



**SUPPORTING
BUSINESSES
TO DRIVE
SUSTAINABLE
GROWTH**

Annual Review

2022



The People who appear
in the Annual Review photos
are all SACE PEOPLE.

**SUPPORTING
BUSINESSES
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Giulia Riccio
 Reza Ghassemzadeh
 Valeria Francardi

LIGHTS

TOTAL SUPPORT FOR BUSINESS
54 billion euro

Exports,
internationalisation
and strategic
22 billion euro

Garanzia
Italia
11 billion euro

Garanzia
SupportItalia
18 billion euro

Green
Guarantees
3 billion euro

26,400 PLUS PROJECTS
AND TRANSACTIONS
SUPPORTED

Portfolio
164 billion euro

Customers
37 thousand

Provided with free insurance
and financial solutions
and training services.

EMPLOYEES
944

HIGH 2022

GROSS PREMIUMS
373.2 billion euro

CLAIMS
75 billion euro

NET INCOME
83.8 billion euro

EQUITY
4.9 billion euro

TECHNICAL PROVISIONS
5.8 billion euro

Published on 17 March 2022, the Interministerial Decree signed by the Italian Ministry of Economy and Finance and the Ministry of Foreign Affairs and International Cooperation determined the characteristics of the reorganisation of SACE Group, envisaging, in order: i) the transfer of the holding in SIMEST from SACE to Cassa depositi e prestiti; ii) the transfer of the holding in SACE from Cassa depositi e prestiti to the Ministry of Economy. As such, the data presented in this document does not take account of the results recorded by SIMEST.

Key message



Alessandra Ricci
CEO SACE

2022 was a year of great change for SACE.

A milestone year for the company. And this Annual Review provides a snapshot of the path we have undertaken and which will project us into the future.

A future that we are constructing together, day by day.

Together with the Italian businesses that we support.

Together with our people who were the first to embrace the challenge of change, making it their own with great courage.

Together with all our partners with whom we strive to construct the best world possible. It is no coincidence that **the 2023-2025 Business Plan** we presented in late 2022 was named **INSIEME2025** ('Together2025'), underlining how we will only be able to achieve the goals we have set ourselves if we collaborate with all of the players in the Italian economy.

Because this is our new mission: **to work together, via a network of relationships, knowledge and financial services, to create smart solutions that enable Italian enterprises to achieve their growth goals.**

With one major objective in mind: to contribute to the wellbeing of the community and the creation of lasting and inclusive sustainable growth for all.

This is the new mission we have adopted, one that emphasises what our Group is, and will be, for the country. The new and incredibly complex challenges of recent years have generated new energy and resulted in the emergence of new solutions.

The so-called "permacrisis" - characterised by constant macroeconomic and geopolitical uncertainty, the energy shock and inflationary tension - is accelerating investments in sustainability. Whereas before the ecological transition was a concept inextricably linked with the future, today it is an ongoing process that we refer to in the present tense. And we talk about it as **a choice that businesses are successfully embracing** with the aim of improving their resilience and staying competitive in Italy and on the international market.

SACE Group is travelling the same path, by their side, through its various activities: in Italy, with our **Green Guarantees**, launched in December 2020, and across the world with high-impact transactions that increasingly involve recourse to *sustainability-linked* instruments. These were joined in 2022 by a new pledge to support the economy during the delicate period that followed the

invasion of Ukraine by Russia.

We did everything in our power to offer effective solution for businesses faced with rising energy costs, our activities ranging from the **Garanzia SupportItalia** scheme, an emergency instrument to inject liquidity into enterprises, to partnerships with private-sector businesses and major utility companies for time-payment plans to ease the burden of energy bills, through to support for international gas traders to secure the country's energy supply. All of this without impacting on our efforts **to support exports and internationalisation**, the engine of the national economy, and all transactions of strategic importance to the country. In total SACE Group pledged 54 billion euro to support projects and guarantee loans and exports for over 37,000 businesses (almost all of which small or medium-sized enterprises). This took the form of both insurance-financial solutions and training support and business promotion services. An important result to which all of the Group companies contributed.

Improving the resilience of the national economic fabric, consolidating Italy's competitiveness on international markets and restoring growth on the domestic market: these are the objectives that will continue to shape our actions in the near future, as confirmed in our **Business Plan**.

The key cornerstones of the Plan are sustainability, the focal point of our corporate model and part of all decision-making processes, identifying new goals and long-term impact metrics with which to measure them; and innovation, to meet the challenges of change effectively and efficiently.

We are at the start but the lines are drawn and our goal is to **increasingly involve SMEs**, the backbone of our economy: directly, with dedicated products and services, and indirectly, with major transactions alongside the champions of Italian industry, together with which the supply chains of Made in Italy grow, generating extremely important revenues for workers and families.

A key role will be played by the continuously updated MySace.it platform, a **digital ecosystem** in which businesses can find SACE Group solutions but also products offered by partners with whom we collaborate with the aim of providing SMEs with all the tools they need to grow

sustainably in Italy and the world.

The goal is to double the number of businesses we serve to 65,000 in three years and we have already laid the foundations with the co-design project launched in 2022, an open channel of communication and dialogue, a continuous opportunity for change, a workshop that never closes.

All of this makes us a transitional company too, just like our clients. In our **ego-less team**, we bring together individual expertise as part of a major project for the country focused on **contributing to the long-term sustainable growth of Italian businesses to promote the wellbeing and prosperity of the entire community.**



Filippo Giansante
Chairman SACE

About us

“ **The strength of SACE Group** lies in its multi-faceted mission (support for exports and support for Italy) and the synergies between the different Group companies.

”

SACE is the Italian insurance-financial group controlled directly by the Ministry of the Economy and Finance. Its mission is to support businesses and the national economy through a wide range of instruments and solutions to improve competitiveness in Italy and worldwide.

For forty-five years, SACE Group has been the partner of reference for Italian enterprises looking to export and grow on international markets. The Group also works with the banking sector, providing financial guarantees to ensure companies have access to credit. This role was recently expanded to include new instruments to support liquidity and investments in business competitiveness and sustainability, as part of Italy's Green New Deal for the domestic market.

With insured transactions and guaranteed investments worth EUR 164 billion on its books, SACE, together with all of the other Group companies - SACE Fct, specialised in factoring, SACE BT, active in credit insurance, surety bonds and construction risk insurance, and SACE SRV, specialised in debt collection services and business intelligence management - serves over 37,000 companies, for the most part SMEs, supporting their growth in Italy and in over 200 foreign markets.

The strength of the SACE Group lies in its multi-faceted mission (support for exports and support for Italy) and the synergies between the different Group companies, which every day enable SACE to renew its ability to support Italian businesses on their growth paths and make them more competitive and resilient.

Together with Italian businesses, since the start. #Insieme2025

The 2023-2025 Business Plan - INSIEME2025 - represents the new path that we are building both for businesses and with businesses.

We will begin by listening to and responding to their development needs with the creation of smart solutions and a network of relations, expertise and insurance and financial services that enable them to operate sustainably while at the same time contributing to the wellbeing of the community.

Our aim is to open new avenues for businesses and for Italy through an evolution that revolves around the importance of people, new values, technologies and expertise shared within SACE and with companies.

By the end of 2025 SACE Group's commitment to Italian businesses will take the form of **EUR 111 billion** of investments, projects supported and guaranteed liquidity, with a forecast annual increase of 5% and an average return for the country on the resources allocated of over 5% in the three-year period.

Figures that underline both the extent of the activities undertaken by SACE - which aims to serve around **65,000 SMEs over the duration of the Plan** - and its commitment to sustainability and responsibility in the management of public resources.

TOWARDS A NEW BUSINESS MODEL

Sustainability, technological innovation, support for SMEs, and pride and responsibility to create a better Italy.

INSIEME2025 defines a **new business and support model** for enterprises to facilitate the transition towards an evolution - both in terms of value and volumes - across Italy. A genuine paradigm shift that will leverage on **four main aspects**: taking sustainability as its underlying strategy, it will prioritise investments in technological innovation in order to meet the needs of businesses and provide more effective support for SMEs, involving all of the Group people in one large tight-knit SACE team that is proud to serve its country.

SUPPORTING THE ECONOMY

We will consolidate the role we play in supporting the internationalisation and domestic investments of businesses, guaranteeing adequate risk monitoring and facilitating the green transition of organisations and the economy.



Sustainability

Sustainability will be the leading principle of our actions: impact assessments and metrics will be used to shape all company decisions and processes, and all of our activities will help support the acceleration of the sustainable evolution of businesses.



Technological innovation

We will focus on the development of solutions and applications to improve the knowledge and accessibility of our products and services and make internal processes more efficient, also adopting technologies such as blockchain and artificial intelligence.



Support for SMEs

We have set ourselves the goal of doubling the number of SMEs we serve to 65,000 in three years, involving them in a new digital ecosystem. This open platform will be developed on the basis of their user experience and involve all of the players in the national economy.



SACE team

Pride, customer service and belief in the value of working together are the three main principles that will drive the transition to the SACE of the future: a close-knit team of professionals led by a new ego-less model of values.

Barbara Audano



Supporting **Exports**
and **strategic**
importance

Maria Maddalena Albarano
Gianluca Cellammare

New outlets for Italian exports

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The Made in Italy brand remains an important driver of our economy and continues to grow despite the **complex geopolitical context and rising prices.**

”

2022 was another year of difficulty and uncertainty at global level with strong repercussions on economic and business activities. The global GDP rose by 3%, influenced by events like the Russian-Ukrainian war, the rise in energy prices and high inflation (8%). The Italian economy also felt the effects and demonstrated its resilience with its GDP rising by almost 4%, driven by consumption and investment.

In this scenario, **Italian businesses continued to export, prioritising international sales in a bid to improve their competitiveness.**

Italian exports rose by around 20% to almost EUR 625 billion, despite the higher than expected increase in prices (+20%), with volumes practically the same (+0.1%).

The **Made in Italy brand therefore remains an important driver of our economy** and continues to grow despite the complex geopolitical context and rising prices caused by inflation. The emerging markets and non-traditional geographical locations have become increasingly important destinations in the international strategies of Italian

businesses, a **way to diversify their end markets and take advantage of new opportunities.**

In this context, SACE, as Italy's export credit agency, and the Group companies - SACE BT, SACE Fct and SACE SRV - have made an important contribution to Italian exports, working alongside businesses to support their international market transactions.

In practical terms, this translated into over EUR 22 billion of insured exports and guaranteed loans in 2022. SACE Group's range of insurance-financial products, digitised and available on the [sace.it portal](https://www.sace.it), meets all of the needs of companies during the internationalisation process: from early stage advisory, when it is fundamental to know and assess one's counterparties, to export credit insurance and investment protection services to manage risks; from the guarantees needed to bid for jobs and contracts to financial services for accessing funding; from the factoring of receivables to last resort services like debt collection.

Martina Ghiselli



It is the most comprehensive range of services on the global export credit agency panorama, enabling businesses to significantly boost their competitiveness on the international markets: increasing their chances of securing international contracts, protecting themselves and improving their risk management, supporting their liquidity and investment capacity, and accessing loans more easily and with better conditions to grow securely on the global market.

This selection of instruments is augmented by the many initiatives that SACE carries out in collaboration with other economic actors (the Ministry of Foreign Affairs and International Cooperation, the Ministry for Business and Made in Italy, the Italian Trade Agency (ICE), Confindustria, industry associations and universities) with the aim of **optimising the capacity to pool together** and maximise the effectiveness of the initiatives undertaken for businesses.

You can't become an exporter from one day to the next.

To define an effective international strategy, navigate your way through the risks and opportunities of the global market and come into contact with potential international clients, you have to get off on the right foot, equipping yourself with a tool kit that includes **solutions and instruments for the structured management of foreign markets.**

Solutions that SACE Group strives to make increasingly **smarter, more flexible and consonant with the needs of businesses** through constant **listening** activities and a network of relations, expertise and insurance and financial services that enable them to **grow sustainably** while contributing to the wellbeing of the community.

Training is the first instrument in the **tool kit** that SACE makes available to businesses and those who want to adopt more informed **growth strategies** in Italy and abroad. **SACE Education** is the training hub designed to offer free multichannel support tailored to the real needs of businesses, particularly SMEs that wish to develop their managerial skills and expertise in a global, sustainable and inclusive context. SACE Education's activities are divided into three areas:

Education to Export, specialist courses on exports and internationalisation; **Infrastructure, green & digital**, designed to contribute to the growth of the Italian economy and infrastructure with the emphasis on environmental friendliness and digital technology; **SACE Academy**, certified academic training aimed at strengthening technical and specialist management skills and promoting a new business culture.

Simone Zannelli

Using the right tool kit

Since being launched in 2019, SACE Education has assisted more than **14,000 businesses** with over 250 hours of training, over 180 webinars, the creation of 12 formats (including Women in Export - the first female business network - and NRRP Workshops) and the launch of 11 academic partnerships. These results are the fruit of multiple collaborations with institutions, embassies, chambers of commerce, local employer federations, business schools and universities, with whom **communications initiatives** - particularly targeted at SMEs - are organised with the aim of acquiring the necessary strategic and operational skills to branch out on the international landscape, strengthen the presence of *Made in Italy* on foreign markets and develop corporate expertise in the areas of sustainable, digital and innovative growth.

SACE also supports SMEs through **business matching initiatives**, the main activity of the free **Business Promotion** programme aimed at developing the international growth opportunities of Italian companies and branches. By participating in business matching events and one-to-one meetings with international buyers, held both in Italy and around the world, as well as online, our enterprises have the chance to connect with the *procurement teams* of international buyers and present their technologies and services. These activities are held in synergy with other **players in the Italian economy**, such as embassies, the Italian Trade Agency and industry associations that form part of the Confindustria system.

In 2022 SACE organised **51 business matching initiatives** with buyers from strategic countries for Made in Italy, involving over **2000 businesses** in trade fair events in Italy and abroad, webinars and in-person initiatives. In addition, by registering in the reserved area of the *sace.it* website, SMEs can access the Business Promotion section where it is possible to consult a **digital catalogue** of international counterparties that are signed up with the programme and available for one to one meetings with potential Italian suppliers.

One of the keys to SACE's activities is understanding the counterparties and clients with which one collaborates. With **Valutazione Azienda**, SACE offers companies the benefit of its expertise and experience in evaluating the reliability of potential business partners in Italy and abroad via a *user-friendly* digital service. In addition, businesses interested in assessing the feasibility of an operation can take advantage of the **Parere di assicurabilità** which enables them to receive a preliminary opinion and to request the connected credit insurance directly.

All of this is supplemented by the analyses and studies of the SACE Research Department which, through products like the **Export Map and the Export Report**, analyse Italian export risk profiles and trends in 200 international markets, support businesses in their internationalisation strategies, completing the set of tools required to take a structured and informed approach to exports.

Matchmaking to create **new commercial opportunities**

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Since the launch of this programme SACE has completed **28 transactions worth over EUR 4.6 billion.**

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Michela D'Angelo

The success of Italian exports is also dependent on the creation of opportunities and strong commercial ties. Through the **Push Strategy**, SACE adopts a proactive approach in order to lay the foundations for Italian exports in high-potential emerging markets, activating economic diplomacy mechanisms. As part of this Strategy, SACE guarantees medium- to long-term credit lines to important foreign counterparties with the aim of improving the position of Italian businesses, particularly SMEs, in global supply chains.

Between the launch of this programme, in 2017, and 2022, SACE completed 28 transactions worth over EUR 4.6 billion on behalf of foreign counterparties that operate in strategic sectors for Italian supply chains, enabling many companies to establish themselves in the supply chains of international buyers and finalise various contracts.

The Push Strategy is not only limited to the financial phase of the operation. Another integral part of the programme is the organisation of business matching meetings between interested Italian businesses and the top management and procurement teams of foreign buyers that benefit from SACE's guaranteed loans.

The Push Strategy has generated EUR 1.7 billion of additional exports, EUR 4.4 billion in production value and made it possible to support and maintain over 25,000

employees. Numbers that are set to rise given the medium- to long-term time horizon associated with this kind of activity.

And it isn't just exports that have benefitted: in 2022 the proactive and innovative Push Strategy approach was also applied for **strategic imports of raw materials**, particularly important in the current economic context. In fact, SACE supported businesses specialised in the procurement, storage and transportation of raw materials, who are committed to supplying strategic resources to our industry.

SACE continuously promotes matchmaking meetings also outside of the Push Strategy programme, involving important foreign buyers. To date, the approximately 130 initiatives carried out as part of the **Business Promotion** activities, in-person, online and during leading trade fair events in Italy and abroad, have involved around 4000 exporters, predominantly SMEs, and buyers from a wide range of sectors, from energy through to infrastructure and agrifood.

Everything has been made more accessible also thanks to the digital Business Matching on the MySace.it platform, which has become a genuine marketplace for facilitating meetings between SMEs and registered foreign buyers.

Exporting more and safely

Knowledge is certainly an integral element to the success of a negotiation, particularly when operating on international markets: knowledge of the destination country, of your business partner and of the economic and political context in which it operates. All of these factors are given due consideration by businesses when formulating offers for their customers and, together with the quality of the product or service, impact on the overall competitiveness of the proposal.

To this end, SACE Group offers **diversified credit insurance solutions** based on the specific requirements of businesses, the product sectors of reference and the complexity of the operation, providing companies with the tools they need to establish strong and informed business relationships: from the analysis and monitoring of all customers or a selection of customers to the coverage of non-payment risk, through simple tools and integrated solutions.

The development of the product range, also from a digital perspective, makes it possible to meet the needs of businesses of all sizes, both for the smallest sums or individual work orders - through the traditional **Supplier Credit** policy (in the digital version "**Export Up**"), which involves the coverage of contract sales or repeat transactions towards one or more customers - and for more complex transactions of significant value -

managed via the **Buyer Credit** policy - which involve the structuring and coverage of medium- to long-term credit lines granted to foreign counterparties, also involving banks. As well as typically protecting the company from business or production risk, the biggest advantage for an insured company is that it has the opportunity to **grant competitive payment extensions** to its customers, reducing the risk of invoice payment defaults and facilitating, as a result, safer and more dynamic trade.

In this operating environment, SACE backed EUR 6.9 billion of transactions in 2022, supporting 800 supply contracts of Italian businesses across the world.

The Americas accounts for 40% of the new export credit transactions supported by SACE with Mexico and Brazil the most dynamic markets in terms of number of insured transactions.

It is followed by the Middle East and North Africa (32% of insured volumes) and Emerging Europe and the CIS (14%). The sectors that have benefitted most from SACE support in the area of exports include a number of traditional areas of Italian excellence, most notably shipbuilding (35% of volumes supported), infrastructure and construction (13%), and the metallurgy industry (5%).

Segments that include both large enterprises, so-called *champions*, sector leaders with excellent global positioning, but also a system of supply chains made up of lots of smaller businesses.

“ As well as **protecting its own business**, an insured company is able to **grant competitive payment extensions**. ”



exports, through **SACE BT** the Group is also able to support organisations that plan to mitigate the impact of increased risk volatility in both the foreign and domestic markets with the **short-term credit insurance tool**.

The wide range of solutions includes both the coverage of **select risks in the global arena**, also available online, and the **coverage of all revenues** - on both the Italian and international market - which can be structured on the basis of the characteristics and needs of the insured company.

SACE BT aims to support enterprises in all business development phases: from the selection of customers, thanks to the assessment and continuous monitoring of risk, to the definition of conditions that encourage trade between the parties, which make it easier to access financial solutions based on the sale of trade receivables among other things, and through to the issuing of compensation and the subsequent recovery of debts in the event of the non-payment of invoices.

Finally, **BT Top Up**, second-level coverage for businesses already insured against credit risk, which makes it possible to supplement the coverage of selected Italian and international customers for the targeted development of business transactions.

Alessandra Vinciguerra
Saverio Amoroso

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With the guarantees of SACE, it is possible to access loans at more advantageous conditions with no change to credit lines.

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To grow on the international markets, businesses require financial backing to support their strategies, investments and projects. In this regard, SACE's guarantees are an important tool for facilitating access to credit.

SACE's financial guarantees enable businesses to access loans in order to support **their working capital and investments connected with internationalisation**. In this way, companies can obtain more beneficial lending conditions in terms of duration and overall cost without any change to the credit lines available via the banking system.

With the aim of granting credit to support the internationalisation processes of Italian enterprises, in partnership with the leading banks and financial institutions that underwrite bond issues, SACE also **guarantees debt securities** with guarantees on mini bonds.

SACE's activities to assist Italian businesses also include support for **projects of strategic importance for the Italian economy and economic system in the area of internationalisation, economic security and the activation of production and employment processes**.

Renzo Vaccari
Maria Cristina Grechi

Financing international projects of strategic relevance

This is a key area for the growth and development of Italy, within which SACE guarantees can tangibly contribute to improving the competitiveness of the country. This type includes financial guarantees to support credit lines for transactions to **increase the penetration of Italian businesses on foreign markets** (through, for example, foreign investments, including acquisitions of target international businesses, support for working capital for supplies of products destined for export, bond transactions for the execution of work orders in the world); to **contribute to satisfying and reducing energy demand in Italy**; and, finally, to foster economic development through **support for investment in infrastructure**.

All in all, in 2022 SACE guaranteed EUR 4.2 billion of loans connected with projects of strategic importance.

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In an unstable economic, political and social context, the SACE Political Risk Insurance policy represents an **excellent source of support for businesses.**

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Alessandro del Prete
Martina Gentile

Investing abroad

To strengthen their competitiveness and improve their ability to anticipate local demand, it is also important for businesses to be present in the markets in which they operate. However, particularly in an increasingly unstable economic context racked with political and social tension, it is becoming imperative to adopt suitable tools in order to protect oneself from political risk.

The SACE **Political Risk Insurance policy** is a useful instrument for businesses that want to protect their investments abroad, both in terms of capital injections (equity) and loans to foreign subsidiaries. This tool makes it possible to limit losses or the failed repatriation of sums relative to the investment (for example, dividends, profits, *shareholder loan* repayments) following civil war and unrest, currency restrictions, direct or indirect expropriation and the revocation of contracts taken out with local public counterparties, and also protects against the risk of *business interruption*, i.e. damage deriving from the temporary suspension of production activities.

In 2022, various businesses chose the Political Risk Insurance policy to support their international activities. In this area, SACE has insured over EUR 1 billion of investments, mainly relating to transactions in the Middle East and North Africa, Emerging Europe and South America.

Transforming credit into liquidity



Digital factoring enables businesses, and SMEs in particular, to **obtain liquidity from trade receivables quickly** and independently.



Through SACE Fct, SACE Group offers factoring solutions that enable businesses to **obtain liquidity** through the sale, with or without recourse, of receivables against private or public Italian or foreign counterparties. Today, SACE Fct is a point of reference on the factoring market, able to offer Italian businesses traditional services for the disposal of receivables and dedicated instruments for optimising payment streams to support the production chains of major Italian industries, such as its *Supply Chain Finance (Reverse Factoring and Confirming)* services and the services of the Public Administration line (including tax credits).

SACE Fct has also developed *Digital Factoring* solutions dedicated to all businesses, and SMEs in particular, which need to obtain liquidity from trade receivables quickly and completely independently.

The SACE Fct digital range makes it possible to quickly and intuitively transform trade receivables into liquidity online via access to a dedicated platform where, as well

as factoring products, customers can also find an additional source of liquidity with the possibility of accessing an *Invoice Trading marketplace*.

In 2022, SACE Fct liquidated EUR 5.4 billion (+17% compared with the previous year), the highest yearly figure since it was established. It has very positive synergies with the other Group companies: around EUR 170 million of the liquidated credit relates to export credit transactions guaranteed by SACE while around EUR 200 million is used to support Italian businesses as part of the measures outlined in the decrees connected with the European Temporary Crisis Framework. As part of the initiatives introduced by the Italian Government to support the liquidity of businesses impacted firstly by the pandemic and then by the Russian invasion of Ukraine, SACE Fct has contributed to Garanzia Italia and Garanzia SupportItalia (for Mid Corporate and Large Corporate enterprises) with SACE and to the Central Guarantee Fund (for SMEs).



Fausto Palumbo
Vincenzo Leodori

Debt collection across the world

Exporting businesses are particularly exposed to the risk that their customers may not be able to honour their debts, particularly at a time of general financial turbulence like the present. In the event of **defaults on payment deadlines**, it is possible to activate debt collection and restructuring actions with SACE Group, which has unique *expertise* with regard to foreign counterparties, particularly those from emerging markets - high potential but often also high-risk - which require highly specific *know-how* in different areas (e.g. economic-financial, legal and linguistic).

Since 2011, SACE SRV, the Group company specialising in debt collection, *data collection* and business intelligence management, has managed over 25,000 mandates for an exposure of around EUR 2 billion.

In 2022, SACE SRV collected over EUR 72 million of debt on behalf of SACE, the Group companies and uninsured third-party customers mainly through out-of-court negotiations.

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Exporting businesses are exposed to the risk that their customers **may not be able to honour their debts.**

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Obtaining guarantees for tenders and contracts and protecting against construction risks

Being able to provide your customers with guarantees is important if you want to **participate in tenders or win contracts and work orders**. Finding the right guarantee, in line with the needs of the business and issued in the right timeframes and via simple processes, can make the difference between the success and failure of an operation.

Together with its company SACE BT, which operates in the surety bond and construction risk business, SACE supports businesses through the direct and indirect issuing of sureties (guarantees for the successful fulfilment of contracts between private parties or surety bonds required by law in the event of the participation in and winning of tenders), and through policies that protect against worksite activity risks, which cover all direct material damage both to the works being constructed and pre-existing works or third-person liability. In 2022 SACE Group supported Italian businesses with around EUR 3 billion of sureties and issued EUR 30.5 billion of guarantees to protect against worksite risks.



Support
for the national
economy

*Kristjana Zefi
Valeria Norighi
Noumane Yaniss*

Always alongside Italian businesses

The years 2020-2022 were characterised by a series of highly impactful crises on the economic and social context, leading economists to come up with the concept of "permacrisis" to convey the idea of a complex, unpredictable and continuously changing scenario. The Pandemic, the invasion of Ukraine by Russia, the pressure on supply chains and raw materials, rising energy prices and inflation have all had major repercussions on global balance and business activities.

In this context, the European Union has taken action to assist businesses by introducing the Temporary Crisis Framework, which gives Member States more flexibility to support the economy.

To this end, SACE was tasked with carrying out an important role, **supporting the liquidity** of Italian businesses via two instruments: Garanzia Italia and Garanzia SupportItalia.

Through the **Garanzia Italia** emergency instrument - established by the Liquidity Decree (Decree Law 23/2020) - SACE guaranteed, with a counterbond issued by the State, credit lines to cover the liquidity needs of businesses affected by the Pandemic effects, helping

them to support, in particular, staff expenses, investments and working capital. Through this investment, SACE was able to support the entire Italian business fabric with major diversification at geographical and sectorial level. The total volume of loans guaranteed through the Garanzia Italia emergency instrument amounted to around EUR 42 billion (EUR 11 billion in 2022 alone). The instrument expired at the end of the Temporary Crisis Framework on 30 June 2022.

Thanks to the expertise it acquired with Garanzia Italia, SACE received a new mandate to support Italian businesses. Garanzia SupportItalia is the emergency instrument established by the 'Aiuti' (Aid) Decree (Decree Law 50/2022) and operational since July 2022.

Through **Garanzia SupportItalia** companies can access loans, with SACE guarantee and a counterbond issued by the State, to support their liquidity requirements, with the aim of dealing with the negative effects of the Russian-Ukrainian war and guaranteeing operational continuity: from the contraction of sales to falls in production due to delays in the raw materials supply chain, from the cancellation of contracts with Russian, Ukrainian

and Belorussian counterparties to the significant increases in energy and gas prices. SACE can issue guarantees to banks, national and international financial institutions and other parties licensed to grant credit in Italy, in relation to cash loans of any type, both short-term with set expiry date and medium- to long-term. In 2022, SACE's total commitment amounted to approximately EUR 18 billion.

A leading role in the Garanzia Italia and Garanzia SupportItalia process was played by SACE SRV, the Group company that oversees business intelligence management, guaranteeing its quality, comprehensiveness and availability. In fact, as part of its business intelligence activities it manages the actions connected with the obligations of the anti-money laundering and anti-mafia regulation to support business, as well as the National Register of State Aid for activities that come under the EU Temporary Framework.

“ Thanks to Garanzia SupportItalia, businesses have the chance to **access loans with a SACE guarantee and a counterbond issued by the State.** ”

Luca Brecciaroli

Combating rising energy costs

During the year SACE Group developed a set of tools to support Italian businesses in the current climate of **rising energy costs**, responding to the very tangible needs of companies with solutions such as the possibility of deferring energy bill payments, coverage from the risk of non-payment, and the possibility of obtaining liquidity and the guarantees necessary for procurement.

In addition to Garanzia SupportItalia, the emergency instrument introduced with the "Aid Decree" and connected with the new European Temporary Crisis Framework to support the liquidity needs of businesses resulting from the economic consequences of the Russian-Ukrainian war, taking advantage of all its expertise in the fields of surety bonds, factoring and guarantees, SACE Group has developed a range of solutions to enable businesses to deal with potential liquidity problems.

SME ENERGY SURETY BONDS

The economic and, more especially, geopolitical landscape resulting from the Russian-Ukrainian conflict has significantly slowed the economic recovery with strong repercussions on businesses, particular small and medium-sized enterprises, already reeling from the effects of the Pandemic.

SACE Group has developed a guarantee that mitigates the negative impacts connected with energy procurement. With the **SME Energy** ('Caro energia Pmi') guarantee issued by SACE BT, businesses can obtain a guarantee to go with

their request to their energy supplier to pay their bills in instalments. The guarantee is valid for the duration of the instalment plan.

In turn, the energy suppliers can benefit from instruments to protect themselves from the risk of non-payment of deferred bills, or liquidate them through factoring. To make the service more accessible, SME Energy Surety Bonds is also available digitally, via an online request process, with the possibility of receiving support from an insurance agent to facilitate its management.

FACTORING CONFIRMING

SACE Group's factoring solutions round off its range of products to combat the problem of rising energy costs. SACE Fct, the Group factoring company, has developed a product that combines insurance solutions, for the deferral of payments, with financial solutions for the payment of energy supplies. Through this combined solution, the energy supplier that has agreed to the SME's request to defer payments in light of the SACE BT guarantee can liquidate the deferred bills with SACE Fct.

SACE Fct has also guaranteed lines of finance to Italian businesses via the Confirming product and Contract Advance lines, supplemented by the SupportItalia guarantee, ensuring companies that have requested the service better economic conditions.

Supporting construction companies

SACE Group provides 360° support to businesses in the construction sector with a complete range of instruments to meet their needs.

Through Garanzia SupportItalia, the extraordinary instrument dedicated to Italian businesses affected by the negative economic consequences of the Russian-Ukrainian war, SACE supports companies by issuing guarantees at advantageous conditions for loans granted by lenders to help secure guaranteed credit lines which can be used to finance new investments, working capital, staff expenses, rental costs or business branch leases (with the purposes established by the so-called "Aid Decree").

SACE guarantees are counter-guaranteed by the State. In this way, construction companies which carry out, or have carried out, works that benefit from the so-called "110% Superbonus" or other "construction bonuses", can access new funding using tax credits matured prior to 25 November 2022, which contribute to determining their creditworthiness with relationship banks.

Andrea De Meo

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SACE supports businesses by issuing guarantees with advantageous conditions for loans granted by lenders, helping to secure guaranteed credit lines.

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Garanzia SupportItalia joins a consolidated range of products that SACE Group offers businesses in this sector. Beginning with **surety bonds**, crucial instruments that enable construction firms to participate in tenders or secure contracts. SACE and SACE BT surety bonds offer the advantage of a surety in order to strengthen competitiveness and improve financial flexibility, and can make a real difference.

In fact, the surety bond policy enables businesses that have signed trade contracts or won tenders to fulfil their obligation to guarantee the execution of their contractual commitments in all phases of the tender through to final delivery, without having to tie up liquidity, securities or other collateral or bank guarantees, avoiding saturating credit lines and ensuring they have financial resources aside to support company growth.

Construction companies manage worksite activities both in Italy and abroad every day and are well aware of the risks involved. For this reason it is important for them to choose insurance coverage that analyses the risks connected with the activity, whether internal, external or legal, so they are

able to protect assets and people. With SACE BT, through the **CAR** (Construction all risks) policy for worksite activities and **EAR** (Erection all risks) for machinery, businesses can protect the worksite from construction risks connected with any form of material and direct damage to the works subject to construction, including pre-existing works, the machinery used at the worksite and damage involuntarily caused to third parties.

In addition, with the **Decennial Liability Policy** it is possible to guarantee the construction for ten years following the completion of work, against eventual construction defects or faults caused by the soil, including damage to third parties, and therefore complete the coverage begun with the surety bond during the tender phase.

The policies connected with the construction sector are often quite complex and for this reason are traditionally managed with the support of an insurance intermediary, agent or broker, which forwards requests and helps manage the relationship between the insured and the company.

A photograph of three business professionals in a meeting, overlaid with a teal gradient. The man on the left is looking at a document, the woman in the center is looking down, and the woman on the right is looking towards the center. The text 'Commitment to the ecological transition' is overlaid on the right side of the image.

Commitment to the **ecological** transition

Gianmarco Paone
Maria Gloria Fagiolo
Stefania Pettinaro

Investing in sustainable growth

The ecological transition is a strategic issue today, not just because of our widespread understanding of the grave consequences of climate change but also because of the strong tension in the raw materials market (the energy market above all) which, together, mean that the adoption of an **approach that makes sustainability the focal point of all future growth strategies** can be put off no longer.

In 2022 SACE continued to support the green projects of Italian enterprises. A process that began with the introduction of the "Simplification Decree" in July 2020, which enables SACE to issue public guarantees to promote the ecological transition of Italy, in accordance with the European regulation on state aid and on the basis of the taxonomy defined by the European Union.

SACE pursues its commitment to the green transition also through export and internationalisation transactions, with innovative initiatives in the export credit sector, including *green loans and sustainability-linked loans*, and in reverse factoring to support the sustainable development of Italian supply chains.

Sustainable transition is a path that concerns everyone: companies and organisations. **It is a path that SACE Group has embarked on with the new INSIEME2025 Business Plan**, conscious of the unique role it plays - at the intersection of businesses, finance and institutions - and

responsibility it has to facilitate sustainable development and growth. For this reason SACE is introducing sustainability criteria to all of its company processes, adopting long-term impact assessments and metrics in all decision-making phases. The ambition is to embrace a new paradigm, becoming a "purpose driven organization" where financial decisions produce social and environmental impacts and where social and environmental impacts have financial consequences.

INVESTING IN SUSTAINABLE GROWTH

SACE, with the Simplification Decree of July 2020, was identified as an **enabler of the Italian New Green Deal** through a programme of insurance policies that benefit from the guarantee of the Italian Republic. The **Green Guarantee** is the SACE instrument for facilitating access to credit for businesses that want to fund projects aimed at incentivising their ecological transition.

These guarantees, counter-guaranteed by the Italian State, are designed to finance projects aimed at smoothing the transition towards a low-carbon economy, integrating low-emission technologies in production cycles for sustainable goods and services, and promoting new, clean, low-emission transport.

In 2022, over EUR 3 billion of projects were supported in the form of around 250 transactions.

Alessio Lucci Cordisco

Another important aspect in this area is the **signing of agreements with the main credit institutions** with the aim of speeding up and streamlining the process of issuing Green Guarantees, mainly to the benefit of SMEs and mid-corporates.

The Green Guarantee is a tangible opportunity for businesses of all sizes. In fact, the eligibility of the initiatives is assessed by a *due diligence* process aimed at verifying their compatibility with the criteria of the European Union taxonomy. In particular, the projects must produce significant benefits regarding at least one of the following environmental goals: mitigation of climate change and adaptation to same; sustainable use and protection of water and marine resources; transition towards the circular economy; prevention and reduction of pollution; protection and restoration of biodiversity and ecosystems.

SACE has supported a total of over 330 transactions in this area for a total of around EUR 9 billion of guaranteed loans. 90% of transactions have involved SMEs and mid-corporates, underlining SACE's commitment to supporting not just large enterprises but also smaller concerns, with a wide degree of sectorial diversification: Infrastructure and Construction has been allocated 40% of resources, renewable energies 24% and other sectors and industries 36%.

The projects have pursued the following goals: Mitigation of climate change (248); Circular Economy (51); Prevention and Reduction of Pollution (48); Protection of water and marine resources (17); Protection and Restoration of Biodiversity and Ecosystems (6); Adaptation to climate change (1).

ALONGSIDE MADE IN ITALY SUPPLY CHAINS IN ITALY AND THE WORLD

As well as the Green Guarantees, SACE Group is committed to supporting the growth of the sustainable projects of Italian businesses also through other activities. In the world, SACE supports often cutting-edge projects in the area of export credit, through **green loans or sustainability-linked loans**, as well as projects with impacts in the territories where Italian companies export or invest.

The Group also supports the ecological transition of Italian businesses indirectly. In 2022, SACE Fct launched the **Sustainable Reverse Factoring** tool, involving several major Italian buyers. Through this product, the businesses along the supply chain obtain an ESG rating - issued by an independent and specialist company that also provides an indication of how the business can improve its sustainability by acting on the "environmental, social and governance" variables - on the basis of which they can benefit from economic discounts on factoring.



Tools **for businesses**



Financial guarantees

To facilitate access to loans and credit facilities for enterprises, supporting their growth and green transition in Italy and on international markets.

Credit insurance

To protect Italian businesses from the risk of insolvency, enabling them to offer their international customers extended payment terms to keep cash flowing.

Financial liquidity

To help businesses to collect debts, in Italy or abroad, and transform them into liquidity to obtain financial resources.

Surety bonds

To enable Italian enterprises to bid for international contracts and obtain the performance bonds required by their customers.

Construction protection

To give Italian enterprises peace of mind when working on construction sites in Italy and around the world.

Customer and market advisory

To obtain credit ratings on Italian and international customers and access country and industry studies and research, and training and advisory services.

FOCUS

Solutions for businesses

SOLUTIONS

Our range of insurance-financial solutions has expanded over the years to cover today all the needs of enterprises looking to export and grow worldwide. As SACE's mission has grown, we have added key products to our range, expanding our financial guarantees in support of liquidity and green investments.

We also assist businesses with support initiatives that aim to improve knowledge, contacts and expertise, fundamental levers for the growth of enterprises in Italy and the world today.

The SACE Group product range can be viewed online at [MySace.it](https://www.mysace.it).

FOCUS

MySace.it

MySace.it is the digital portal where it is possible to access the SACE Group's online solutions.

In 2022, MySace.it evolved into an integrated **open platform** involving all players in the economy, designed to offer Italian businesses, particularly SMEs, access to products and services in a single virtual space.

In fact, as well as the Education and Business Promotion instruments and the SACE Group digital insurance-finance range, there are also solutions proposed by corporate and institutional partners that have already registered on the platform in order to offer the widest possible array of **products to support the sustainable growth of SMEs** in Italy and the world.

Thanks to the new functionalities and services developed in 2022, MySace.it has become a genuine **vertical marketplace** which supplements the insurance-finance services with a range of solutions to support enterprise, offering new digital solutions to meet the needs of Italian businesses.

The main new solutions introduced during 2022 were: the digital Business Matching platform, a marketplace where Italian small and medium-sized enterprises can get in contact with selected leading foreign buyers, which has become a genuine programme to sign up for. In fact, by participating in the programme businesses have the exclusive opportunity to be invited to events and one-to-one business meetings with international buyer partners of SACE, choose the counterparties of interest and request to meet them even in the absence of pre-planned events;

- the digital calendar of events for registered companies now enables them not only to sign up for one or more events but also to save them in a dedicated section and access related in-depth technical and educational materials online;
- the new integrated SACE, SACE BT and SACE Fct digital range to address rising energy costs. These were the first solutions launched on the market to support Italian SMEs affected by the increase in energy prices.

MySace.it is therefore a key part of SACE's new role and the INSIEME2025 Business Plan strategy, one of the cornerstones of which is the involvement of SMEs.

Bruno Mattia Balletti



Education & Business Promotion

Training, knowledge and experience: these are the main goals of **SACE Education**, the SACE Group training hub which provides innovative, free and multichannel support to Italian businesses, particularly SMEs, that wish to develop their managerial skills and expertise in a global, digital, sustainable and inclusive context.

To address the problems of the current economic context and effectively support the growth of Italy, SACE has strengthened its range of training solutions, by developing them in three areas. "**Education to Export**" has been supplemented with new projects designed to encourage innovative company business models and contribute to the **green, digital and infrastructural development** of the country. Finally, through the third area, **SACE Academy**, we provide **certified academic training** in collaboration with leading universities and business schools with the aim of strengthening technical and specialist managerial skills and promoting a new business culture.

As well as training and knowledge, the success of Italian exports also depends on the creation of **opportunities and contacts**. Through the **Push Strategy**, SACE adopts a proactive approach in order to lay the foundations for Italian exports in high-potential emerging markets, activating economic diplomacy mechanisms. As part of this strategy, SACE guarantees medium to long-term credit lines at competitive rates to important foreign counterparties with the aim of facilitating the purchase of Italian goods and services, bolstering existing business relationships and developing the procurement of Italian enterprises. The Push Strategy is not only limited to the financial phase of the operation. Another integral part of the programme is the organisation of business matching meetings between interested Italian businesses and the top management and

procurement teams of foreign buyers that benefit from SACE's guaranteed loans.

Another initiative to proactively create new opportunities for Made in Italy while at the same time strengthening relations with foreign buyers that have consolidated experience with the Italian supply chain, is **Export Boost**. As part of this programme, SACE guarantees loans to foreign buyers who, in turn, commit to increasing their supplies from Italy. The size of the loan depends on the average amount of Italian supplies undersigned by the buyer in the previous two years and it can be used to fund new projects. The aim of this instrument is twofold: being a credit line, the foreign buyer is incentivised to enlist increasing numbers of Italian suppliers for its projects; in addition, with Export Boost, SACE maximises the impact of its actions, supporting the entire supply chain of supplier businesses, including those not directly insured by SACE.

SACE also constantly promotes **business matching** meetings outside of its Push Strategy and Export Boost programmes, involving leading buyers with whom it has consolidated business relations. During the meetings, exporters have the chance to come into direct contact with the potential buyer and get information on future investment plans and credit methods in the supplier register. To date, the approximately **130 initiatives carried out as part of the** Business Promotion activities, in-person, online and during leading trade fair events in Italy and abroad, have involved around 4000 exporters, predominantly SMEs, and buyers from a wide range of sectors, from energy through to infrastructure and agrifood.

Federico Mazzola

FOCUS





Our network

Giulia Riccio
Valeria Francardi
Reza Ghassemzadeh

Domestic and international network

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The SACE network consists of **9 sites located in strategic areas** for Italian exports.

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With 14 sites in Italy and 45 years of experience behind it, SACE assists businesses directly in the field, working by their side to develop successful international strategies. A **nationwide network with transversal expertise**, from exports to digital, to identify, together with businesses, the most suitable solutions for their growth in Italy and abroad. The Italian sites also perform an important role in expanding and strengthening relations with banks, trade associations and local institutions in order to provide an increasingly synergic service dedicated to businesses.

At international level, the SACE network consists of **9 sites located in strategic areas for Italian exports**. The international offices monitor the potential of the country, cultivating relations with banks and institutions but also with important local counterparties. Keeping tabs on emerging and frontier economies is particularly important for Italian exports and helps to facilitate the diversification of the end markets of Italian companies, which are often more narrowly focused on nearby and traditional markets.

Third-party networks and partnerships

Care, engagement and proximity to businesses are the cornerstones of the SACE business model. The priorities of the INSIEME2025 Business Plan include support for SMEs, with the ambitious goal of assisting 65,000 over the duration of the Plan, double the number it has served until to date. To achieve this goal, SACE Group has chosen to adopt a multichannel and partnership approach that involves **all of the stakeholders that revolve around businesses**.

Thanks to a series of partnership agreements, SACE is developing a network of professionals interested in providing its customers first-rate consultancy on the instruments offered by the Group. Through this network of professionals, SACE Group is able to reach many SMEs across the country and determine their needs thanks to the help of figures that work with them on a daily basis and understand their situation.

This activity joins the initiative already launched and consolidated by SACE BT, which constantly develops relationships with the network of insurance intermediaries and is able to call on a network of 54 multifirm agents and 138 collaborations with brokers. Whether a broker or agent, the figure of the intermediary, a genuine business consultant, is crucial in the management of SACE BT's insurance products and guarantees direct and continuous contact with the companies.

SACE Fct also signs agreements with various partners in order to reach out more effectively to SMEs, and more particularly to raise awareness of the advantages of factoring as a tool for strengthening their competitiveness and to identify the needs of businesses.

Laura Brichetto



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