



Italy expands equality reporting duty

By Valentina Mosca, Mario Distasi and Fiona Webster
2 Dec 2021

From 3 Dec 2021, companies with more than 50 employees must prepare an equality report every two years that analyzes the gender pay gap and the employment situation of female and male employees — under changes to the Equal Opportunity Code as amended by Law No. 162/2021. Other changes include improved gender balance on the boards of unlisted companies controlled by public bodies, an expanded definition of factors to consider in the assessment of direct and indirect discrimination, and issuance of an equality certificate to companies meeting certain objectives.

Highlights

- Companies with 50 or more employees must publish, every two years, an electronic equality report by 30 April — currently, only companies with 100 or more employees must do so. Companies with fewer than 50 employees can voluntarily prepare an equality report. The report must include an analysis of wages (both salary base and total compensation) and differences in benefits; the employment situation of female and male employees, including the overall numbers of male and female employees and their professional distribution in the organization; information on dismissals, hires, onboarding and training; retirement, promotion and career path; work-life balance and diversity and inclusion policies. The Ministry of Labor will publish a report template, and companies must provide a copy of the report to their works councils. Data can be shared with employees, subject to certain conditions.
- Companies that fail to submit their equality report, or delay doing so for 12 months or more, will face sanctions — including the withdrawal of reduced employer contributions. The labor inspectorate will verify submitted equality reports, and employers that provide incomplete or false data could incur fines of up to €5,000.
- Companies that prepare the equality report and meet certain gender criteria can apply for a “gender equality certificate.” Certified companies would benefit from a 1% exemption from social security contribution payments, capped at €50,000 per year.

- The direct and indirect discrimination definitions were expanded to include discriminatory changes to employment conditions and working time arrangements that disadvantage employees on grounds of their pregnancy, parental or caring responsibilities, or gender.
- The membership of boards of unlisted companies controlled by public bodies must comprise a minimum of two-fifths from the under-represented gender. Previously, this requirement applied only to listed companies.

Related resource

- [Legislative Decree No. 198/2006 as amended by Law No. 162/2021](#) (Italian) (Government, 5 Nov 2021)

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