

## **Regulation implementing legislative decree 254 of December 30 2016 relating to reporting information of a non-financial nature**

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Adopted by CONSOB with resolution 20267 of January 18, 2018)<sup>1</sup>

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<sup>1</sup> Resolution 20267 of January 18 2018 and the attached regulations are published in the Official Journal 21 of January 26 2018 and in CONSOB's Bollettino no. 1.2. January 2018.



Art. 1  
(Definitions)

1. In this resolution the following is meant:
  - a) "non-financial declaration": the individual or consolidated declaration of a non-financial nature provided for in articles 3 and 4 of legislative decree 254 of December 30 2016 drafted by the parties referred to in article 2 and article 7 of the said decree;
  - b) "listed issuers": Italian securities issuing companies admitted to trading on regulated Italian and EU markets;
  - c) "issuers of widely-held financial instruments": the issuers of financial instruments widely disseminated among the public in considerable amounts referred to in art 2-bis of issuer regulations;
  - d) "designated auditor": the auditor or auditing firm engaged for the declaration of a non-financial nature;
  - e) "engaged auditor": the auditor or auditing firm engaged for the auditing of the financial statements;
  - f) "decree": legislative decree 254 of December 30 2016
  - g) "issuer regulations": the regulations governing the implementation of decree 58 of February 24 1998 concerning the governing of issuers adopted by CONSOB with resolution 11971 of May 14 1999 as subsequently amended.

Art. 2  
(Publication of non-financial declarations)

1. Subject to what is provided for in the law regarding the publication and filing of the management report, when the non-financial declaration is contained wholly or in part in the separate report referred to in article 5 paragraphs 1 letter b) and article 3 letter b) of the decree, it is published in accordance with the terms and in the ways specified below:
  - a) the listed issuers publish it together with the annual financial report referred to in art. 154-ter of legislative decree 58 of February 24 1998 in the ways provided for by articles 65-bis, paragraph 2, 65-*quinquies*, 65-*sexies* and 65-*septies* of the issuer regulations;
  - b) the issuers of widely distributed securities, at the same time as the separate report is deposited at the company registry, publish it in the ways provided for in article 110 of the issuer regulations. The issuers of widely distributed securities

referred to in article 2 of the decree also see to the filing of the separate report at the company's registered offices together with the management report in the terms provided for in article 2429, paragraph 3 of the civil code.

2. Non-listed and not widely distributed parties publish the management report or separate report containing the non-financial declaration on their websites at the same time as filing at the company registry. The reports published in this way remain available on the Internet site for at least five years. The non-listed or of widely distributed parties referred to in article 2 of the decree also see to the filing of the separate report at the company's registered offices together with the management report in the terms provided for in article 2429, paragraph 3 of the civil code.
3. In the case provided for by art. 5 paragraphs 2 and 4 of the decree, the other reports required by law are published in a special section of the internet and deposited at the company registry together with the management report.
4. With the requirement referred to in article 9, paragraph 2 of the decree CONSOB indicates the ways of publishing the amendments and supplements to the non-financial declaration.

#### Art. 3

(Information to provide CONSOB with)

1. The parties indicated in article 2, paragraph 2 send CONSOB the non-financial declaration in the ways specified by CONSOB on its website or report that it has been filed at the company registry within fifteen days of publication on the company registry referred to in article 5 of the decree.
2. Subject to the reporting obligations required under other legal provisions, the body checking companies that draft the non-financial declaration promptly transmits the findings relative to infringements of the provisions of the decree found when carrying out the functions referred to in article 3 paragraph 7 of the said decree to CONSOB.
3. CONSOB publishes the list of parties that have published a non-financial declaration, on its website every year.

#### Art. 4

(Tasks of the auditor engaged to audit the financial statements)

1. The commissioned auditor indicates the administrative body's approval of the non-financial report, on the appropriate section of the financial statements' auditing report.

Art. 5

(Report on the non-financial declaration)

1. The designated auditor issues an appropriate report addressed to the administrative body that:

- a) indicates the requirement pursuant to which the report is issued;
- b) identifies the non-financial declaration approved by the administrative body and subject to verification;
- c) indicates the methodologies and principles required under the reporting standard used as reference or by the autonomous reporting methodology used by the administrative body in the drafting of the non-financial declaration;
- d) contains a description of the scope of the work carried out and the checking procedures created for the purpose of releasing the certification;
- e) indicates the international principle recognised by the professional registers and associations used for the task of certification;
- f) contains a declaration regarding respect for the principles on the independence and for the other ethical principles established by the international codes recognised by the professional registers and associations used for the task of certification;
- g) certifies that, on the basis of the work carried out elements that give room for believing that the non-financial declarations have not been prepared in all the key aspects in conformity with what is required by articles 3 and 4 of the decree and by the reporting standards or the autonomous reporting methodology used have not been brought to the attention of the designated auditor.

2. Alternatively to what is provided for in paragraph 1 letter g) the administrative body that drafts the non-financial declaration may ask the designated auditor to attest that, in its judgement, the non-financial declaration or some specific information therein has, by all significant appearances been drawn up in compliance with what is required by articles 3 and 4 of the decree and the reporting standards or the autonomous reporting methodology used.

3. b) in cases where the designated auditor expresses an attestation with highlights, a negative attestation or releases a declaration of the impossibility of expressing an attestation, the report shows a breakdown of the reasons for the conclusions;

## Art. 6

(Criteria for CONSOB's examination of non-financial information)

1. Subject to the exercise of the powers referred to in article 9 paragraphs 2 and 3 of the decree, CONSOB checks the non-financial declarations on a sample basis.
2. The set of parties whose non-financial declarations are subject to checking is determined annually on the basis of parameters established with the relative resolution that take into account, among other things:
  - a) indications provided for in these regulations or other legal norms that could be relevant for the non-financial information sheet, received by the checking body or the auditor engaged to audit the financial statements;
  - b) in cases where the designated auditor expresses an attestation with highlights, a negative attestation or releases a declaration of the impossibility of expressing an attestation;
  - c) signification information received from the public administrations or interested parties;
  - d) elements acquired in relation to the issuers subject to checking regarding the financial information pursuant to article 89-quater of the issuer regulation that can be significant for the non-financial information sheet;
3. In order to ensure that a party, even in the absence of the elements referred to in paragraph 2, is able to be selected for the check, the resolution indicated therein establishes the criteria on the basis of which a number of parties whose non-financial declarations are subject to control is determined on the basis of an approach founded on random selection and rotation.
4. The check that the non-financial declarations conform with articles 3 and 4 of the decree is done in line with the guidelines issued by the European Commission pursuant to article 2 of directive 2014/95/EU of the European Parliament and the Council of October 22 2014.