

ecoDa on sustainability in practice at the last European Corporate Governance Conference



PRESS RELEASE
ecoDa

Brussels, April 9, 2019 – Sustainability must first and foremost be a business issue – not a way of catering to specific stakeholders’ priorities. Three ecoDa speakers raised the importance of boards of directors in enabling sustainable growth at the 23rd European Corporate Governance Conference.

Questioned about the changing context of Corporate Governance, Paola Schwizer, ecoDa Board Member, made it clear that *“sustainability is shaping the business of tomorrow and has to be considered, first of all, as a pure business issue. Companies must be prepared to be flexible. It is not with specific stakeholders’ targeted duties that we will help companies achieve this sustainability goal but with effective management and corporate governance. Independent directors have to take the lead in that sense”*.

ecoDa was represented by three speakers at the 23rd European Corporate Governance Conference which took place in Bucharest on the 2nd of April 2019, under the auspices of Romania's Presidency of the Council of the European Union. The main theme of the conference was "Corporate Governance as the enabler of sustainable growth".

The conference addressed the role of Corporate Governance to increase business ethics. *“To a certain extent, companies have nowadays to overcome the failings of other institutions. States cease to hold the monopoly of the general interest. The good news is that ethics pays. The best companies see ethics less as a constraint, but as a tool to innovate, said Béatrice Richez-Baum, Director General of ecoDa.*

“All the new developments can value even more the roles of boards in making arbitrations. Ethical discussion is more of a process than a product. This is why boards should refuse an ideological 'one-size-fits-all' approach. Boards must take control, challenge and if necessary get rid of executives who do not represent the values of a company”, added Béatrice Richez-Baum, Director General of ecoDa.

In addition, panellists discussed the best recipe for efficient boards. For Jan Wesseldijk, ecoDa incoming chair, *“Boards should avoid becoming overconfident, and to fall into groupthinking and mental reflexes. Because this can sometimes cause smart people to make poor decisions. We as executive and non-executive directors know that you must combine experts with non-experts, business blindness of old-timers with naivety and lack of knowledge of newcomers, mix dependent with independent directors, believers with devil’s advocates, men with women.*

The conference was organized by EY with the support of ecoDa’s Romanian institute of directors (AAI).

Get access to the recording of the conference:
<https://cg2019bucharest.ro/>

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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.