

THE POWER OF BEING UNDERSTOOD

AUDIT | TAX | CONSULTING

NEWSLETTER 2017-2

Law of September 3rd, 2017

Non-financial information and information relating to diversity

October 2017

Publication of non-financial information and information relating to diversity

Law of September, 3rd 2017

Belgium has translated the European Directive related to the publication of non-financial information and diversity information for some large entities in the law of September, 3rd 2017. This law amends article 96 of the company code concerning the management report content.

This law applies to public interest entities for which:

- the average number of employees exceeds 500 during the financial year, and
- Either the balance sheet total exceeds EUR 17 million or the net turnover exceeds EUR 34 million.

The non-financial information will be published for the first time for accounting year 2017. The non-financial information to be published includes a description of the diversity policy applied for board members, executive committee members, other members of management & CEO. The management report will also have to disclose the objectives of this diversity policy, the implementation measures, and the results reached. This should cover at the very least the efforts made in order to ensure that at least one third of board members are of a different sex than the rest.

Comply or explain

In application of the “comply or explain” principle, the company that doesn't have a diversity policy in place needs to give its reasons.

In addition, with regard to the publication of non-financial information, Belgium has made use of, despite criticism, the option left in the directive which allows the companies concerned to not publish information that could harm seriously their commercial position provided the condition that such omission does not preclude a fair and balanced understanding of business developments.

The large public interest entities should also include in their management report environmental, social and human rights information.


Review by Auditors

For both non-financial and diversity information, the auditor will have to review whether the information has been provided. The task of the auditor is to check the consistency of the information provided in regard to the annual accounts for the past financial year.

How to implement it?

In order to help companies with those changes, the European Commission has published a communication containing "Guidelines on non-financial information". This guidance contains a list of standards and methodological recommendations for the drafting of the report.

This report involves considerable work in collecting and verifying information. The compliance officer will, once again, be very involved in this work and exceptionally exposed in the event of publication failure



RSM Belgium offers a multidisciplinary, objective and independent assistance of high quality in economic and financial matters. Our culture is based on people, ethics and competence. We consider sustainable development in everything we do.

In order to meet your needs, RSM Belgium relies on more than 160 professionals in 6 locations, in the 3 regions of the country.

Our sustainability team relies on partners and staff members with a specific knowledge and experience in the field of corporate social responsibility.

We help you prepare or give assurance on your company's non-financial information with the highest degree of security and confidence.

***Need advice or an answer to your questions?
Call Patricia KINDT or Déborah FISCHER
Chaussée de Waterloo 1151 – 1180 Brussels. ☎: +32
(0)2 379 34 70
Posthofbrug 10 -2600 Antwerp. ☎: [+32 \(0\)3 449 57 51](tel:+3234495751)***

RSM Belgium wishes with this document to deliver general information. The information included in this document cannot be considered as an opinion.

ZAVENTEM

Lozenberg 22 b 2 - B 1932 Zaventem
T +32 (0)2 725 50 04 - F +32 (0)2 725 53 41

ANTWERP

Posthofbrug 10 b 4 - B 2600 Antwerp
T +32 (0)3 449 57 51 - F +32 (0)3 440 68 27

BRUSSELS

chaussée de Waterloo 1151 - B 1180 Brussels
T +32 (0)2 379 34 70 - F +32 (0)2 379 34 79

CHARLEROI

rue Antoine de Saint-Exupéry 14 - B 6041 Gosselies
T +32 (0)71 37 03 13 - F +32 (0)71 37 01 39

MONS

boulevard Saintelette 97 b - B 7000 Mons
T +32 (0)65 31 12 63 - F +32 (0)65 36 37 07

AALST

Korte Keppestraat 7 bus 52 - B 9320 Erembodegem
T +32 (0)53 75 12 20

interaudit@rsmbelgium.be
interfiduciaire@rsmbelgium.be
intertax@rsmbelgium.be
interpay@rsmbelgium.be
itadvisory@rsmbelgium.be

WWW.RSMBELGIUM.BE

RSM Belgium is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network.

Each member of the RSM network is an independent accounting and consulting firm, each of which practices in its own right. The RSM network is not itself a separate legal entity of any description in any jurisdiction.

The RSM network is administered by RSM International Limited, a company registered in England and Wales (company number 4040598) whose registered office is at 50 Cannon Street, London, EC4N 6JJ.

The brand and trademark RSM and other intellectual property rights used by members of the network are owned by RSM International Association, an association governed by article 60 et seq of the Civil Code of Switzerland whose seat is in Zug.

© RSM International Association, 2015