



10 critical actions for company directors

to comply with *Corporations Act* whistleblowing provisions

yourcall

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to comply with the *Corporations Act* whistleblowing provisions:

1. Understand you are personally liable

Understand your personal liabilities as a director for breaches of the whistleblowing protections. Includes fines of up to \$1.1 million personally and jail sentences of up to 2 years. Ensure you also understand your organisational liabilities which include fines up to \$555 million.

2. Board Members/Directors must evidence ethical behaviour and integrity

Employees will model your behaviour. Also, encourage an ethical culture where whistleblowers feel safe to speak up, including formally endorsing the organisation's whistleblowing policy.

3. Conduct a risk assessment

Ensure a risk assessment is conducted for your organisation's whistleblower program and that appropriate resources are allocated to comply with the program's new requirements. Ensure risk assessments for detriment are conducted on a per matter basis.

4. Ensure your policy is legally compliant & provide training

Have a legally compliant whistleblowing policy that is visible internally and externally. If your organisation is listed on the ASX or is large private company you must also:

a) issue the policy and guidelines to everyone to whom the policy applies, and

b) provide training to all staff

c) training should occur at induction, as well as continuing education, including training associated with policy updates

5. Establish key roles and accountabilities

Establish key roles responsible for protecting or safeguarding whistleblowers, witnesses, and others from victimisation or detrimental action. Determine key roles for investigating reports.

6. Identify 'eligible recipients' & authorised officers to train

Identify eligible recipients and establish specific roles for authorised officers for receiving disclosures internally and directly from whistleblowers who are fully trained by subject matter experts in whistleblowing and corporate governance.

7. Establish additional reporting pathways for Whistleblowers

Provide alternative means for whistleblowers to make disclosures, including a secure and safe means which allows whistleblowers to remain anonymous. This should include an external and independent channel to report misconduct.

8. Implement continuous review

Have senior personnel responsible for periodically reviewing the policy and procedure for effectiveness and updating the whistleblower policy and procedures. Ensure you receive regular Board reports (privacy-protected) on the program.

9. Understand that breaches of confidentiality and acts of detrimental conduct will lead to significant penalties and reputational risk

Ensure confidentiality of the information about the disclosure and the identity of the whistleblower are maintained throughout the process. Zero tolerance for detrimental conduct toward whistleblowers is essential.

10. Ensure timely and effective management of whistleblowing reports, as well as whistleblower support.

Ensure that disclosures are managed, assessed, investigated, progressed, and finalised within a reasonable timeframe in accordance with the policy and laws. Provide effective and timely communication with the whistleblower, including the provision of support. Fair treatment must occur at every step of the whistleblowing program.

Directors have a central role in the organisation's handling of disclosures. These critical actions go a long way to building compliance and a Listen Up, Speak Up culture. yourcall.com.au :: info@yourcall.com.au