



ASIC
Australian Securities &
Investments Commission

Good practices for handling whistleblower disclosures

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About this report

This report provides insights for companies and superannuation trustees when designing programs or frameworks to manage whistleblowing in accordance with the *Corporations Act 2001* (Corporations Act).

We have reviewed targeted firms' arrangements for handling whistleblower disclosures and their use of the information reported. The good practices we have identified are scalable and include examples of how executives and directors oversee whistleblower programs.

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About ASIC regulatory documents

In administering legislation ASIC issues the following types of regulatory documents: consultation papers, regulatory guides, information sheets and reports.

Disclaimer

This report does not constitute legal advice. We encourage you to seek your own professional advice to find out how the Corporations Act and other applicable laws apply to you, as it is your responsibility to determine your obligations. Examples in this report are purely for illustration; they are not exhaustive and are not intended to impose or imply particular rules or requirements.

Executive summary

This report summarises the good practices we identified during our targeted review of a selection of entities' whistleblower programs. Our review focused on seven sample firms' arrangements for handling and using information collected from whistleblower disclosures, and the level of executive and board oversight of those arrangements.

We identified that firms with stronger programs:

- › established a strong foundation for the program—for example, through procedures and systems to embed the program's requirements
- › fostered a culture and practices to support whistleblowers
- › informed and trained those involved in receiving or handling disclosures about protecting whistleblowers and treating material confidentially
- › monitored, reviewed, and improved the program, including seeking feedback from whistleblowers
- › used information from disclosures to address underlying harms and improve company performance
- › embedded senior executive accountability for the program
- › created frameworks to entrench effective director oversight.

In this report, we provide examples of good practices we observed that are associated with each of the above features. We recognise that, as with any other compliance system, arrangements to manage whistleblowing may depend on the nature, size, scale, and complexity of a firm's business. We expect firms to analyse the features and good practices identified in this report and consider how they can be scaled and tailored to suit their operations.

Overview of ASIC's review

Background

Whistleblowing is a key part of a transparent, accountable, and safe work culture.

Whistleblowers need to know that they can raise an issue when they have reasonable grounds to suspect misconduct or an improper state of affairs involving a firm. Firms should use whistleblower disclosures (referred to as 'disclosures' in this report) to address breaches and issues promptly and effectively, as this can improve overall corporate performance.

Under Pt 9.4AAA of the Corporations Act, entities described in s1317AAB (referred to as 'firms' in this report) must provide people who make disclosures with certain protections. Some firms also need a whistleblower policy to meet requirements outlined in s1317AI. ASIC administers these obligations and is interested in how firms are designing their arrangements to ensure compliance with the Corporations Act. [Regulatory Guide 270 Whistleblower policies \(RG 270\)](#), and [ASIC's letter to CEOs](#) also contain guidance to help relevant firms establish, implement, and maintain a policy that complies with the legal obligations.

Further information to help all firms manage whistleblowing consistently with the Corporations Act, and reduce the risk of whistleblowers suffering harm, is contained in [RG 270](#) and [Information Sheet 247 Company officer obligations under the whistleblower protection provisions \(INFO 247\)](#).

What we looked at

In 2022, we reviewed the whistleblower programs of seven firms, which were selected based on their similar attributes and likelihood to have developed whistleblower programs in place. We examined those programs to assist with identifying scalable good practices to share with other firms.

We focused on understanding their arrangements to handle and use information from disclosures and the level of executive and board oversight of those arrangements. We also looked at how the firms incorporated guidance and information from RG 270 and INFO 247 about how to manage whistleblowing.

Our review involved an intensive analysis of internal documents about the firms' programs, informed by interviews with officers and employees responsible for implementing or overseeing the firms' whistleblower programs.

The sample firms considered in this review were:

- › Australia and New Zealand Banking Group Ltd
- › AustralianSuper Pty Ltd
- › BHP Group Ltd
- › Commonwealth Bank of Australia
- › Netwealth Group Ltd
- › Treasury Wine Estates Ltd and
- › Woolworths Group Ltd.

Note: For more information about our sample and the information we gathered and analysed, see the appendix.

What firms should do

Firms should consider the good practices set out in this report and ask themselves:

- › **Strong foundation for the program:** Have we established a strong foundation for our program? How is our program equipped to handle disclosures?
- › **Whistleblowing culture:** Are whistleblowers using our program to provide valuable information? If not, what needs to be done to actively promote and grow trust in the program and ensure whistleblowers are protected?
- › **Resources and training:** How have we prepared people involved in the program to protect whistleblowers and treat disclosures confidentially?
- › **Monitoring and review:** How are we ensuring that our program is up to date and that we detect issues with its operation? How are we measuring its effectiveness?
- › **Use of information.** How are we using and sharing information from disclosures to improve our operations?

- › **Senior executive accountability for the program:** Who is accountable for our program and how do they discharge this responsibility? Do they have access to the right information for this purpose?
- › **Director oversight of the program:** How are our directors overseeing the program? Do they have access to the right information for this purpose?

What we are doing next

We will continue to review firms' whistleblower policies and arrangements for handling disclosures, including when we receive reports from whistleblowers alleging breaches of the whistleblower protections. Where we identify serious harm, we will consider the full range of regulatory tools available including, where appropriate, civil or criminal enforcement action.

We are also contacting sample firms included in the review about our observations on their whistleblower programs.

Establishing a strong foundation for the program

Good practices identified

We encourage firms to:

- › document their whistleblower policy, including with information required under s1317AI if relevant
- › define and allocate roles and responsibilities for their program
- › design and establish supporting procedures or guidelines to manage whistleblowing in line with the Corporations Act
- › ensure their program has adequate information technology resources and organisational measures to keep whistleblowers' personal information secure.

Supporting structures for policies

In the review, we observed sample firms' policies—which contained information required under s1317AI—acting as the foundation for their arrangements to handle disclosures.

Note: While not all firms are legally required to have a whistleblower policy, documenting a firm's policy and arrangements can assist firms to manage whistleblowing in accordance with the Corporations Act. For information and guidance about whistleblower policies, see s1317AI, [RG 270](#), and [ASIC's letter to CEOs](#).

To give effect to their policies, we saw sample firms setting up:

- › **Defined roles, responsibilities, operational documents and charters.**

Designating and publicising roles and responsibilities for the program and its oversight can assist firms to create a culture of transparency, accountability, and good governance. *For more information, see [RG 270.144–RG 270.146](#).*

We noted that sample firms had identified officers and members of staff for whistleblower program responsibilities in line with ASIC's guidelines for assigning specialised roles. Some sample firms also specified back-up delegates to address unavailability or potential conflicts of interest.

- › **Clear operational procedures or guidelines.**

Some sample firms had mature documented procedures or guidelines for assessing, triaging and investigating disclosures, and communicating with whistleblowers. These included, for example, workflows or process maps simplifying the processes for staff involved, simplified guidance, template reports or consent forms, and whistleblower conversation guides. Formalising key principles for handling and investigating disclosures facilitates a consistent approach to assessing and responding to disclosures and lowers the risk of breaches of the protections. Preparing operational arrangements mitigates any key person risk that may otherwise exist when firms rely solely on the skill and experience of one or two individuals involved in those processes.

› **Information technology resources and organisational measures to secure personal information from the program.**

Most of the sample firms authorised a disclosure intake system hosted by a third party as an additional eligible recipient. Some firms used secure case management systems developed by and linked to the providers of these intake systems to store information from disclosures and investigations. Separately, we saw sample firms internally allocating responsibility for creating and securing electronic resources (such as case folders and disclosure registers), devising policies or guidelines relating to the treatment of confidential information, and specifying that security of electronic resources (including user access) is audited and tested.

For more information, see [RG 270.147–RG 270.149](#), [Good practice tip 6 in RG 270](#), and [INFO 247](#).

Fostering a whistleblowing culture and supporting whistleblowers

Good practices identified

We encourage firms to:

- › consider how to actively promote whistleblowing
- › consider authorising any pre-existing and well-used 'speak-up' platforms to also receive disclosures from whistleblowers
- › clearly differentiate between their different channels to receive reports, complaints or feedback, and promote the whistleblowing channel as being relevant for disclosures and the whistleblower protections
- › consider if they have adequate measures and processes to actively protect and support whistleblowers who make disclosures, including whether they have processes for assessing and controlling the risk of detriment to whistleblowers
- › ensure that when they enter into settlements with whistleblowers, the terms of any confidentiality provisions do not attempt to limit the whistleblower's ability to voluntarily raise any potential disclosable matters with a relevant regulator or agency.

Widely promoting whistleblowing

Some sample firms used a variety of methods to promote whistleblowing actively and regularly. While there is no one-size-fits-all approach, some good practices we saw included:

- › communications to all employees through all-staff emails, intranet posts, town halls or line managers about whistleblowing and whistleblower policy, and announcing updates to the policy and program either at set intervals or as changes occurred
- › training all employees about when and how to make disclosures. Some firms did this through standalone whistleblower e-learning modules, while others integrated information about whistleblowing into other mandatory training modules
- › routine promotional information about whistleblowing, including contact details for internal eligible recipients, within other policies or standards, on posters in locations where employees gather, on dedicated intranet pages summarising whistleblowing processes or as 'frequently asked questions'
- › simple, encouraging, and practical messages that are more likely to be understood by all employees. To ensure a broader reach for the messages, a few sample firms translated some of their messages into languages other than English.

For more information, see [RG 270.82](#), [RG 270.128–RG 270.139](#) and [Good practice tips 15–16 in RG 270](#).

We also saw a few sample firms taking steps to track and measure the impact of different promotions, including identifying which methods were most effective and whether to supplement communications to certain groups. Examples included:

- › identifying changes to reporting volumes and channels used, and measuring changes to downloads or page views following specific promotional campaigns
- › evaluating changes to the rates of employees' self-reported general willingness to speak up, measured in employee perception surveys.

Authorising pre-existing disclosure channels

Most sample firms that had a pre-existing and well-used 'speak-up' platform to receive reports and authorised this platform to receive whistleblower disclosures received a high proportion of disclosures through this platform.

These firms tended to guide whistleblowers to that preferred disclosure platform in their policies and promotional materials. To provide whistleblowers with legal protections, these firms assessed and triaged all reports received there, as well as through other legally eligible channels, to identify whistleblower disclosures.

For more information, see Good practice tip 6 in [RG 270](#).

Protecting and supporting whistleblowers

Given the breadth of the victimisation prohibition in s1317AC, firms should consider taking active steps to protect and support whistleblowers. This can reduce the risk of harm for whistleblowers reporting misconduct. Some sample firms had more developed and transparent frameworks to facilitate protection and support of whistleblowers, in line with the legal obligations.

Good practices that we saw included firms:

- › allocating an individual responsible for proactively protecting or supporting whistleblowers
- › maintaining guidelines or checklists for assessing and controlling the risk of a whistleblower's identity becoming known, or the risk of detriment to a whistleblower. The guidance included, for example, descriptions of the types of risk factors to consider and the situations that should prompt a re-evaluation of risk to the whistleblower.

For more information, see Good practice tip 9 in [RG 270](#).

Safeguarding whistleblowers' rights to disclose

To foster a whistleblowing culture, firms should uphold whistleblowers' right to use any of the legally eligible channels to make or continue to make disclosures. This includes not attempting to limit a whistleblower's ability to voluntarily raise any potential disclosable matters with ASIC, the Australian Prudential Regulation Authority (APRA), or any prescribed Commonwealth authority or other relevant regulator or agency.

For more information, see s1317AB.

While the terms of individual settlement agreements with whistleblowers were outside the scope of this review, some sample firms suggested that they are moving away from the practice of including confidentiality provisions in certain types of settlement agreements, including those that may relate to agreements with individuals who have previously made a disclosure.

Resources and training for relevant officers and employees

Good practices identified

To mitigate risks associated with officers and employees breaching the whistleblower protections, we encourage firms to provide training for:

- › the firm's internal eligible recipients on how to handle disclosures and respond to whistleblowers in line with the legal requirements
- › the employees involved in all aspects of the firm's program on how to manage disclosures and support whistleblowers in line with the legal requirements.

Eligible recipients

Eligible recipients can play an important role in obtaining preliminary information about an allegation and informing whistleblowers of the firm's next steps.

Most sample firms inform their eligible recipients, including directors, about:

- › how to handle disclosures
- › how to respond to whistleblowers in line with the legal requirements and
- › the firm's processes to assess, investigate, and resolve disclosures.

Some of the good practices we saw included:

- › annual training for all categories of eligible recipients summarising legal requirements in the context of practical information. Training was scaled to suit sample firms' needs, and its delivery included in-person and virtual training conducted by internal subject matter experts, external advisers, and/or via e-learning modules
- › circulating quick reference guides setting out the steps eligible recipients should take when they receive a disclosure, and identifying how to obtain advice if they are unsure about how to treat a report
- › providing eligible recipients with process maps, lists of questions, or template consent forms they could use to seek further information from whistleblowers, or consent from whistleblowers to relay their disclosures to the program.

For more information, see [RG 270.134–RG 270.137](#) and [Good practice tip 16 in RG 270](#).

Staff involved in running the program and investigating disclosures

We consider it important to provide proportionate, specialised training to staff with specific responsibilities under the policy and program so that they can manage disclosures in line with the Corporations Act and the firm's processes. *For more information, see [RG 270.134–RG 270.137](#) and [Good practice tip 16 in RG 270](#).*

Some of the good practices we saw included:

- › periodic training that included topics such as the firm's processes for receiving and handling disclosures, the legal obligations, and how to confidentially investigate matters. The training tended to include case studies and examples, and it supplemented operational documents, procedures, or guidelines (see [Establishing a strong foundation for the program](#)). Course delivery was generally by internal subject matter experts, external advisers, and sometimes via e-learning internal subject matter experts responsible for developing or running the firm's policy and program
- › periodically attending conferences or training delivered by external advisers about legal and industry developments and best practices about whistleblowing and related topics

Monitoring, reviewing, and improving the program

Good practices identified

We encourage firms to:

- › schedule periodic reviews of their policies and associated procedures and practices
- › consider the objectives of their policy and program and identify corresponding indicators and metrics to monitor their program's effectiveness.

Reviewing and improving the policy and program

We saw sample firms periodically reviewing, updating, and improving their policies and associated processes to consider regulatory and industry developments, and seeking feedback from whistleblowers who used their programs. The sample firms' policy review cycles ranged from six-monthly to every three years, and in some cases the frequency of the review cycle changed in response to the maturity of the program.

Sample firms considered some or all of the following in their policy or program reviews:

- › [RG 270](#) and [ASIC's letter to CEOs](#), with some firms conducting gap analyses of their policy against these publications
- › International Standard [ISO 37002: 2021 Whistleblowing management systems—Guidelines](#)

- › feedback from directors, executives, and whistleblowers
- › advice or recommendations from lawyers, advisers, and auditors
- › impact from other regulatory issues
- › effectiveness of the program, including operational staffing and resourcing arrangements
- › industry benchmarking (e.g. in relation to investigation timeframes and policies).

For more information, see [RG 270.158–RG 270.160](#).

Monitoring the program's effectiveness

There are many ways to measure the effectiveness of a whistleblower policy and program. We saw sample firms identifying indicators to measure different types of program effectiveness, described in Table 1.

Regardless of which metrics were developed and used, some sample firms tracked their program's performance against their chosen indicators. This included providing information about trends and changes relating to those indicators in internal reports about the program, and identifying when improvements were required.

For more information, see [RG 270.150–RG270.157](#).

Table 1: Whistleblower program effectiveness indicators used by sample firms (by measure)

Measure	Examples of indicators used by sample firms (and the value perceived to indicate effectiveness)
Design and operating effectiveness	<ul style="list-style-type: none"> › Completion of steps to establish and roll out program—High completion rate › Level of engagement with the policy and promotional campaigns—High number of policy downloads or page views or increase in number of downloads or views or reports received following campaigns › Timeframes for handling disclosures (e.g. assessments, investigations, decision-making), including against established service level agreements—Short timeframes or timeframes that met service level agreements › Volume of detriment allegations—No allegations or low proportion of detriment allegations compared to overall volume of disclosures › Number of unauthorised disclosures of confidential information—No allegations of or no (or low) instances of unauthorised disclosures of confidential information detected › Effectiveness of controls instituted by firm—Assessed through quality assurance processes and ratings
Trust in the program	<ul style="list-style-type: none"> › Willingness to speak up—High levels of self-reported willingness to speak up measured through employee perception surveys (note that survey questions did not specifically relate to willingness to speak up through disclosure channels) › Feedback from whistleblowers who had used the program—Positive feedback about process and protections › Volume of anonymous disclosures—Low rates of anonymous disclosures › Median reporting volumes in comparison to external global benchmarking data—Volume comparable to external global benchmarking data, though sample firms noted that the most widely used benchmarking data includes all types of reports received by firms, not just disclosures › Prevalence of disclosures about a specific issue compared to prevalence of the specific issue in the general population as measured in external surveys and data (for example, sexual harassment)—Similar prevalence
Information received by the program	<ul style="list-style-type: none"> › Quality of information revealed by whistleblowers in disclosures—Increasing or high rates of substantiation of allegations raised in disclosures › Gravity of misconduct revealed in disclosures—Types of disciplinary outcomes resulting from substantiated disclosures

Using information from disclosures

Good practices identified

We encourage firms to:

- › take steps to address the issues raised by whistleblowers
- › analyse and use the information received from their programs
- › consider whether and how they can strengthen the visibility of emerging areas of risk, and improve operations by sharing insights from their program.

Addressing issues raised

Valuable and credible information from whistleblowers can provide firms with the opportunity to investigate the allegations raised. If substantiated, this information can address the underlying harms and improve company performance. Applying the above practices, and analysing and communicating insights from disclosures, can assist a firm to foster a whistleblowing culture.

Part 9.4AAA of the Corporations Act does not impose a specific obligation on firms to assess, investigate or otherwise address the issues raised by whistleblowers. Regardless, we saw firms taking steps to assess and, if necessary and possible, investigate allegations raised in disclosures. Where investigations resulted in allegations being substantiated or other concerns being identified, firms reported that they were acting to address or remediate the underlying issues.

Where relevant, this included:

- › improving internal processes in cases where gaps or deficiencies in internal practices were identified as part of the underlying cause of an issue
- › imposing disciplinary outcomes on those involved in misconduct in line with firms' consequence management frameworks, which can promote consistency of outcomes
- › considering involvement in misconduct raised by whistleblowers when making executive variable pay decisions.

In some situations, behavioural or systemic issues are raised in a disclosure, or a focused investigation may compromise a whistleblower's anonymity. When this is the case, some sample firms employ specially trained staff to initially conduct a cultural review and use those findings as a catalyst for any further investigations or reviews.

Sample firms indicated that they provide information about individual substantiated disclosures, or completed cultural reviews, to business units or executives involved in making decisions about disciplinary outcomes arising from misconduct. The firms worked within the confines of the whistleblower confidentiality obligations when providing this information.

Analysing information from disclosures

There are many ways firms can analyse data received from disclosures. This will depend on, for example, the size and distribution of its workforce and the types of disclosable matters that are likely to be most relevant to its business and operations. We also recognise sample firms' indications that, depending on the volume of disclosures received, insights from data analysis may not always be statistically meaningful. Regardless, we consider that firms can derive benefits from reflecting on or analysing data from their program, including considering whether the disclosures reveal any emerging areas of risk to the firm. *For more information, see RG 270.150–RG 270.157.*

For example, we saw sample firms analysing data from the program to identify anonymised insights (including trends and changes) about matters such as:

- › the types of allegations or issues raised in disclosures
- › the category of reporters making the disclosure (e.g. worker or other)
- › how disclosures were finalised
- › the locations, business units, or departments that disclosures were about.

At least one sample firm noted that for certain audiences, it integrates data derived from disclosures with data from other complaint channels (such as employee grievances and fraud matters) without identifying the source of any of the data. This gives

integrated insights about the issues without compromising whistleblowers' identities. This may also be a helpful approach to masking confidential information if firms receive low volumes of disclosures. We also encourage firms that receive no or very low volumes of disclosures to explore why this is the case, including whether there are gaps in their employees' understanding of the program or low trust in the program.

Communicating insights to senior leaders

There is no requirement to communicate insights from a whistleblower program to others within a firm and Australia's whistleblower protection regime has strong confidentiality protections that must be upheld in any such communication. Nevertheless, we consider that firms can benefit from sharing de-identified information from disclosures with senior leaders, to highlight emerging areas of risk.

A few sample firms had formalised processes to communicate insights from their program to senior leaders. These firms tended to receive disclosures in volumes that enabled statistical analysis. They were able to communicate insights in ways that enabled recipients to understand geographical and subject matter areas of emerging risk without compromising whistleblowers' confidential information. At least one sample firm shared data from disclosures on an integrated basis, as noted above.

Separately, we observed some sample firms including high level statistics from their whistleblower programs in annual reports and other publications, which can serve as a measure of transparency for shareholders and other external stakeholders.

Embedding executive accountability for the program

Good practices identified

We encourage firms to consider:

- › whether and how they embed executive accountability for the program, including through the designation of an accountable senior manager
- › whether a mechanism for broader executive oversight of the program may be beneficial to the firm.

We encourage accountable executives to reflect on whether they receive sufficient information about the program to discharge their accountability.

Individual executive accountability

During the relevant period, most sample firms designated a 'senior manager' (as defined by s9 of the Corporations Act) to be accountable for the policy and program, and usually specified this in their policy and other governance documents. Although the Corporations Act does not require this designation, it can be a persuasive and visible way for firms to signal their commitment to fostering a whistleblowing culture, especially when the firm takes other steps to demonstrate their commitment in practice.

For more information, see [RG 270.141–RG 270.146](#).

The accountable senior managers in all sample firms reported to the chief executive of the firm, and generally also had a direct reporting line into the board committee overseeing the program. Most, though not all, accountable senior managers held legal, compliance or risk-related portfolios. In two sample firms, the accountability was shared by two senior managers.

Sample firms appeared to determine the type and level of involvement the accountable executive held, depending on the volume of disclosures those firms received. For example:

- › at firms with lower volumes of disclosures, the accountable executive appeared to be involved in the day-to-day operation of the program and assessment of each disclosure, as well as playing an oversight role and reporting on the program to directors. Given the relatively lower volume of disclosures, this seemed to be feasible for those senior managers
- › at firms with higher volumes of disclosures, the accountable executive appeared to play a stronger oversight and reporting role, although they were still briefed on either all disclosures or disclosures that met a pre-defined risk threshold.

In overseeing the whistleblower programs, we observed sample firms' executives:

- › considering the substance of all disclosures or disclosures that met pre-defined risk thresholds (usually linked to a firm's risk appetite)
- › reviewing 'escalations' from whistleblowers who had concerns about how their disclosure was handled
- › looking at insights from a range of metrics (including those described in Monitoring the program's effectiveness) when considering the effectiveness of their firm's program and risks to the firm
- › being involved in decision making relating to the design, resourcing, and operation of the policy and program, as well as communications promoting the program
- › engaging with directors' feedback about the program or specific disclosures.

Broader executive oversight

Some sample firms supplemented individual executive accountability with cross-functional committees of senior executives. In some instances, this included senior managers. Most had defined remits set out in charters or policies that related to oversight of the program.

Each executive committee's mandate appeared to reflect where and how the firm's program fitted into its broader integrity, risk, compliance, or employee complaints framework.

While this oversight mechanism may not be suitable for all firms, we observed benefits for the firms that did employ this mechanism.

For example, the cross-functional nature of these committees appeared to allow firms to draw on a diversity of knowledge, perspectives and expertise when considering issues such as the risk profiles of disclosures, trends, and timelines for completion of investigations. The committees also appeared to direct management's focus to critical issues and matters related to the design, resourcing, and operation of the program.

Effective director oversight

Good practices identified

We encourage firms to carefully consider:

- › formalising arrangements for board or board committee oversight of the policy and program, including considering which board committee is most appropriate
- › the frequency, type and level of information that management should provide to board committees so that they can discharge their oversight responsibilities.

We encourage boards and board committees to reflect on whether they receive sufficient information to perform their oversight function and are providing informed oversight over the policy and program.

Oversight by directors

The Corporations Act does not impose specific responsibility on a board for whistleblower policies or programs. However, ASIC considers that a firm's board is ultimately responsible for its whistleblower policy and program as part of the firm's broader risk management and corporate governance framework.

For more information, see RG 270.14, RG 270.150–RG 270.157 and [Report 631 Director and officer oversight of non-financial risk \(REP 631\)](#). See also [Principle 3, Recommendation 3.3\(b\) in the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations \(PDF 2.0 MB\)](#).

Frameworks to facilitate effective director oversight

In practice, we saw most firms using board risk committees to oversee the sample firms' policies and programs during the relevant period. At some firms, these committees' meetings were generally attended by all directors, providing the entire board with visibility of how the policy and program were operating.

Most sample firms formalised the scope of their committee's interest in their charters or terms of reference, some more specifically than others. For example, one firm's charter defined the types of reporting about the policy and program that its board committee would need to review. Specificity may allow directors to more easily consider if they are receiving the right kind of information to discharge their duties in this area of oversight, and to request changes to the types of information or further information if required.

There were differences in the types and level of information provided to directors in the different sample firms, and the frequency. Some of the good practices we saw involved a sample firm or firms providing board committees with:

- › de-identified information about all disclosures received (generally firms with relatively low volumes of disclosures) or information and updates on the progress and resolution of disclosures that met a defined risk threshold as well as information about the total volume of disclosures received (generally firms with higher volumes of disclosures)
- › revised policies for endorsement or approval. These were frequently accompanied by briefing papers explaining the reasons for key changes to the policy

- › periodic information about how the program was designed, resourced, and operating
- › insights derived from data analytics or individual disclosures. This can allow directors to understand themes and emerging risks in the firm
- › information about all substantiated disclosures that did not result in termination of an implicated person
- › specific follow-up or deep-dive information requested by directors
- › periodic training or briefings on the whistleblowing regime, the firm's practices, and directors' duties.

Management from some sample firms indicated that the types and level of information provided to board committees was partly informed by ongoing discussions with and requests from directors. Some firms indicated that, as their data analysis capability improved, they were able to provide better statistical reporting to board committees.

Director engagement

Sample firms' management that were involved in board reporting about the policy and program, and present at board or board committee meetings where those matters were discussed, confirmed directors' interest and engagement in the program. They highlighted that some of the matters directors were engaged with included:

- › the underlying issues raised by allegations in specific disclosures, including what an issues may reveal about a relevant part or location of the firm's business, the issue's underlying root causes, and future preventative actions
- › disciplinary outcomes for substantiated disclosures
- › insights derived from data analytics
- › timeframes for completing investigations and a timeframe's impact on whistleblowers using the program
- › the frequency and quality of reporting received from management
- › the design, resourcing, and operation of the program, including regulatory developments and improvements.

Appendix: Review methodology

Context of review

This review is part of our phased approach to overseeing how firms are implementing the 2019 reforms to the whistleblower protection regime.

During 2020, we selected and reviewed a sample of 102 whistleblower policies from firms that are subject to the requirement to have a whistleblower policy. We conducted this document-based review of whistleblower policies to improve our understanding of how firms are responding to s1317A1.

In this phase, we conducted an intensive review of whistleblower programs from a sample of seven firms. A good whistleblowing program can reduce the risk that whistleblowers suffer harm for reporting misconduct.

We conducted this review to improve our understanding of how firms are responding to the requirements, including identifying good practices for handling disclosures and protecting whistleblowers. The review was intensive and involved a review of documents as well as voluntary interviews.

Selection of sample firms

The sample firms considered in this review were Australia and New Zealand Banking Group Ltd, AustralianSuper Pty Ltd, BHP Group Ltd, Commonwealth Bank of Australia, Netwealth Group Ltd, Treasury Wine Estates Ltd and Woolworths Group Ltd.

We selected these sample firms based on attributes such as industry, market capitalisation, total assets under management, and number of workers. So that we could identify scalable good practices to share with other firms, we preferred firms that we thought, based on their attributes, were likely to have developed whistleblower programs in place.

Our selection was not based on specific risks or concerns about the sample firms' whistleblower programs.

Information gathering and assessment

The findings in this report are based on the information collected from the sample firms in our review.

The initial stage of the review was document-based. Focusing on the period 1 July 2019—31 December 2021, ASIC collected and analysed data and information from the sample. We obtained some material voluntarily and also used our compulsory information-gathering powers, issuing notices on all firms under the *Australian Securities and Investments Commission Act 2001*.

The material we examined included copies of:

- › policies, procedures, guidance documents and other process documents
- › documents related to oversight of the program and policy, such as agendas, papers and minutes of selected executive committee, board committee meetings and board meetings
- › training and communications material.

To deepen our understanding of the practices we had identified from the document review, we conducted voluntary interviews with officers and employees involved in overseeing or operating the whistleblower programs to discuss their practices and learn about some of the changes made to firms' programs in 2022. Interviewees included members of firms' executive leadership teams responsible for overseeing the firm's program, and employees or executives who had day-to-day responsibility for different aspects of the firms' programs.

Key terms and related information

Key terms

confidential information	As defined in s1317AAE of the Corporations Act
Corporations Act	<i>Corporations Act</i> 2001 (Cth)
detriment	As defined in s1317ADA of the Corporations Act
disclosable matters	The types of information eligible for the Corporations Act whistleblower protections, described in s1317AA(4)-(5) of the Corporations Act
disclosures	Reports about disclosable matters made by whistleblowers to eligible recipients
eligible recipients	People eligible to receive disclosures about an entity, listed in s1317AAC of the Corporations Act
INFO 247 (for example)	An ASIC information sheet (in this example numbered 247)
policy	Whistleblower policy designed to comply with s1317AI of the Corporations Act
program	Systems, processes, procedures, and practices relating to compliance with Pt 9.4AAA of the Corporations Act

relevant period	1 July 2019—31 December 2021
RG 270 (for example)	An ASIC regulatory guide (in this example numbered 270)
s9 (for example)	A section of the Corporations Act (in this example numbered 9)
senior manager	<p>In relation to a corporation, a person (other than a director or secretary of the corporation) who:</p> <ul style="list-style-type: none">› makes or participates in making decisions that affect the whole, or a substantial part, of the business of the entity; or› has the capacity to significantly affect the entity's financial standing. They are generally a senior executive within the entity <p>Note: See s9 of the Corporations Act.</p>
whistleblowers	Categories of people eligible for the Corporations Act whistleblower protections, listed in s1317AAA of the Corporations Act

Related information

Headnotes

Whistleblower, whistleblower policy, whistleblower program

Legislation

Australian Securities and Investments Commission Act 2001

Corporations Act 2001, Pt 9.4AAA; s9, 1317AAB, 1317AB, 1317AC, 1317AI

ASIC documents

[INFO 247](#) *Company officer obligations under the whistleblower protection provisions*

[Letter to Australian CEOs](#) 21-267MR ASIC calls on Australian CEOs to review whistleblower policies

[Report 631](#) *Director and officer oversight of non-financial risk (REP 631)*

[RG 270](#) *Whistleblower policies*