

PRESS RELEASE

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Personal and legal risks to Ethics Representatives need to be understood

New report provides guidance and reassurance to corporate Ethics Representatives around the risks and challenges of their role.

A new report published today prompts corporate Ethics Representatives (ERs), and their employers, to consider the extent to which their evolving responsibilities are likely to pose any increase in personal and legal liability.

It reassures that Ethics Representatives (for example ethics officers, ethics champions, compliance officers, ombudspersons) are unlikely to have specific legal risk attached to them as long as they are diligent in fulfilling their responsibilities, ask the right questions and inform the right people of concerns that arise.

As a result of the evolving nature of their responsibilities as well as developments in the legal and regulatory context within which they operate, the report explores the extent to which ERs may find themselves exposed to legal, personal and professional risks in the line of promoting and upholding ethical standards.

While there is as yet very little case history around legal liabilities occurring due to a failure to act, concerns are likely around the consequences of fulfilling their responsibilities, for example, being ostracized or dismissed for reporting misconduct, or stepping into sensitive areas, finding something suspicious, but being unable to act without fear of getting fired.

To ensure that the often voluntary role remains attractive to employees, the report calls for organisations to fulfill their duty of care to their ethics representatives by helping them to perform their roles effectively and reinforcing the opportunities the role brings. They need to reassure themselves and staff that any personal and legal risks are understood.

Evolving Responsibilities & Liabilities of Ethics Representatives: a practical guide explains what can be done to support employees and mitigate concerns. Drawing on the experience of practitioners and legal advisers, it is the first report to be published by the **European Business Ethics Forum**.

Murray Grainger, Head of Ethics and Compliance Programme Office at Airbus and one of the authors of the report says: *“Provided you act as ER in a professional manner, don’t ignore sensitive issues that are brought to you and ask appropriate questions, you would be considered to be discharging your general duty.”*

This report will be of practical use to those wishing to understand the requirements and challenges of the role.

Checklist for managing and limiting potential liabilities as an ER:

- Be clear on what your role does and does not involve in your organisation.
- Always follow up diligently on concerns and issues that you become aware of, documenting your actions at every stage. This may or may not involve a thorough investigation, but you need to be able to show that you, or your colleagues within the organisation, have treated the concern seriously and in a professional manner and asked appropriate questions to check for substance.
- Know what escalation channels are available to you within your organisation. As an ER, you may need to ask tough questions and put yourself in conflict with other – possibly powerful – people within the organisation.
- Know who you will go to if you are unsatisfied with the instructions given to you or the approach adopted by your organisation.
- Fulfill your delegated responsibility, and when appropriate, necessary or even unclear, involve business line supervisors with direct or ultimate supervisory responsibility over the matter.
- If you don't have the expertise that you need, defer or escalate the issue to someone who does.
- Know how you would handle a situation where the local legal standards are below those of your company or recognised international standards.
- Share your concerns.
- Know your walk-away point.

#EBEF #liability

ENDS/

For further information, to obtain an advanced press copy of the report, or to organise interviews, please contact k.bradshaw@ibe.org.uk +44 (0)7771 517700 or +44 (0)20 7798 6040

EDITOR'S NOTES

Evolving Responsibilities & Liabilities of Ethics Representatives: A practical guide is the first report published jointly by the organising partners of the European Business Ethics Forum. ISBN 978-1-908534-06-4

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Free downloads from www.ebef.eu.

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About EBEF

The European Business Ethics Forum (EBEF) provides an opportunity for learning and sharing among those responsible for the ethics, compliance or business conduct programmes within their organisations. The organising committee for EBEF is a collaboration of the [Institute of Business Ethics](http://www.ibe.org.uk) of the United Kingdom, the [Cercle d'Éthique des Affaires](http://www.cerle.org) (CEA) of France, the [Ethics and Compliance Officer Association](http://www.ecoa.org) (ECO) of the United States and the [European Business Ethics Network](http://www.eben.org) (EBEN). For more information on EBEF see: www.ebef.eu