

Boards should set clear policies on whistleblowing



PRESS RELEASE
ecoDa

Brussels, June 9, 2017 – Boards of Directors should embrace whistleblowing functions, set clear policies and recognize them as an instrument to reinforce trust in companies, both internally and externally. But ecoDa does not want whistleblowers to be financially incentivized.

“It is high time for companies to get familiar with whistleblowing practices and to make employees use this tool as a way of building trust and to embody the values of codes of ethics” says ecoDa chair Irena Prijovic. *“Board members have to set clear policies, make sure that the processes are properly implemented, and reviewed regularly”.*

While the European Commission has just closed its public consultation on whistleblower protection and the European Parliament is pushing for a related horizontal directive with a broad coverage, the European Confederation of Directors’ Associations (ecoDa) considers that whistleblowing has to be recognized as an instrument to reinforce trust inside and outside the company and to strengthen corporate culture.

ecoDa is of the opinion that efficient reporting lines require a clear allocation of roles between internal auditors, risk managers and board members. All parties have to take it seriously and define ways to circumvent any obstacles that would deter internal whistleblowing.

Companies should be aware that if they don’t put in place efficient internal processes, the risk is high that their reputation will be damaged in the long run especially in cases of legal practices that prove to be immoral or against the public interest. In no way should whistleblowers be financially incentivized.

Lutgart Van den Berghe, Chair of ecoDa Policy Committee, stressed that *“given that the concept of whistleblowing is still new in Europe, employees have to be properly educated on the application of a whistleblowing policy in practice, on data-protection and on what constitutes strategic information”.*

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Notes to editors

About the European Confederation of Directors Associations

The European Confederation of Directors Associations (ecoDa) is a not-for-profit association founded in December 2004 under the laws of Belgium. Through its national institutes of directors (the main national institutes existing in Europe), ecoDa represents approximately 55,000 board directors from across the EU. ecoDa's member organisations represent board directors from the largest public companies to the smallest private firms, both listed and unlisted.

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