment rules.

Italian benefit companies shall appoint one or more individuals with the role and tasks to pursue the common benefit (Law. No. 208, art. 4, par. 2). In the literature, these individuals are referred to as impact managers (Ventura, 2023, p.663). Unless otherwise stipulated by the by-laws, it is on the board of directors to appoint the impact manager(s), whether amongst themselves, amongst the employees of the company, or anyone else they find suitable for respective functions that are not precisely determined by the law. It is certainly advisable for Società Benefit to specify through their by-laws who and under what conditions can be appointed as an impact manager and what exactly their tasks are. However, it should be emphasised that the appointment of an impact manager does not exculpate board members for failure to fulfil the benefit purpose (Ventura, 2023, p.663).

Italian benefit companies must produce an annual report concerning the pursuit of the common benefit, which shall be attached to the annual financial statements and published on the company's website if it exists (Law No. 208, art. 5, par. 1 and 2). The failure to produce and publicly announce the annual report on common benefits is subject to financial penalties, as provided by the Italian Civil Code (Article 2630).

Probably the most important provision that significantly differs the Italian legislation on benefit corporations from its role model from the USA is the one which provides that the benefit corporation that does not pursue the aims of common benefit is subject to legal provisions regulating misleading advertising and consumer protection. In summary, Italy provides a public enforcement mechanism to control and sanction those „benefit corporations“ that fail to pursue the proclaimed benefit purpose in practice: Italian Competition Authority (i.e. Autorita Garante della Concorrenza e del Mercato – AGCM) is vested upon the authority to apply the regulation on misleading advertising and misleading business practices in order to sanction those companies that use „ Società Benefit“ or acronym „SB“ for misleading advertising. AGCM is allowed to initiate an „investigation“ ex officio upon the request of an interested party. The respective public enforcement mechanism shall enhance the position of stakeholders whose interests are proclaimed in the incorporation act purpose clause but neglected by Società Benefit directors.

The French term *société à mission* stands for a company that has introduced a social or environmental mission (i.e., purpose) into its by-laws in addition to the profit one, thus becoming a hybrid purpose company. The concept of the *société à mission* was introduced into French company law in 2019 through the PACTE Law (Law no. 2019-486 of May 22, 2019), which included article L. 210-10 into the French Commercial Code specifying requirements that must be met and forms of control that the company must submit to in order to qualify as a mission-driven company (i.e., *société à mission*). Thus, the *société à mission* is not a new legal

form of commercial company; it is instead an insignia that stands for a company with special social or environmental purpose(s) and features, especially regarding managerial and supervisory powers. In the literature (e.g. Afonso Bellod, 2024, p.24), *société à mission* qualifies as a special status of a company, available to all forms of French companies. Companies that meet requirements to amend their articles of association to apply *société à mission* status retain their company name and designation of the company's form (e.g. „SARL“ or *sociétés à responsabilité limitée*). However, according to the French legislature, *société à mission* status is not part of a company's name (see Afonso Bellod, 2024, p.25). On the other hand, companies are obliged to register respective status in publicly available commercial and company registers (the company must declare its status “*société à mission*” on the one-stop-shop site related to business formalities: [formalites.entreprises.gouv.fr](http://formalites.entreprises.gouv.fr), publish it in the national business register (RNE) and the Trade and Companies Register (RCS) and mention it on the K extract or the K-Bis) (Observatoire des Sociétés à Mission and Communauté des Entreprises à Mission, 2023). After registration, companies are allowed (and expected) to use the insignia „*société à mission*“ next to their company name in business documents and promotional materials to attract socially and environmentally aware suppliers, clients, and investors.

According to PACTE Law (art. 169 - modifying art. 1835 of French Civil Code), companies are allowed to precise, through their by-laws, their „raison d'être“ - i.e. the rationale of their existence, consisting of principles that the company adopts and for the respect of which it allocates means (Hiez, 2023, p.579). The law does not specify exactly what „raison d'être“ is and what it entails. However, according to the Corporate Social Responsibility Supervisor, this shall guide and safeguard the directors' decisions (Afonso Bellod, 2024, p.26). Though there is a dispute amongst legal scholars whether „raison d'être“ shall be deemed as the purpose of the company or merely as a guideline for directors in decision-making processes (Afonso Bellod, 2024, p.27; Fleischer, 2021, pp. 10-11), one is certain: if the company fails to comply with stated „raison d'être“ it may be liable for suffered damages. This practice has shown that companies tend to define their „raison d'être“ in a rather vague or extremely broad manner. As a result, it is almost impossible to determine which concrete non-profit interests the directors are obliged to take care of and to whom such interests are violated (if violated). However, besides „raison d'être“, PACTE Law provides an additional option for companies that want to highlight their social engagement. Only respective companies can be registered as „*société à mission*“. Registration is optional and conditioned upon three requirements (the French Commercial Code, Art. L.210-10). According to the first requirement, only the companies who had provided „raison d'être“ in their by-laws may be registered as „*société à mission*“ but only if they have further precise social and environmental objectives for the achievement of its purpose. By setting specific objectives in its articles of association, the company commits to fulfilling them in practice (Afonso Bellod, 2024, p.27). Consequently, directors must commit to social and environmental objectives in their business activities. Although these objectives are expected to be more specific than „raison d'être“, companies tend to set them extensively. This increases the probability of discretionary decision-making by directors and reduces the possibility of their responsibility. According to the second requirement, to be registered as a „*société à mission*“, the company must establish a new organ – the purpose committee. The purpose committee aims to supervise the achievement of the mission and submit the annual report to general meetings. At least one employee of the company must be a member of a purpose committee. However, if a company employs fewer than 50, a purpose referee may replace the committee. The referee does not have to be an employee (but it can be). The task of the purpose committee/referee is to counterbalance the board of directors. Thus, they can initiate an „investigation“ within the company or require an external investigation to accomplish their monitoring purpose (Afonso Bellod, 2024, p.33). The purpose committee is

responsible for establishing its own evaluation methods to take a critical look at the company's operations and serve as a lever for the effective transformation of governance practices (Sergastina and Levillain, 2023, p.736). According to the third requirement, if a company wants to be registered as a „société à mission“, an independent entity has to be appointed as an external supervisor to provide biannual reports on the achievement of the proclaimed mission. That independent entity which provides „a third-party assessment“ must be accredited by the French Accreditation Committee and, unless otherwise stipulated by the company's by-laws, it is appointed by the board of directors for a maximum term of six years (French Commercial Code, art. R.210-21, I and II). If all conditions are met, the company can register as a „société à mission“. If any of the aforementioned conditions are not met or if reports indicate that the mission is not realised, the public prosecutor is authorised to request the removal of the insignia „société à mission“ from all documents and activities undertaken by the respective company. Any interested person may request the same claim. Accordingly, though stakeholders did not get a tool that enabled them to fight for their interests, they got one that enabled them to fight against unfair benefit corporations and greenwashing.

Legal scholars generally agree that Spanish company law is shareholder-centric as it sets rules aiming to maximise the shareholder value (Afonso Bellod, 2024, p.35; Megias Lopez, 2017, p.579-585) under the influence of French PACTE Law Spanish legislator has enacted Law no. 18 of September 28, 2022, on the creation and growth of companies (hereinafter: CCE Law, as shortened from Spanish „Lei de creation y crecimiento de empreas“) which introduces hybrid purpose companies – i.e. „Sociedades de Beneficio e Interés Común“ (hereinafter: SBIC) in Spanish company law system. According to Spanish legislation (CCE Law, tenth additional provision), all limited liability companies (i.e., sociedad de responsabilidad limitada; sociedad anonima; sociedad comanditaria per acciones) are allowed to amend their articles of association to meet the requirements to achieve the status of SBIC company. More than half of the shares with the right to vote shall vote for amendment to include the requirements to achieve SBIC status in existing articles of association (Spanish Companies Act, art 199 and 201/1). Spanish companies with SBIC status shall explicitly state non-profit social or environmental objectives in their by-laws, which shall be realised along with for-profit purposes. Consequently, respective companies shift their governance significantly, as their boards of directors are committed to profit and nonprofit purposes. For years, it has been discussed among Spanish scholars and practitioners as well, whether under Spanish company law, companies may be established to realise non-profit goals (del Val Talen, 2023, p.810). Although scholars generally agree that there shall be no restrictions if traditional companies want to achieve non-profit purposes, courts have rejected registering articles of associations that contain non-profit goals (del Val Talen, 2023, p.812). Though Spanish regulations on benefit corporations are not yet finalised (as law regulating requirements for achieving SBIC status are still awaited), the CCE Law of September 28, 2022, has finally terminated the respective discussion, as it explicitly enables companies to achieve (and register) a benefit purpose. Accordingly, companies that bear the status of an SBIC company may allocate their resources in a manner that is (if not forbidden) extremely uncertain for traditional for-profit companies (del Val Talen, 2023, p.813). The alteration of a company's purpose automatically entails a shift in the duties and accountabilities of directors. While Spanish companies still await the detailed regulatory requirements for SBIC, La Cultivada has published the Code of Good Practice for SBICs (Codigo de Buenas Practicas para las Sociedades de Beneficio e Interes Comun, La Cultivada, 2023); as a result of the participative process of academic and non-academic thinkers, promoted by B Lab, to help SBICs overcome this transitional period without detailed regulations. Adherence to the code is voluntary (comply or explain principle). The Code includes principles and recommendations to guide SBICs until the SBIC status is completely regulated. After that

point, the Code will be adjusted to legal requirements and can be used as a complementary guide to the law. The key principles included in the Code are the formation of a mission committee or appointment of a person who will be responsible for the benefit purpose, the obligatory annual measurement of the achievement of its purpose, and the obligatory publicly available annual report drafted using standards required by current legislation/by generally accepted standards such as SASB, BIA, or GRI (similar to French law). The Code also provides the model of the statute, type SBIC, that could be adopted by the legal form of a limited liability company (in Annex II of the Code). After the Code was published, Registradores de Espana, Gabeiras & Asociados have in 2024 published an Orientation guide to the specificities of the statutes for SBICs as another helpful tool for new SBICs (Registradores de Espana and Gabeiras & Asociados, 2024).

## **2. The comparative analysis of hybrid purpose companies in the EU – methodology and findings**

As the EU grapples with environmental, social, and economic challenges, the relevance of hybrid purpose companies has never been more pronounced. This study's comparative analysis of their legal frameworks in Italy, France, and Spain is timely, providing critical insights for policymakers and stakeholders considering similar legal adoptions. The lack of comprehensive comparative analyses and detailed understanding of the operational and governance nuances of benefit corporations in the EU poses a significant barrier to their broader adoption and effectiveness in addressing global sustainability challenges. To evaluate and compare the hybrid purpose companies in Italy, France, and Spain, we used a qualitative data analysis method based on a systematic secondary data review publicly available at the time of our research, together with the case study analysis (for France and Italy). We carried out qualitative data analysis by searching the Web of Science, Scopus, Science Direct, and Emerald-indexed research papers, the Google Scholar database, and the subject-matter-experts publicly available reports and research studies, as well as the chosen companies' websites and public reports. To conduct the research, we have used the title keywords search “benefit company or benefit corporation or purpose-driven company or Società Benefit or Sociedades de Beneficio e Interés Común or SBIC or Société à Mission” and “EU or Italy or Spain or France.” The research papers on benefiting corporations outside the EU (mostly discussing the U.S. Benefit Corporation) were only consulted for comparison purposes.

The comparison starts with presenting the key statistics and reviewing the growth trends, sectoral distribution, and key performance indicators of benefit companies in Italy, France, and Spain, as given in subsection 2.1. The following subsection 2.2. focuses on the key similarities and differences between the Italian, French, and Spanish models of hybrid purpose companies, and in subsection 2.3, the authors elaborate on the organisational perspective of acquiring the status of benefit corporations. The final subsection, 2.4. comparing relevant case studies provides insights into mission reports and hybrid purpose companies' new organisational structure elements.

### ***2.1. The Italian, French and Spanish hybrid purpose companies in numbers – the key statistics***

The number of Società Benefit (SB) in Italy has increased from 177 in 2017 to 3.619 by the end of 2023, with a significant growth dynamic since 2020. Currently (the beginning of October 2024), there were 4.570 registered Società Benefits (the headquarters and subsidiaries

included) according to the Italian Chamber of Commerce (the data extracted from Le Camere di Commercio, 2024).

By the end of 2023, SBs had reached an incidence of 1,23 per thousand registered companies and a level of employment that exceeded 188.000 employees (Ricerca Nazionale sulle Società Benefit, 2024a). Table 1 presents the number of SBs by company size (number of employees) and the contribution of different-sized companies to the workforce of Società Benefit.

Table 1. Number of SBs and employees by company size class

Size class	Italy			
	Number of SB	Share	Number of persons employed	Share
Micro	2683	74.14	4199	2.23
Small	599	16.55	13266	7.04
Medium-sized	248	6.85	27449	14.56
Large	89	2.46	143569	76.17
Total	3619	100	188483	100

Source: *own compilation according to Ricerca Nazionale sulle Società Benefit, 2024a*

In absolute terms, SBs are mainly micro-enterprises (less than 10 employees), followed by small (10-49 employees), medium-sized (50-249 employees), and large businesses (250 employees and more) (Ricerca Nazionale sulle Società Benefit, 2024a). These numbers are not unexpected because the Italian economic system is based on SMEs, usually family businesses, whose ownership and management often coincide (Del Baldo, 2019). However, let's look at the incidence of SBs per thousand registered companies. The picture is reversed: large companies have the greatest incidence (16.83 ‰), followed by medium-sized (7.16 ‰), small (2.33 ‰), and micro-enterprises (1.01 ‰) (Ricerca Nazionale sulle Società Benefit, 2024a). Large companies are also the most significant contributor to the workforce of SBs.

In terms of incidence (number of SBs per 1.000 registered companies by sector), the most represented sectors are information services (6.99 ‰), professional activities (6.01 ‰), education (3.88 ‰), and water supply (3.02 ‰), even if manufacturing and trade also stand out by number (Ricerca Nazionale sulle Società Benefit, 2024a).

Società Benefit employees are mainly distributed in the rental, travel, and business support services sector (66.000), manufacturing (30.700), trade (21.000), professional activities (15.700), accommodation and hospitality (15.300), and information services (11.900) (Ricerca Nazionale Sulle Società Benefit, 2024a). Approximately 87 % of SBs were in 2021 limited liability companies, over 9 % were corporations, and the rest were cooperatives and partnerships (Ventura, 2023). Most SBs are privately owned and are located in Northern and Central Italy (Mion and Loza Adai, 2020; Ventura, 2023). Lombardy is the region with the highest concentration of SBs, followed by Veneto (both regions -79 %) (Marchini et al., 2022).

SBs also show better economic performance results. In the analysed period of 2019-2022 SBs' turnover and profitability grew faster compared to non-benefit companies: the productivity difference between SBs and non-benefit companies (measured as added value per employee) raised from 2.000 euros per employee in 2019 to 5.000 euros per employee in 2022; change in turnover at current prices shows higher cumulative turnover growth from 2019-2022 among SBs (37 % compared to 18 % in non-benefit companies (median)); the unit contribution margin (EBITDA margin) raised from 8,5 to 9 % in SBs, and from 8.1 to 8.3 % in non-benefit companies (Ricerca Nazionale sulle Società Benefit, 2024a). The productivity of SBs was also higher because of investments in important strategic matters, such as innovation, the level of internationalization, and more significant attention to sustainability (among manufacturing



companies, SBs are characterised by a greater degree of internationalisation (export activities, foreign direct investments), requests for patents, internationally registered trademarks, and environmental certifications). Therefore, they were able to cope with higher labor costs (41.000 euros per employee in SBs in 2022 vs. 38.000 euros per employee in non-benefit companies), distributing higher value to employees (Ricerca Nazionale sulle Società Benefit, 2024a).

The number of companies with the status *société à mission* in France has increased from 12 in 2019 to 1.490 at the end of 2023, with a significant growth dynamic since 2022. There are currently (beginning of October 2024) 1711 companies in France with the status *société à mission* (Observatoire des Sociétés à Mission, 2024). The data at the end of 2023 show that 45 % of *sociétés à mission* was founded after 2020 and 31 % between 2010 and 2019. The rest of the companies were created earlier: 12 % from 2000 to 2009 and 12 % before 2000.

At the end of 2023, the French *sociétés à mission* employed more than 905.000 employees. Large companies contributed up to 82 % in 2021 (86 % in 2022) to the workforce of mission-driven companies, while intermediate-sized companies contributed up to 15 % in 2021 (11 % in 2022). The share of micro-enterprise employees and SMEs remains stable at 3 % in 2021 and 2022 (Observatoire des Sociétés à Mission and Communauté des Entreprises à Mission, 2023). As in Italy, the contribution of large companies to mission-driven companies' employment in France is significant. The number of *sociétés à missions* by company size (number of employees) is presented in *Table 2*.

Table 2. Number of *sociétés à mission* by company size class

Size class	France	
	Number of <i>société à mission</i>	Share
Micro	864	57.99
SMEs with less than 50 employees	313	21.01
SMEs with more than 50 employees	164	11.01
Intermediate-sized (250-4999 employees)	119	7.99
Large	30	2.01
Total	1490	100

Source: *own compilation according to Observatoire des Sociétés à Mission and Communauté des Entreprises à Mission, 2023*

The companies that adopted the status *société à mission* were mainly micro-enterprises, followed by SMEs with less than 50 employees, SMEs with more than 50 employees, intermediate-sized companies, and large businesses. This data is not surprising if we consider the size structure of the French economy: the large and intermediate-sized companies represent only 0,2 % of the total of French companies. Conversely, micro-enterprises share remains dominant (96 %) (Observatoire des Sociétés à Mission and Communauté des Entreprises à Mission, 2023). The distribution of mission companies remains balanced between Île-de-France (43 %) and other regions (57 %), thus reflecting a diversified dynamic across the country (Observatoire des Sociétés à Mission, 2024).

The companies with *société à mission* status are mostly represented in the service sector (79 % of the companies), followed by trade (12 %), industry (8 %), and agriculture (1 %). The three most represented sectors of activity remain the sectors of Telecommunications/IT/Tech, that of Strategy and Transformation Consulting and Finance/Banking/Insurance. They are followed by Real Estate Activities/Construction and Project Office/Research (Observatoire des Sociétés à Mission and Communauté des Entreprises à Mission, 2023). Financial data that would include all *sociétés à mission* in France were not found, but the represented sectors signal propulsive business models that generate growth. Since most companies with the status *société*

à mission are newly created, their financial success is yet to be proven. However, in 2023, two companies with long-term financial stability adopted the status société à mission: Castle (le Château) Chasse-Spleen, a wine estate founded in 1863, and Dammann Frères, one of the most important French tea houses with international influence, founded in 1825 (Observatoire des Societes a Mission and Communauté des Entreprises a Mission, 2023).

In Spain there are currently (beginning of October 2024) 7 companies with the status SBIC (Registradores de Espana, 2024). Four of them are registered in Madrid, and three of them are in province A Coruna. All of them are limited liability companies. The companies are registered for other business management consulting activities (2), tourist accommodation and other short-stay accommodation (2), education N.E.C., other telecommunications activities, and wholesale trade of fruits and vegetables (Registradores de Espana, 2024). Of the seven companies, five were founded as SBIC companies (four were founded in 2024 and one in 2023), and the others were founded earlier but changed their statutes, names, and corporate purposes in 2023 or 2024 to become SBIC companies (Registradores de Espana, 2024, North Data, 2024). All companies are micro-enterprises with less than 10 employees and an annual turnover of less than 2 million euros (Infoempresa Europa, 2024)

## ***2.2. Key similarities and differences between the Italian, French, and Spanish model of hybrid purpose company***

The comparative analyses of the Italian, French, and Spanish models of hybrid purpose companies show many similarities, but also a few differences between them that are worth studying, especially in countries that are currently considering the introduction of beneficial companies in their legal system. All three analyzed models represent the most advanced stage of hybridization (by degree of organization design): resolute hybrid (Elliott Carballo, 2023) but with several distinctive characteristics. The key similarities and differences between the analyzed models are presented in a Venn diagram (*Figure 1*).

Empirical research shows that companies have nonfinancial motivation to become a hybrid purpose company: the desire to create social benefits (the natural evolution of their history of practicing CSR), acquire reputational advantage (attracting impact investors and socially conscious customers, suppliers, and talents), or demonstrate an ethical approach to conducting business (Mion and Loza Adauí, 2020, Marchini et al., 2023). The dominant motive for becoming a beneficial company is related to owner values, followed by the values of members of the board of directors (Marchini et al., 2023). As emphasized in the figure, there are no financial benefits for hybrid-purpose companies, such as fiscal benefits, tax relief, or other financial advantages (Marchini et al., 2023) that will encourage companies to adopt the benefit-company status. However, Italy has recently introduced a few minor incentives to facilitate the spread and promotion of the benefit company model: the recognition of a tax credit equal to 50 % of the costs of incorporation of, or for the acquisition of the SB status as a COVID-19 relief measure, the establishment of a fund aimed at promoting the “for benefit” model at the Ministry of Economic Development, advantages granted in public procurement procedures (the new reward criteria based on the positive impact of the company to be used in the evaluation of tenders) (Ventura, 2022).

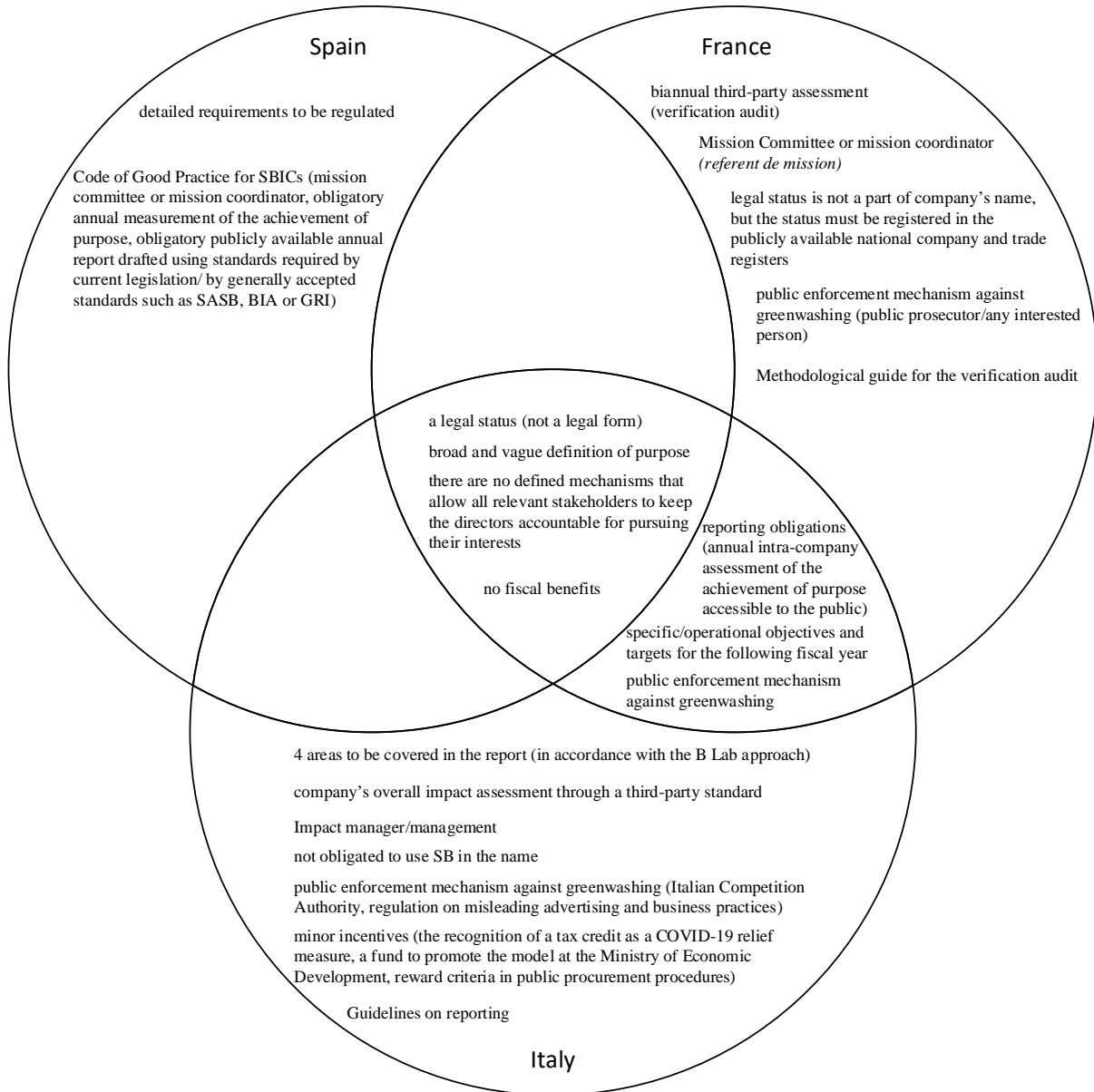


Figure 1. Key similarities and differences between the hybrid purpose models in the EU  
Source: own compilation based on Del Baldo, 2019, Nigri, Del Baldo and Agulini, 2020, Mion and Loza Adauí, 2020, La Cultivada 2021a, La Cultivada 2021b, Ventura, 2022, Bandini et al, 2023, Bellavite Pellegrini and Caruso, 2023, Boffa et al, 2023, Fuentes and Megias, 2023, La Cultivada, 2023, Marchini et al., 2023, Segrestin and Levillain, 2023, Ventura, 2023, Afonso Bellod, 2024

The characteristics of hybrid purpose companies are also in line with the Yale approach to economic analysis of law – altruism and beneficence should be considered as ends in themselves, as goods desired by people, and for which they are willing to pay a price (Ventura, 2022). Therefore, as Ventura (2022) states, shareholders do not pursue third-party interests (stakeholders', community, or environment interests); rather, it is their interest as shareholders that is broadened to encompass both personal profit and the altruistic purpose of generating positive externalities or reducing negative ones derived from the company's activity, that is, the

hybrid purpose company's end is through this perspective seen as shareholder welfare maximization (wealth + altruism).

### ***2.3. The organizational perspective of acquiring the status of Società Benefit/SBIC/société à mission***

Organizations usually introduce or improve their stakeholder governance model by acquiring the status of a hybrid-purpose company. Some key organizational aspects also change in this process. In Italy, the Società Benefit are required to designate one or more persons that are “responsible for the impact” – Benefit Impact Managers (Nigri, Del Baldo and Agulini, 2020). In France, a mission committee or mission referee is appointed to oversee the achievement of the statutory-defined purpose and objectives of the sociétés à mission. Another key role in the governance of the mission is that of mission pilot or mission manager, who is responsible for the deployment and operational monitoring of the mission (proposal of objectives, coordination of plans of actions, reporting of indicators, employee involvement etc.). If he can be a full member of the mission committee, the role of the mission pilot is to distinguish it from that of the mission committee or of the mission referee, from whom he collects the opinions and recommendations to integrate them into the company's mission. He is also one of the privileged interlocutors of the OTI (third-party entity) during the verification audit (KPMG, 2023, Communauté des Entreprises à Mission, 2022). The Spanish Code of Good Practice recommends similar supervisory mechanisms for SBICs (mission committee or mission coordinator). In addition, to achieve self-determined socioeconomic goals and generate multidimensional performance, hybrid purpose companies should adjust their organizational design (Elliott Carballo, 2023); Galbraith's Star model or McKinsey's 7S model can be used.

Some authors point out that the governance of hybrid purpose companies leads to more meetings and committees (more frequent and shared management decision-making), more workers' training needs, implementation of new internal procedures, and new skills and resources requirements related to impact report drafting (Marchini et al., 2023). Aware of these new demands put upon the benefit companies, Network Italiano Business Reporting has developed reporting guidelines to help Società Benefit prepare their obligatory reports (NIBR, 2019), which are extensively used in the following subsection analyzed practice. In France, independent third organizations (OTIs) can consult the methodological guidelines for the verification of sociétés à mission when conducting their auditing process and preparing their verification report (Communauté des Entreprises à Mission, 2024).

Other challenges inherent in the stakeholder governance model should also be addressed, such as the problem of identification of stakeholders (e.g., what will be considered the environment), the problem of stakeholders' interests' identification and weight (e.g., who will determine what the interests of the environment are; will those interests have representation in the company and what metric will be used to measure whether the environment's interests have been considered; how should the interests of different stakeholders be weighted) (Afonso Bellod, 2024). For now, the law in all three analyzed states leaves these issues to be resolved. In addition, the lack of mechanisms that allow all relevant stakeholders (and not only shareholders) to keep the directors accountable (Afonso Bellod, 2024) is an issue that should be considered in future hybrid-purpose company regulations.

However, Marchini et al. (2022) have shown that benefit companies are much more structured (purposes set up in the articles of association for the future) and transparent (use of the impact report as a disclosure tool required by law) than other forms of CSR. As far as reporting is concerned, the research conducted on a sample of 53 SBs in Italy shows that companies with greater resources and experience develop more sophisticated and effective

impact reporting tools, making the signal extended and perceptible for the stakeholders to whom the reporting documents are addressed (Galli, Torelli and Tibiletti, 2021). This is in line with the Ferlito and Faraci case study research from 2022: a micro-sized film production company that they analyzed has a partially integrated sustainable hybrid business model, which is flexible and informal, but it does not create an external perception of dual corporate identity. Mion (2020) concludes that applying an external standard is a crucial factor in promoting the quality of reporting and, indirectly, the level of accountability of SBs. His research on 192 Italian SBs websites (a sample of 148 websites and 47 impact reports) has shown a low level of compliance in publishing yearly impact reports and a very heterogeneous approach to reporting (BIA, GRI, and other external standards were used, or reports were published without referring to any guideline) with different levels of detail to explain the impact results, goals, and activities.

Researchers have also provided insights into SB decision-making processes. Nigri and Del Baldo (2018), based on a sample of seven SMEs in Italy, showed that BIA results are used to support internal everyday decision-making by top management and employees, and BIA-guided indicators are integrated into the company planning and control systems (in some companies, others are trying to keep up to par (no formalization of CSR practices, slim to no reporting, stakeholders not looking for extra proof, trusting the social mission), and the mix and match are in between). Bandini et al. (2023) found in their research, based on a sample of 78 Italian SBs, that clients are mainly involved in strategic organizational decisions but play a minor role in operations and financial decisions (second to clients is community). Suppliers are more involved in decisions related to operations and banks are more involved in financial decisions. Shareholders are mainly involved in financial decisions (and have the highest value among all decision types). They also found that SBs have different multi-stakeholder approaches, from fully multi-stakeholdership to a selected multi-stakeholdership (both 70 %), to a shareholder top-down decision making. Like Mion (2020), they concluded that only 30 % publicly published their social impact reports. They also found that in micro and small enterprises stakeholder engagement may be more informal, most SBs' impact reports do not require formal approval from external stakeholders, and the president of the board of directors is more likely to intervene in SBs' managerial decisions.

Boffa et al. (2023) showed that the adoption of the benefit-company model positively affects the likelihood of increasing the presence of women on the board of directors, which has a positive impact on corporate governance (female directors tend to favor sustainability-oriented and socially concerned managerial approaches).

While accomplishing their socioeconomic performance, companies must also ensure that their pursuit of a long-term social mission does not come at an unreasonable cost (Page, 2009, Katz and Page, 2010, as in Bandini et al, 2023).

#### ***2.4. The comparison of relevant case studies' mission/impact reports and mission committees/impact management composition***

To gain insight into the real approaches of mission-driven companies, we conducted a comparative study of selected case studies. The analysis is based on a comparison of companies' *raison d'être* /constitutional objectives/common benefit purposes and goals, mission committee/impact management composition, and mission report characteristics.

The case studies were selected based on their size (large enterprises with more than 250 employees) due to their contribution to the hybrid purpose companies' workforce while paying attention to the fact that companies are representative cases of different sectors and industries: five *sociétés à mission* from France, and five *Società Benefit* from Italy were subject of the analysis. Basic information about analyzed companies are given in the *Table 3*. Spanish SBIC

companies were excluded from this comparative analysis due to their very limited data availability, and since there are currently only seven registered SBIC companies, which are by size micro-enterprises.

Table 3. Basic information about analyzed hybrid purpose companies

Company name	Year of foundation, industry sector, number of employees, year of adopting the status “société à mission”/ “Società Benefit”, official website
MAIF	founded in 1934, finance/banking/insurance (insurance for individuals, professionals and associations), nearly 8.000 employees, société à mission since 2020, <a href="https://www.maif.fr/">https://www.maif.fr/</a>
Groupe Rocher	founded in 1959, cosmetics/hygiene, 15.296 employees, société à mission since 2019, <a href="https://groupe-rocher.com/">https://groupe-rocher.com/</a>
CETIH	founded in 1975, real estate activities/construction (technical and industrial equipment (entrance doors, multi-material windows, energy renovation)), 1500 employees, société à mission since 2021, <a href="https://www.cetih.eu/">https://www.cetih.eu/</a>
Clariane	founded in 2003, human health/social/medico-social (care homes, healthcare facilities and services, shared living solutions), 60.000 employees, société à mission since 2023, <a href="https://www.clariane.com/">https://www.clariane.com/</a>
Groupe La Poste	founded in 1991, other specialized services (postal services (parcels and mail services), finance/banking (La Banque Postale), digital services), 161.456 employees, société à mission since 2021, <a href="https://www.lapostegroupe.com/fr">https://www.lapostegroupe.com/fr</a>
Aboca S.p.A., Soc. Agr.	founded in 1978, agricultural processing (healthcare products), 1.720 employees, SB since 2018, <a href="https://www.aboca.com/">https://www.aboca.com/</a>
Davines Group	founded in 1983, manufacturing (professional haircare and skincare products), 964 employees, SB since 2019, <a href="https://davinesgroup.com/">https://davinesgroup.com/</a>
illycaffè S.p.A.	founded in 1933, other food manufacturing/industrial machinery manufacturing (coffee, coffee machines), coffee shops, the Università dell Caffè (center of excellence), 1.188 employees, SB since 2019, <a href="https://www.illy.com/en-ww">https://www.illy.com/en-ww</a>
Novamont	founded in 1990, chemicals and chemical products manufacturing (bioplastics sector, development of bioproducts and biochemicals), around 650 employees, SB since 2020, <a href="https://www.novamont.com/">https://www.novamont.com/</a>
Reti S.p.A.	founded in 1994, computer programming services (IT Consulting, IT Solutions, System Integration Services), 372 employees, SB since 2020, <a href="https://reti.it/">https://reti.it/</a>

Source: *own compilation based on the companies' official website data*

The comparative analysis results are emphasized in the tables below: *Table 4* presents the general purpose and number of specific public benefit goals as identified by companies, *Table 5* outlines mission committee composition and the appointment of impact manager/impact management, and *Table 6* and *7* provide key mission committee reports/impact reports characteristics.

INTERDISCIPLINARY APPROACH TO ECONOMICS AND SOCIOLOGY

Table 4. General purpose and number of specific public benefit goals of analyzed companies

Company name	Common benefit purpose (general purpose) and number of specific public benefit goals
MAIF	“Convinced that only sincere attention to others and to the world can guarantee a real common betterment, we, MAIF, put this attention at the heart of each of our commitments and each of our actions.” (5)
Groupe Rocher	“Convinced, thanks to the personal experience of Mr. Yves Rocher, that nature has a positive impact on the well-being of people and therefore on their desire to act for the planet, the company’s mission is to reconnect its communities to nature. Purpose is embodied in experiences, services and products that provide well-being, thanks to the benefits of nature. To this end, the company attaches importance to its family business model with the ambition of developing a sustainable ecosystem that combines wealth creation, frugal innovation and humanist environmentalism. Drawing on its botanical, agronomic and scientific expertise and the unique model created in La Gacilly in Brittany, the company cultivates a direct link with its communities and territories.” (3)
CETIH	„Commit to a harmonious, sustainable and human-oriented business and habitat”. (3)
Clariane	"Take care of each person’s humanity in times of vulnerability.” (5)
Groupe La Poste	“At the service of all, useful to everyone, La Poste is a people-oriented company with a local presence that develops exchanges and builds essential links by contributing to the common wealth of society as a whole.” (4)
Aboca S.p.A., Soc. Agr.	“As a Benefit Corporation, the company aims to pursue multiple goals of public benefit and to operate responsibly, sustainably and transparently towards individuals, the region, the environment and other stakeholders.” (6)
Davines Group	“Do our best for the world and create good life for all, through beauty, ethics and sustainability. To achieve the corporate purpose, the company also takes the form of a Societa Benefit, whose general purpose is to pursue - in addition to the economic objectives of an entrepreneurial activity - objectives of common benefit and to operate in a responsible, sustainable and transparent way towards people, communities, territories and the environment, cultural and social assets and activities, entities and associations and other stakeholders”. (2; in June 2023, after joining “CO2alizione per l’Europa” initiative, which requires the Italian companies to incorporate a climate neutrality objective in line with European objectives, the 3. specific public benefit goal was added)
illycaffè S.p.A.	“The company, as a societa benefit, intends to pursue, in the exercise of its economic activity, one or more purposes of common benefit and operate in a responsible, sustainable and transparent manner towards people, communities, territories and the environment, cultural and social assets and activities, entities and associations and other stakeholders. The guiding principle is the creation of value for all actors involved along the production chain, through a process of continuous improvement.” (3)
Novamont	“Novamont wants to support the transition from a product economy to a system-based economy and to accelerate the cultural and operating evolution towards economic, environmental and social sustainability. The transition involves society as a whole and is based upon improving the local area and collaborating with a range of interdependent parties, to create lasting and systemic prosperity. As a benefit company, in order to achieve its corporate objective, Novamont pursues common benefit purposes, operating in a responsible, sustainable and transparent manner in relation to people, communities, local areas, the environment, social and cultural assets and activities, entities and associations and other stakeholders.” (5)
Reti S.p.A.	“The company recognizes the value of interdependence, as a system of networks that represent the neural and connective tissue of a better future and, for this reason, it wishes to be a hub of the network of which it is part, a hub and not a simple terminal, because interdependence creates value when it fuels accessibility, sharing, interaction, community, intelligence, freedom, innovation, evolution and responsibility.” (4)

Source: own compilation based on the companies’ official website data

## INTERDISCIPLINARY APPROACH TO ECONOMICS AND SOCIOLOGY

Table 5. Mission committee composition and impact management data

Company name	Mission Committee composition	Impact manager/impact management
MAIF	10 members: 5 internal members (3 representatives of directors and 2 representatives of employees), 5 independent external members (including the president of the committee). The members are appointed for a period of 2 years, renewable.	
Groupe Rocher	4 members: 2 internal members (including the president of the committee), 2 external experts. Two new members will strengthen the mission committee in 2024, as noted in the 2023 Mission Committee Report.	
CETIH	11 members: 7 internal members, 4 external experts (including the president of the committee)	
Clariane	13 members: 4 members representing employees, 4 members representing patients, families of patients, residents, and local community (including the president of the committee), 5 external experts	
Groupe La Poste	17 members: 8 internal members (members of the board of directors including 2 employee representatives), 9 external members (leading experts, including the president of the committee)	
Aboca S.p.A., Soc. Agr.		CEO
Davines Group illycaffè S.p.A.		CEO illycaffè has identified its "Impact Manager", a person responsible for the pursuit of the functions and tasks aimed at pursuing the purposes of common benefit
Novamont		the Shared Value and Impact Management team (under the Strategy Implementation & Engagement department)
Reti S.p.A.		Reti has identified its "Impact Manager/s" (person/s responsible for the pursuit of the functions and tasks aimed at pursuing the purposes of common benefit)

Source: own compilation based on the companies' official website data



Table 6. Key Mission Committee Reports characteristics

Company name	Mission Committee Report characteristics (title, public availability, content analysis of the last published report (key content elements))
MAIF	The first reports were titled “Mission Report” (2020) and “Report of the Mission Committee” (2021). From 2022 the report is titled “The MAIF Mission Committee Report”. All reports are publicly available at company’s website. Content analysis of the 2023 report: the composition of the mission committee; statutory objectives’ achievement analysis (each statutory objective is related to strategic targets for 2026; for each statutory objective are defined strategic initiatives and its indicators based on which the results are stated); roadmap to 2024 with indicators for 2024. The mission verification report (audit report prepared by independent third-party body) is available publicly at company’s website right below the mission committee report.
Groupe Rocher	All reports are titled “Report of the Mission Committee”. The first report (2020) and the 2022 report are published with the third-party audit report attached. All reports are publicly available at company’s website (the most easily accessible is the last published report; others are to be found at company’s documentary area). Content analysis of the 2023 report: key historical dates related to important CSR milestones towards becoming société à mission; the composition of the mission committee; the brief description of the transformation of company’s business models (the OKR (Objectives and Key Results) method, the new HR model based on human needs and employee engagement levers, the “Group Rocher management way” structured around 3 main roles (leader, pilot and coach)); evaluation of statutory objective’s (for each statutory objective are defined 2-3 operational objectives based on which the results are stated; the strengths and areas for improvement are highlighted for each statutory objective); roadmap to 2024 with operational objectives for 2024 and horizon 2025 or 2025-2030)
CETIH	Both published reports are titled „Mission Report “. Content analysis of the 2023 report: the composition of the mission committee; steering of company’s mission explained (employees at the center (among them 20 are piloting the action plans), the process approach supports improvement, performance is monitored through contribution matrix, mission committee, third-party audits); highlights of the year; evaluation of statutory objectives through 33 indicators (performance is evaluated vs. objectives for each indicator but also tendency vs. previous year is noted). The roadmap for the forthcoming year is defined through projects and objectives for each indicator.
Clariane	The first report (2023) is titled “Report of the Mission Committee”. Content analysis of the 2023 report: the composition of the mission committee; opinion of the mission committee per initiative (for each statutory objective are defined one or more initiatives and its key performance indicator based on which the results are stated and compared to 2026 objective), roadmap to 2024 with 5 priorities identified including the appointment of an independent third-party organization that will start its first mission audit in September 2024.
Groupe La Poste	All reports are titled “Report of the Mission Committee”. The second report (2022) is published with the third-party audit report attached. All reports are publicly available at company’s website (most easily accessible is the last published report; others are to be found at company’s investors area related to ESG). Content analysis of the 2023 report: the composition of the mission committee; evaluation of statutory objectives through 14 oversight indicators (comments are given for each indicator with a close-up on one indicator per statutory objective; achieved results are compared with the targets for 2023/2025/2030 and with the previous year results); definition of indicators in appendix.

Source: *own compilation based on the companies’ official website data*

Table 7. Key Impact Reports characteristics

Company name	Impact Report characteristics (title, public availability, content analysis of the last published report (key content elements))
Aboca S.p.A., Soc. Agr.	All reports are titled "Impact Report" (the first is published in 2019). All reports are publicly available at company's website. Content analysis of the 2023 report: company's story; company in numbers; stakeholder mapping and materiality matrix (the combination of the level of relevance of the topics to company and its stakeholders), identifying topics of common interests (alignment between the themes identified as most relevant to stakeholders and company's general purpose/specific public benefit goals); company's overall impact assessment through a third-party standard (the B Lab's Benefit Impact Assessment tool (BIA) is used, which covers 4 areas: governance, workers, community, customers, environment; the impact footprint is presented for 2023 and for the previous year, additional assessment through the Ecovadis sustainability rating (the environmental, social, ethical and procurement practices), assessment of company's contribution to the UN Sustainable Development Goals (SDGs) through the SDG Action Manager online platform); the evaluation of achieved results with reference to the specific public benefit goals (the achievement of each public benefit goal is measured through KPIs and evaluated in relation to objectives for 2023); future targets for 2024 are listed next to the achieved results; impact report summary; a note on methodology. Certified Impact Assessors help prepare among others the Impact Report.
Davines Group	From 2019/2020 the company has published "Sustainability Reports". In 2023 the company has published "Impact Report 2023" next to the "Sustainability Report 2023". All reports are publicly available at company's website. Content analysis of the Impact Report 2023: short presentation of company's strategic vision with the link to the Sustainability Report 2023 for more explanation; evaluation of achieved results (company's overall impact assessment through a third-party standard (the B Lab's Benefit Impact Assessment (BIA)); for 4 key areas (governance, workers, community, environment) the company has defined operational objectives based on which the results are evaluated (the most operational objectives are defined for the area environment); milestones of company's sustainability journey in the above mentioned 4 key areas; operational objectives for 2024.
illycaffè S.p.A.	All reports are titled "Impact Report", starting from 2020. All reports are publicly available at company's website. Content analysis of the 2023 report: evaluation of results based on the specific objectives defined for each public benefit goal (for each goal there is a brief description of conducted activity which is evaluated in relation with the target for 2023); activities and targets for 2024; company's overall impact assessment through a third-party standard (the B Lab's Benefit Impact Assessment (BIA)).
Novamont	All reports are titled "Impact Report", starting from 2020. All reports are publicly available at company's website (the most easily accessible is the last published report; others are to be found through search engine). Content analysis of the 2023 report: the evaluation of achieved results (the achievement of each specific public benefit goal is measured through KPIs and evaluated in relation to objectives for 2023 set by the company in 2020, the year in which it acquired the status of benefit company and when the impact KPIs were defined; for each specific public benefit goal are defined activities (with KPIs), 2023 commitment, 2023 result and 2024 commitment, next to activities is a note to which SDGs are activities contributing; graphical presentation of trend of KPIs 2020-2023 normalized according to their baseline value (targets defined in 2020); the short explanation of organizational restructuring and people development activities undertaken to make organization more consistent with the mission; company's overall impact assessment through a third-party standard (the B Lab's Benefit Impact Assessment (BIA)).
Reti S.p.A.	All reports are titled "Impact Report", starting from 2020. All reports are publicly available at company's website. Content analysis of the 2023 report: the evaluation of achieved results (for every specific public benefit goal the obtained results are reported in relation to the several operational objectives set for 2023); targets for 2024 (the evolution of the objective for the following year is noted: initiative in evolution, repropose initiative, initiative which will continue continuously, initiative adopted); company's overall impact assessment through a third-party standard (the B Lab's Benefit Impact Assessment (BIA)).

Source: own compilation based on the companies' official website data

The sociétés à mission show serious commitment to their mission: through the changes in their business models, through the mission committees which have on average more than 10 members (the president of the committee is usually an external expert), and through statutory objectives (usually 3–5) and indicators that help them measure its progress towards mission (achievement of purpose and statutory objectives). The analyzed case studies offer examples of good practice in publishing mission committee reports valuable for other sociétés à missions: historical milestones towards the société à mission status, a brief description of the transformation of business models that support the new mission, steering of the company's mission explained, operational objectives and indicators that facilitate measuring achievement of statutory objectives, tendency vs. previous year results, close-up on one indicator per statutory objective, strengths and areas for improvement for each statutory objective highlighted, definition of indicators in the appendix, and third-party audit reports in the annex.

The majority of the analyzed SBs have appointed one person responsible for the pursuit of common benefit purposes – impact manager (often CEO). Next to the common benefit purpose, the SBs presented here usually define three to six specific public benefit goals that show their commitment to different groups of stakeholders. Although some companies publish their Impact Reports' legally required elements as part of their Sustainability Report, most publish their Impact Reports separately. Some best practice report content examples include stakeholder mapping and materiality matrix, assessment of a company's contribution to the UN Sustainable Development Goals (SDGs), milestones of a company's sustainability journey in the four key areas (BIA), graphical presentation of trends in KPIs for the previous period normalized according to their baseline value, a short explanation of organizational restructuring and people development activities undertaken to make the organization more consistent with the mission, a note on the evolution of the objective for the following year, an impact report summary, and a note on methodology.

If we observe the reports' titles and lengths, we can see that in French companies, the length of the 2023 report varies from 23 to 43 pages, with an average of 33 pages. There is an evident tendency in the title "Mission Committee Report." Among the analyzed Italian companies, the length of the 2023 report, usually titled 'Impact Report', varies from 23 to 96 pages, with an average of 53,6 pages.

### 3. Discussion

The research results show significant similarities, but also specific differences, between the analyzed hybrid purpose models in the EU, especially regarding control mechanisms. Spain, where the SBIC was introduced, is expected to follow the growth trends of purpose-driven companies in Italy and France. Although most benefit companies are found in the service sector, manufacturing and trade also stand out. Due to the specific characteristics of French and the Italian economy, which are both based on SMEs, the size distribution of benefit companies did not surprise us: most are micro- or small enterprises. However, the results show that the contribution of large companies to the hybrid purpose companies' workforce is predominant: 86 % in France and 76 % in Italy. National research on Italian SBs has also shown that their turnover, productivity, and profitability grew faster than those of non-benefit companies. Owing to investments in important strategic matters, such as innovation, the level of internationalization, and more significant attention to sustainability, they were able to cope with higher labor costs and distribute higher value to employees. In this case too, we can see that companies following a pie-growing mentality are often more profitable (as a by-product of serving society) than companies with a mindset of profit maximization (pie-splitting mentality) (Boustanifar, 2023).

The relevant case studies analysis results are in line with the national research results for both Italy and France (Marchini et al., 2023, KPMG, 2023, Ricerca Nazionale sulle Società Benefit, 2024b ) showing serious mission related commitment of real-life companies through the changes in their business models, through the mission committees which have on average above 10 members in large enterprises and a usually external expert as a president of the committee, or through the impact manager/management, and through statutory objectives/specific public benefit goals (usually 3 - 6) and KPIs which help them measure its progress towards mission. The obligatory impact reports are usually titled “Mission Committee Report” in France and “Impact Report” in Italy, and their length varies from 23 to 96 pages. The best-practice report content examples presented in this paper provide valuable guidance to all current and future hybrid purpose companies.

The benefit companies’ evolution and their overall performance indicate that companies recognize the value of adopting this new legal framework, which also expands the role of management in corporate law and brings it closer to contemporary management theory (Segrestin and Levillain, 2023; Astikè & Skvarciany, 2024). However, the problems related to stakeholder identification as well as their interests’ identification and weight are still the subject of discussion, as is the need to develop mechanisms that will allow all relevant stakeholders to keep directors accountable (Weber Kirst et al, 2021; Yin et al., 2023; Afonso Bellod, 2024).

## Conclusion

The comparative analysis of hybrid purpose models in Italy, France, and Spain has shown significant similarities but also specific differences between them, especially in control mechanisms. The insights given in the paper present, therefore, valuable sources for all other EU countries that are considering the introduction of similar hybrid-purpose companies in their legal framework.

The hybrid purpose companies' growth trends and overall performance indicate that companies recognize the value of adopting the status of benefit companies, although some additional legal requirements for improved transparency are put upon them. Although the purpose definitions are, in practice, mostly vague, obligatory reporting requirements push companies towards defining operational objectives, key performance indicators, and actions to track their progress towards achieving statutory objectives and to be verifiable by independent third-party organizations (OTIs).

The research limitations are related to the availability of secondary data and the limited number of case studies included. However, the results offer a valuable starting point for future research. To better understand the decision-making processes of hybrid-purpose companies, future research should focus on the analysis of mission committee/impact management composition and functioning. In addition, mission committee/impact reports as well as third-party verification reports (especially their comments) should be analyzed in detail.

The comparative character of the conducted analysis provides benchmarks for other hybrid purpose companies in achieving their hybrid purpose and is therefore a valuable tool for its management/mission committees/impact management and all employees involved in drafting reports or implementing purpose-driven actions.

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