

# ESG regulation in Italy

## What is the current ESG legislation landscape and upcoming changes?

Italy is an EU member and committed to EU's legislation such as the EU Taxonomy, the European Green Deal and the European Disclosure Regulation.

Italy has no dedicated set of ESG-related laws but legislation inspired by sustainability goals do exist, starting from 1948 Italian Constitution and the Italian Civil Code which both embrace much of UN's Sustainable Development goals.

Others include:

- Launched a tax deduction scheme in 2007, offering tax deduction of 50% or 65% to entities who undertake energy re qualification work
- Law 208/2015 established a new legal status, Società Benefit which made ESG mandatory to Italian entities and the opportunity to enjoy fiscal benefits
- In 2020, implemented a super bonus that offers a tax credit of 110% on building renovation projects regarding energy re qualification and seismic structural improvements. This scheme is extended until the end of 2022

- Borsa Italiana's blue-chip index for Italy that also adopted the new Corporate Governance Code for public entities

There are voluntary ESG-related regulations including the AIFI implemented Charter of Sustainable and Responsible Investment of Italian Finance that issues ESG guidelines and another voluntary disclosure system is the Green Framework by ICMA.

The Italian government has been working on Energy Efficiency Mortgage Loans systems and these plans are part of the current Sustainable Finance Actions Plan for Italy.

## How can Drooms help you during the process of ESG reporting?

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- A central, reliable source of documentation with global accessibility and full confidentiality;
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