

ComplianceLine & EU Whistleblower Directive

What is this about?

On October 23, 2019, European Parliament and of the Council, published Directive (EU) 2019/1937, a new directive on, "the protection of persons who report breaches of Union law." The directive addresses that companies working in the EU, within the private sector, and have 50 or more employees, must create internal reporting systems to help employees and other third parties report violations of EU law and to protect them from retaliation.

What exactly is an EU Directive and how is it different from an EU Regulation?

An EU Directive is a congressional act setting targets that all EU countries must reach and transpose into their national laws within a defined amount of time. An EU Regulation (such as GDPR), on the other hand, is an immediate binding congressional act for all member states that replaces any national laws that are already in place. This directive will inevitably be implemented differently across all member states and therefore will need to be continuously monitored.

Who is affected and when does this have to be in place?

Legal entities in the private sector with 50 or more employees must aim to have the Whistleblowing Directive in place no later than December 17, 2021. For companies that fall between **50-249** employee's, there is an exception. The deadline for these companies to have the directive into place is December 17, 2023.

Will the approach to reporters' anonymity change with this directive?

Each country in the EU has various approaches to anonymous reporting. For example, Denmark allows anonymous reporting, but businesses should not advertise or encourage it. Portugal does not allow anonymous reporting. The directive will not directly impact how anonymous reporting is handled in each Member State.



What are the Requirements?

The Directive is straightforward in specifying that channels for receiving the reports must be, "designed, established and operated in a secure manner that ensures that the confidentiality of the identity of the reporting person and any third party mentioned in the report is protected, and prevents access thereto by non-authorized staff members."

Some other Requirements

- Educate employees on the reporting options available to them
- Put methods in place to protect whistleblowers from being fired, demoted, or any other forms of retaliation.
- Dedicated person or team to receive and follow up on all reports received.
- Must respond to and follow up on all reports within 3 months of the reporting date

How ComplianceLine can help you with these requirements

Multiple Ways to Report

ComplianceLine Offers our 24/7/365 robust reporting Hotline, dynamic web reporting, phone text reporting, and our Artificial Intelligence Intake Application for mobile devices.

Ability to be Anonymous

- Every one of CL's intake methods provides the ability for a reporter to fully report their concern while maintaining their anonymity. This is not just for the initial report, but for all follow-ups as well. CL's system allows you to communicate back and forth with the reporter to gather additional information, or provide updates to them, all while maintaining their anonymity the whole time.
- Calls are not traced or recorded and CL does not have caller ID, so the caller can truly remain anonymous.
- The web reporting site does not track user information including the IP address, so we can't trace reports back to the individual.



Confidential Reporting

- CL recommends the company limit access to reports from the EU to the minimal number of people who need access to investigate
- CL will review the hotline and web reports to make sure the individuals assigned to the report are not mentioned in the report. If an individual is mentioned, CL will make sure that individual does not have access to the report.

Educate Employees with Awareness Materials



- ComplianceLine has various awareness materials such as videos, letters, posters, brochures, and wallet cards to help you in advertising and educating your employees on the different reporting options available.
- These materials are compliant with the local whistleblower and data privacy laws

Responding to Reporters

- Each reporter is provided with a unique report number and a follow up date to check back on the status of the report.
- Our case management system, myCM, allows the organization a way to respond back and forth with the reporters.
- myCM allows for deadlines to be placed on cases and investigations to help remind you to work the investigation and provide a resolution

Continuous / Ongoing Monitoring

- CL utilizes a third-party system to keep up with the data privacy regulations globally. The system alerts CL anytime there is a change in a law and it will notify CL on the changes we need to make (if any) in order to continue to be compliant.
- CL has a team that researches the whistleblower laws based on country and region. CL follows the laws and implements procedures in order to make sure we are handling the reporting according to all laws and regulations.

Full Language Translation

- For the hotline, ComplianceLine staffs English and Spanish speaking staff in our call center.
- For all other languages, CL partners with Language Service Associates (LSA) to provide on-demand interpretation support for hotline calls. We support more than 250 languages and can accommodate any particular languages you prefer.
- CL will connect with the interpreter and conference with the caller, so it becomes a three-way call. Our Risk Specialist (operator) conducts the call and the interpreter is just there to interpret. It is a real-time translation. The reports are provided back in English. CL has a strict data privacy and confidentiality agreement in place with LSA.
- CL performs assessments to make sure the service is secure and confidential. All other aspects of the CL services are performed by internal staff.
- CL offers our web form in 11 languages. New languages and dialects can easily be added to our system. CL offers the following client languages: English, Mandarin, German, Brazilian Portuguese, Latin American Spanish.
- CL can easily add Hebrew, Hindi, Hungarian, Malay, Polish, Romanian, Tamil, and Ukrainian to our standard web form prior to client's start.

Data Security



- Our database (data at rest) is fully encrypted using AES256 certified encryption. Passwords and other discrete personal data fields are masked at time of display. All transmission data (from database to user interface screen) using HTTPS.
- CL is compliant with various legislations, data privacy rules and whistleblower laws around the world. These include but are not limited to: GDPR, LGPD, Singapore PDPA, EU Whistleblower Directive, SOX, HIPAA, UK FCA, Australian Privacy Act, etc.

COMPLIANCELINE



If interested in learning more about this or what we do, feel free to reach out.

For a demo of any of products please go to compliance.com/demo