

veremark.

Your Guide to the European Whistleblowing Directive



Report an incident

Your details will be treated securely and confidentially

* Mandatory fields

Would you like to report anonymously?

What is your incident about?*

Bribery

Describe the incident in detail*

Vendor bribery for upcoming events

Where did the incident take place?

Manager's workspace

When did the incident take place?

If you own a business in the EU, or are responsible for the HR or hiring department in an organisation, you'll more than likely know your obligations to setting up a whistleblowing system in accordance with the European Whistleblowing Directive.

But what is this Directive - and why is a legal framework so important in creating a reporting process for employees?

Whistleblowing, a crucial mechanism for ensuring transparency and accountability in both public and private sectors, has gained significant prominence across Europe in recent years.

This practice involves individuals disclosing information about wrongdoing, corruption, or unethical behaviour within an organisation. It has become a powerful tool in combating corporate fraud, governmental misconduct, and abuse of power. To protect whistleblowers from retaliation, the European Union enacted the Whistleblowing Directive, mandating all member states to implement corresponding national legal frameworks.

1. What is the EU Whistleblowing Directive?

The EU Whistleblowing Directive, formally known as Directive (EU) 2019/1937, is a legal act enacted by the EU to enhance protection for whistleblowers across its member states. Adopted on October 23, 2019, the directive aims to create a safe and uniform environment for individuals to report breaches at the workplace without fear of retaliation.

The scope of the directive means that all EU-based public and private companies with 50 employees and municipalities with 10,000+ inhabitants require a whistleblowing policy.

2. What is a Whistleblower's Status?

A whistleblower's status refers to the recognition and protection granted to individuals who disclose information about illegal, unethical, or fraudulent activities within an organisation. This status shields whistleblowers from potential retaliation, such as harassment, demotion, or termination, and encourages them to report wrongdoing. It plays a critical role in promoting transparency and accountability, empowering individuals to act against corruption and abuse of power.

3. Scope of the EU Directive: Which Wrongdoings are Covered?

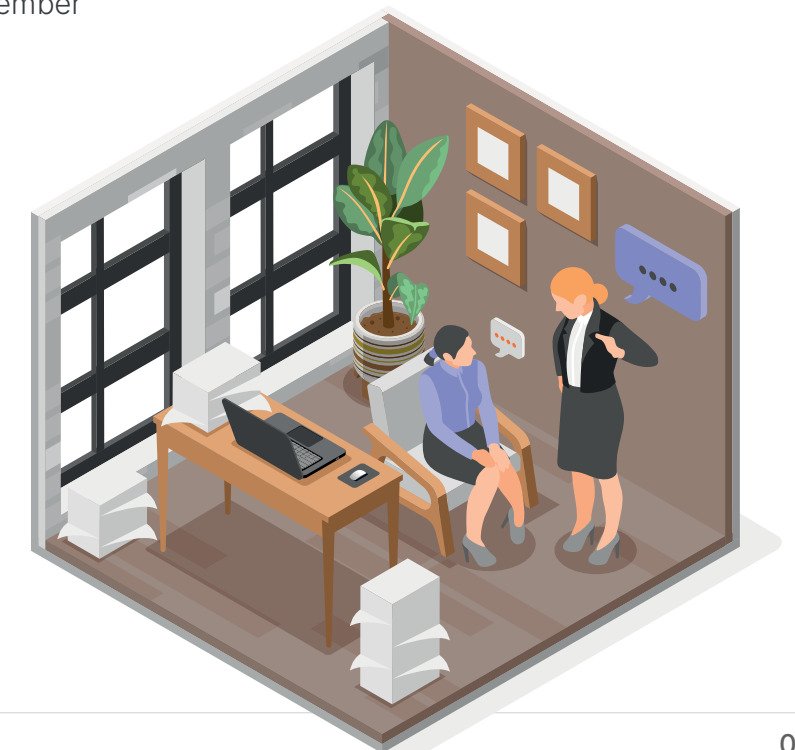
The EU Whistleblowing Directive covers a wide range of areas to ensure comprehensive protection for whistleblowers, including:

- Violations in financial services
- Prevention of money laundering and terrorist financing
- Product safety and compliance
- Fraud
- Transport safety
- Environmental protection
- Nuclear safety
- Food and feed safety
- Animal health and welfare
- Public health
- Consumer protection
- Protection of privacy and personal data
- Network and information system security

4. Who is Affected by the EU Whistleblowing Directive?

The EU Whistleblowing Directive affects various stakeholders, including:

- Whistleblowers: Individuals who report or disclose information about wrongdoings or breaches of EU law. They can be employees, contractors, subcontractors, suppliers, volunteers, or even job applicants.
- Private and Public Organizations: All EU-based public and private companies with 50+ employees must establish internal reporting channels. This also applies to municipalities with 10,000+ inhabitants.
- National Authorities: Each member state must establish external reporting channels and competent authorities for whistleblowers to report wrongdoings.
- Managers and Executives: They must ensure compliance with the directive, create a supportive environment for whistleblowers, and take appropriate action when wrongdoings are reported.
- Legal and HR Professionals: They help organisations implement and maintain policies, procedures, and reporting channels in compliance with the directive.



5. Key Requirements of the EU Whistleblowing Directive and Their Implications for Companies

- **Protection from Retaliation:** The directive prohibits adverse actions against employees who report illegal activities or serious breaches, including demotion, dismissal, or harassment.
- **Confidentiality and Anonymity:** Whistleblowers must be able to report information confidentially and, if they choose, anonymously. Companies must establish secure channels and ensure only authorised personnel access the information.
- **Secure and Confidential Reporting Channels:** Companies must provide clear, accessible, secure, and confidential reporting channels, ensuring they are monitored and accessible to all employees.
- **Timely and Effective Response:** Companies must acknowledge receipt of reports within 7 days and provide feedback within three months, meeting established national legislation deadlines.
- **Training and Awareness:** Companies must educate employees about the importance of whistleblowing and the protections available, ensuring awareness of their rights and the reporting channels.

6. How Whistleblowers Can Submit Reports According to the EU Directive

Whistleblowers can submit reports through three types of channels:

- 1. Internal Reporting Channels:** Reports submitted directly to the company or appointed case handlers for internal investigation and resolution.
- 2. External Reporting Channels:** Reports sent to external government agencies established by each EU member state.
- 3. Public Disclosure:** Information disclosed to the public or media in exceptional cases where there is imminent danger to the public interest or a risk of retaliation.



7. Establishing an Internal Whistleblowing System

To set up an internal whistleblowing system in compliance with the EU Whistleblower Directive, organisations should:

1. Develop a comprehensive whistleblowing policy.
2. Designate individuals or teams responsible for handling reports.
3. Ensure confidentiality and anonymity of reporting channels.
4. Provide multiple reporting channels.
5. Establish clear procedures for handling and investigating reports.
6. Communicate the policy and reporting channels to employees.
7. Monitor and assess the effectiveness of the system and policy.



8. How Does the EU Whistleblowing Directive Protect Whistleblowers?

The key protections include:

- Confidentiality: The identity of whistleblowers must be kept confidential.
- Prohibition of Retaliation: Any form of retaliation against whistleblowers is prohibited.
- Burden of Proof: Employers must prove that any adverse action taken against a whistleblower was not related to their reporting.
- Remedies and Support: Access to legal, financial, and psychological assistance.
- Protection Against Liability: Whistleblowers are protected from civil, criminal, or administrative liability for reporting breaches of EU law.
- Broad Coverage: The directive covers employees, self-employed individuals, contractors, shareholders, volunteers, and job applicants.



9. What is the EU Whistleblowing Directive to Me as an Employee?

The EU Whistleblowing Directive aims to protect whistleblowers who report unlawful or unethical activities within organisations. It establishes mechanisms to encourage individuals to come forward with information, ensures their confidentiality, and safeguards them from retaliation, promoting transparency and accountability.

10. What Does the Directive Protect Me Against?

- **Retaliation Protection:** The directive ensures protection from retaliation such as termination, demotion, harassment, or discrimination.
- **Confidentiality:** The identity of whistleblowers is kept confidential.
- **Burden of Proof:** Employers must demonstrate that any adverse action was unrelated to the whistleblowing.
- **Remedies and Support:** Access to legal, financial, and psychological assistance.
- **Protection Against Liability:** Whistleblowers are protected from liability for reporting breaches of EU law.
- **Broad Coverage:** Covers employees, self-employed individuals, contractors, shareholders, volunteers, and job applicants.

11. When Should the Whistleblowing Law Protect Me According to the EU Directive?

1. Whistleblowers are protected if they have reasonable grounds to believe the information reported was true and fell within the scope of the Directive.
2. Reports must be made internally or externally, or publicly under specific conditions.
3. Legal protection applies if internal or external reporting does not result in appropriate action, there is imminent danger to the public interest, or there is a risk of retaliation.



12. Where Can I Read More About the Directive or the Local Law?

You can read the EU Directive [here](#).

For national legislation details, check the respective laws in your country or visit the EU Whistleblowing Monitor.

Establishing an effective whistleblowing system is crucial for fostering a culture of transparency and accountability, protecting both the organisation and its employees from misconduct and ensuring compliance with legal standards.

About Veremark

Veremark is one of the world's leading background screening and pre-hire check service with a mission to help the world trust faster.

Established in London in 2019, the company has offices in Singapore, the US, Australia, New Zealand, and the Philippines.

While performing background checks on candidates for companies across the globe, they also help businesses rescreen existing employees to maintain workplace safety and happiness.

Recently, the business launched its latest product, Verepass, a career passport that allows candidates to own, manage and share their verified credentials. Securely held on the blockchain, Verepass reduces check requirements and saves time and money.

Starting your own background screening journey? We have a wealth of resources designed to support you at every stage of the process. Visit our [Resources Page](#) for free eBooks, guides, whitepapers, webinars, and events to help make your screening project a success.

If you're looking for more tailored information and support, why not speak to a member of the Veremark team. Our in-house background checks specialists have experience with screening across a broad range of industry sectors. No matter what your challenges or requirements, we can help.

Get in touch with us [here!](#)