

Whistleblower Protection in Corporate Law: Evaluating Reporting Mechanisms and Governance Responsibilities

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Abstract

This study investigates whistleblowing within corporate governance, focusing on reporting mechanisms and ethical considerations in corporate organizations. Whistleblowing acts as a critical tool for transparency and accountability, addressing illegal and unethical corporate behaviors often hidden in complex organizational structures. The research examines various whistleblowing policies from leading corporations such as Hindalco, Wipro, Heineken, and Siemens to evaluate their design and effectiveness. It also assesses the impact of existing legal frameworks, including Indian statutes, on internal corporate policies and governance practices. Findings suggest that robust, culturally-aligned whistleblowing policies contribute significantly to ethical corporate governance without necessitating separate legislation. This highlights the importance of internal mechanisms designed to protect whistleblowers, foster ethical reporting, and ultimately strengthen corporate accountability.

Keywords: whistleblowing, corporate governance, reporting mechanisms, whistleblower protection, ethical corporate policies

Introduction

Whistleblowing is an inherently complex and multifaceted phenomenon that resists complete theoretical encapsulation. At its core, whistleblowing is a voluntary act, intricately shaped by subjective individual motivations, situational contexts, and the moral convictions of those who choose to expose wrongdoing. Attempts to legislate whistleblowing have predominantly focused on crafting an environment where such disclosures can be made without fear of excessive or unlawful retaliation. The primary goal of these legal frameworks and organizational policies is to establish clear processes and protective mechanisms conducive to

fostering a responsible whistleblowing culture that balances the imperatives of accountability and fairness.

At its foundation, whistleblowing arises from organizational deficits in accountability towards crucial stakeholders, predominantly within the ambit of legal compliance. Modern corporate structures, by their complexity and scale, often create avenues for evading legal and ethical norms. Whistleblowers serve as critical agents in alerting relevant authorities to instances of corporate misfeasance, thereby playing a vital role in penetrating the corporate veil. Effective whistleblowing mechanisms not only expose irregularities but also act as catalysts for institutional reform, ensuring that corporations adhere to the standards of good governance—marked by transparency, responsibility, and ethical rigor.

Robust corporate governance frameworks posit that an organization functioning at the highest standards of accountability and transparency would ostensibly render whistleblowing redundant.¹. However, the evolving nature of corporate misconduct necessitates whistleblowing policies that are procedurally accurate and substantively protective. Such policies must underpin the protection of whistleblowers from internal and external retaliatory actions, while simultaneously facilitating channels for the safe and genuine disclosure of significant corporate infractions. Legal and practical developments in jurisdictions like the United States exemplify legislations that champion whistleblower rights through well-established reporting systems and public informant protections, underscoring the necessity of a legally fortified yet culturally sympathetic approach.

Within corporate governance discourse, whistleblowing occupies a pivotal position as a mechanism that inherently promotes ethical conduct, organizational transparency, and stakeholder trust. Diverse corporate cultures influence how whistleblower policies are crafted and implemented, reflecting variances in legal mandates, societal values, and business practices. Tailored internal policies remain essential, particularly in jurisdictions where statutory protections are nascent or inadequately enforced. Ultimately, the integration of

¹ Sujoy Chatterjee & Alok Chaturvedi, 'Whistle-blower Policy: Is India in "Tune" with the World?', 4 GNLU L. Rev. 119, 124 (2013).

whistleblowing into the governance architecture aligns with the broader objectives of sustainable corporate stewardship, where accountability and ethical vigilance are interwoven into the organizational fabric.

Understanding Corporate Whistleblowing

Corporates are a form of social contract², where the stakeholders have allowed organisations to hold significant power in exchange of supporting the economy and providing a variety of goods and services, and even employment.

A whistle-blower is a person who informs relevant authorities about any illegal, immoral or inefficient activity or relevant such leads to an investigation. In a corporate environment, a whistle-blower would be one who brings to the notice of the senior management or the designated authorities of the company about any illegal activity by any person, including embezzlement of funds, leaking of confidential information, or using company information to make external gains. So, what constitutes an act of whistle-blowing? It must be the act of intentional disclosure of privileged information about a perceived malpractice or wrongdoing by an organisation by a person who is related to the organisation and has access to such information and their act of disclosure is intended to prompt action against such malpractice or wrongdoing.³ So an employee who comes across another taking unfair or unlawful advantage of the company's assets or their position in its working, can make a disclosure of the same, to initiate investigation with a larger view to protect the interests of the company.

Whistleblowing has been perceived from both sides. They are used in a genuine and responsible manner, and also to vent or intentionally get another person into trouble. That is why, whistleblowing is often challenged with the argument that it is a conspiracy by a discontent employee. The consequences of whistle-blowing has a company, target and whistle-blower perspective.⁴ The company is affected in its reputation, the person about whom the information of complaint is made, may come under scrutiny affecting their career, and the whistle-blower may themselves be subject to significant tags on their career. The kind of information and the

² Ibid., at 125.

³ Eva E Tsahuridu & Wim Vanderkerckhove, 'Organisational Whistleblowing Policies: Making Employees Responsible or Liable?', 82(1) *J. Bus. Ethics* 107, 109 (2008).

⁴ Kalpita Krushnakant Pandit, 'Legal Protection of Corporate Whistle-blowers in India', 3(1) *JCLJ* 2099, 2100 (2022).

circumstances in which it is made public reflects each of their attitude and perspective towards the situation. The consequences of whistleblowing are at times severe. A corporate organisation internally, retaliates against a whistle-blower in different ways. Employees who blow the whistle are often ostracised, demoted or unfairly terminated from employment, harming their reputes and discouraging other companies from hiring them. The risk is high, and often an inhibiting factor against whistleblowing. External whistleblowing, which is reporting corporate malpractice to the relevant legal authority or regulator is inhibited, and is considered as disloyalty towards organisation⁵, and often management at higher levels in the structure would retaliate in different ways even before firing. Even with respect to internal whistleblowing, managers often respond immediately with actions that may not be balanced with an opportunity to investigate or hear, or with a far-reaching understanding about whistleblowing.

In his paper⁶, Davies gives reasons for avoiding whistleblowing. He refers to whistleblower as a capacious term, but rightly recognises how a formal organisation is highly dependent upon interpersonal departmental conversations to use skills and execute daily tasks.⁷ Because the self-interest of individuals or the organization they belong to expects to profit from fewer whistleblowers, people with even identical levels of relationship inside an organization would treat a whistleblower badly. Formal organization's rationality is an ideal that is never fully realized. In addition to creating deliberate opponents within his organization, the whistleblower has the ability to incite strong prejudices against himself that are difficult for any formal process to hide. For the whistleblower to have a reasonable expectation that he won't have to go through the channels once more, the official organization itself needs to undergo sufficient change.⁸ One way to avoid whistleblowing is to create better ways to report bad news, inculcating procedures into the ordinary course of business activities within an organisation. It is linked with risk assessment where the risks or the problematic aspects are reviewed, brought on record, as part of the job. This however only shifts the blame or changes the morality argument that pushes for reporting, or ends up as a mere formality. Those who do not understand the

⁵. Terry Morehead Dworkin & Melissa S Baucus, 'Internal vs External Whistleblowers: A Comparison of Whistleblowing Processes', 17(12) *J. Bus. Ethics* 1281, 1287 (1998).

⁶. Michael Davis, 'Avoiding the Tragedy of Whistleblowing', 8(4) *Bus. Prof. Ethics J.* 3 (1989).

⁷. *Ibid.*, at 4.

⁸. *Ibid.*, at 9.

relevance of the “bad news” that is brought up periodically by this method will brush it aside because there may not be immediate consequences.⁹

Motivations of Corporate Whistleblowing

Whistleblowing is often, not an individual act.¹⁰ It involves more than one person in itself. Employees when they come across a wrong doing, or related information, mentally test out the consequences¹¹ of disclosing the information and the consequences it can have in the light of the general attitude of the organisation towards such instances. There are different methods of disclosures that one opts while being in an organisational structure- they may be a protracted event of disclosure because of the need to obtain sufficient information and evaluate the link between the wrongdoing, wrongdoer and other considerations.

Whistleblowing is not an obligation, but a self-directed individual act motivated by the moral agency of the individual.¹² Ethical behaviour at work includes discussions about moral autonomy of employees at different levels, and the attitude of the organisation to enable both the moral autonomy as well as the responsibility of the employees to work in favour of the organisation. For example, if a company is flouting environment protection laws, but the employees themselves do not believe that the harm to the environment is wrong, they are not likely to flag the illegality. Suppression of information in light of whistleblowing is not wrong, because it is not obligatory.

Whistle-blowing is an act of dissent.¹³ It publicly implicates a company by disclosing its wrongdoing with the intent to set into action any methods for its rectification. When a person blows the whistle, they are motivated by the kind of illegality or misconduct and its severity vis-à-vis the society in light of their psychological perception and commitment to the

⁹. Ibid., at 10.

¹⁰. Kath Hall & Heather Cork, ‘Back to Basics: Reforming Australia’s Private Sector Whistleblowing Laws’ (NEW DIRECTIONS FOR LAW IN AUSTRALIA: ESSAYS IN CONTEMPORARY LAW REFORM, 2016), 95.

¹¹. Ibid., at 99.

¹². Supra note 3, at 110.

¹³. Harold Hassink et al., ‘A Content Analysis of Whistleblowing Policies of Leading European Companies’, 75(1) *J. Bus. Ethics* 25, 26 (2007).

organisation and extent of faith in the resolution/cognition structure, cultural or societal perceptions or conditioning that prompts flagging misconduct as ethical or moral duty, when there are policies and regulation that give a legal-backing to stimulate reporting, or often, an act of personal vendetta against a particular person or the organisation.¹⁴

Also, it also important to study the “dis”-motivations¹⁵ for not reporting violations in companies. First, when a person is not sure if there is a violation or illegality, which means there needs to be clarity about what information establishes a violation, illegality or malpractice that it calls for a risk by breaching institutional confidentiality. Second, when the people who are aware of some abounding malpractice, but does not see themselves as responsible to report the same. This impresses that the morality of people in relation to the organisation and the society is narrower justifiably, because the act of whistle-blowing is non-obligatory and no law or rule can legally enforce moral choices. Thirdly, the fear of exoneration, safety of life, continuation of employment, isolation within organisation, and long-term impact on career growth, play a role to assess whether or not to blow the whistle on illegal activities. Lastly, when the person does not have reasons to rely on a functional administrative system that can guarantee protection against adverse acts to their person and part in the organisation.

The motivations and dis-motivations that define the act of whistleblowing shed light on the scope where policies can be formed to effect protection to the whistle-blower and to create a structure that formalises the manner of whistleblowing that will make it more genuine and reliable. This is because the extent of protection provided by legislative policies also has an impact on the motivation of people to blow the whistle on malpractice and misconduct. If there is a lot of incentive, the law would be used at convenience which would undermine the very intent and idea of whistle-blowing, and if the law does not convey a sufficient sense of security for whistle-blowers in practicality, then whistle-blowing would remain a heroic act that most would give way for someone else to do. So, the best place to start whistle-blowing policies is within the organisation. The elements, placing and the manner of the whistle-blowing policies influences whistle-blower behaviour. So, when legal policies and corporate policies are in place, they increase internal whistle-blowing while reducing external disclosures.

¹⁴. Ibid., at 30.

¹⁵. Ibid., at 29.

Legal Framework Shaping Whistleblower Protections in Corporate Governance

The only attempts at protecting whistle-blowers in India by legislation were an act of response to the instances of whistle-blowers of large public or government involved scams, such as Sathyendra Dubey, who blew the whistle on the financial irregularities on the national highways project,¹⁶ being murdered. It raises the question as to whether a social legislation change the mind-set that stigmatizes/motivates whistle-blowing, given that those who do it are silenced heroes, but no one actually wants to do it.

The Whistle Blowers Protection Act, 2014 was enacted to protect persons who make any allegation of corruption or misuse of power or misconduct by a public servant, and provides for protection against victimisation of them. Here, although related to government, the concept of whistleblowing can be found in the definition of “disclosure” in S. 2(d) of the Act, and a whistle-blower under “complainant”, defined in S. 2(c). The disclosure can be made in writing or by e-mail, to a competent authority, defined under S. 2(b), which includes from the Prime Minister to the officers notified by the Central or State Vigilance Commission. The disclosure must contain a statement that the information is made in good faith and in the best of the knowledge of the complainant. Under S. 4, the first duty of the Competent Authority is to conceal the identity of the complainant. The complainant who can be a common person, or a public servant shall be afforded protection against victimisation by the central government, by application filed before the competent authority who shall direct the suitable authorities to take necessary steps for the protection, as provided in Ss. 10, 11 & 12. The Act also imposes a penalty on the complainant who makes disclosures without reasonable cause, or is found to have done with a mala fide intent. However, no legal proceedings can be brought against the person if their disclosure was in good faith. This Act has not been enforced.

This Act has all the elements required of a whistle-blower policy, however, it is not practically possible to effectuate it in India, much less to the corporate structure. In India, a scam or a large-level “wrong” is backed by extremists, unofficial and official groups of people who hold

¹⁶. <https://www.mid-day.com/lifestyle/culture/article/six-times-indian-whistleblowers-made-news-in-the-past-23197139> Visited on 8 December , 2024

certain power over bureaucracy and process of things. They create an atmosphere of fear and often suppress the voices of those who would want to come forward to report information. The delays in the justice process add another level of distrust that the administration or the system would help bringing scams and government related corruptions, leading to a saturation in questioning the wrongs, to simple living with them, or becoming a part of them. Institutional protection to whistle-blowers would lie at the foundation of public policies that aim to reduce or prevent corruption.¹⁷ So, not only is making a legislation in this regard for public or government related whistleblowing, it would be much vague to do the same for corporate structures. Corporate whistleblowing is more suitable to be dealt with through internal policies and mechanisms that are customised to the culture and the attitude of the company. This is supported by the fact that whistleblowing is not obligatory.

Another aspect of external whistleblowing in public interest is from the competition aspect. Competition Commission of India (CCI) acts as a competent authority to investigate any information that leads to possible cartelisation that are automatically presumed to cause an adverse impact on competition in the market.¹⁸ This information can be provided by any person, referred to as an informant, who can maintain their anonymity in the course of the CCI proceedings. This mechanism under Competition Commission of India's General Regulation is also a form of whistle-blower protection. It shows state intent to protect information-providers, a balanced approach which is also needed in the corporate dimensions. Here, there is significant overlap with corporate whistleblowing, because a whistle-blower may not only approach the internal management, but also the government regulators that regulate corporate activities.

The Narayana Murthy Committee, along with other recommendations, emphasized the need for an internal policy regarding access to audit committees. It was suggested that personnel who observe unethical or improper practices should be able to approach the independent audit committee without the necessity of informing the Board. The committee recommended replacing the term 'board' with 'supervisor', and also emphasised on efforts to make the

¹⁷. Vijay Kumar Singh, 'Whistle-blowers Policy Challenges and Solutions for India with Special Reference to Corporate Governance', 3 GJLDP 5, 10 (2013).

¹⁸. Saumik Mishra, 'Is CCI Doing Enough for Whistle-blowers?', PL 73 (2017).

employees aware of this mechanism.¹⁹ The Companies Act, 2013 and R. 4(2)(d)(iv) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 mandate that all listed companies, those which have borrowed money from banks in the excess of INR fifty crores and those which accept deposits from the public must have an active vigil mechanism to report genuine concerns. It is the duty of the Board of Directors of these organisations to ensure that a whistle-blower policy is implemented and the Audit Committee must oversee the workings of the vigil mechanism. The Board must also ensure that whistle-blowers do not face victimisation from the company for coming forward with complaints.

The same can be found in S. 177(9) of the Companies Act, 2013 that deals with the role of the Audit Committee which includes to establish a vigil mechanism for directors and employees to report genuine concerns in a prescribed manner. This mechanism, as provided for under (10), requires that the mechanism shall provide adequate safeguards against victimisation of the person reporting the concerns. Here, the Audit Committee that shall consist of a number of Independent Directors will be able to independently assess and collect evidence of misconduct by the company, or any part of it, against making the mechanism more independent of internal influences or power-tripping. This provision emphasises on the role of corporates to partake in self-assessment and regulation by the creation of a vigil mechanism that accommodates unique corporate cultures.

Such language of law retains corporate autonomy with respect to internal functioning and culture because the corporate environments vary greatly and are influenced by many factors that makes restrictive laws merely formal. No law should spell out a whistle-blower policy or mechanism for a corporate, instead, must only lay down basic standards, generic in wording, from where letter and spirit of law must evolve and establish, and also be subject to the impact of dynamic influences. For example, the law can suggest for an external ombudsman operating at an arm's length basis would be efficient to address whistle-blower complaints,²⁰ but whether it would be suitable for the corporate, or whether internal policies are sufficient, are to be decided by the company itself. This argument can also be supported by the findings of an

¹⁹. Supra note 13, at 26.

²⁰. Prachi Dutta, 'Corporate Whistle-Blowing: Are We There Yet?', SCC OnLine Blog OpEd 7, 8 (2025).

empirical study²¹ conducted on various big companies in the USA, in a jurisdiction that has a legislation with respect to whistleblowing. The study showed that a whistle-blower policy would be effective if it is specific, improves, and has the protection that conveys the attitude to promote the right kind of whistle-blowers, which means that the legislation must be less restrictive, and must allow firms to adapt a policy that better fits their internal corporate culture.

Corporate Governance requires keeping in mind stakeholder interest and balancing the same in the functioning of the entity, and guides its decision-making in an ethical manner. A well-informed and precise whistle-blowing policy in a corporate organisation would be a rational form of partaking in corporate governance practices.²² When this exercise is conducted by the company, and it makes and enables a robust vigil mechanism that satisfies both the letter and the spirit of the law and is in all practicality effective to aid whistle-blowers to flag genuine concerns within or with respect to the organisation, the company can be said to be doing good corporate governance.

Analysis of Whistle-Blower Policies of Different Companies

Hindalco Industries Ltd²³

The purpose of the policy is articulated first, from the point of view of the employees, directors and third persons who seek a safe platform and to raise concerns or grievances about any violation of the Company's Code of Conduct, second, the stand of the organisation towards ensuring that they inculcate an environment of protected whistle-blowing, and third, the act of whistleblowing itself as a source of information, that is, a manner of self-regulation and monitoring. The whistle-blower, as defined is protected by the policy by a mechanism to report any victimisation in the form of any discrimination, harassment, or unfair employment practices as a result or pursuant to whistleblowing, to the Value Standards Committee that shall take disciplinary actions as necessary. The policy calls for reporting in good faith and does not

²¹. Janet P Near & Terry Morehead Dworkin, 'Responses to Legislative Changes: Corporate Whistleblowing Policies', 17(14) *J. Bus. Ethics* 1551 (1998).

²². Supra note 13, at 11.

²³. <https://www.hindalco.com/upload/pdf/hindalco-whistle-blower-policy-19.pdf> Visited on 5th December 2024

provide protection if the disclosure made or concern or allegation raised is not genuine, instead makes the whistle-blower liable to internal or legal action against such person. The Value Standards Committee shall treat the complaints in a confidential and sensitive manner, and only when required in the investigation, shall reveal the whistle-blower with their prior permission. A whistle-blower officer shall be designated to the Company Secretary for Commercial Head, and the legal officer in their absence as part of the Value Standards Committee to deal with the whistleblowing. The policy also calls for a toll free hotline for ethics, where anyone can report any violation or misconduct. It also calls for mechanisms by which awareness is to be raised amongst all the employees about the whistleblowing mechanism and policy.

This policy is quite direct, focuses on practicality and bridges nearly all gaps between a potential whistle-blower with a dilemma on whether or not, and how to report, and the possible consequences of the same, and, the act of flagging a misconduct, to bring appropriate attention to it.

Wipro's Ombuds Policy²⁴

This policy treats the act of whistleblowing as an act of making a complaint against a wrongdoing, which gives the perspective that the complainant must have been affected in an identifiable manner to bring an action through the company's internal mechanisms. The policy states in its purpose that it is the responsibility of the employees to raise concerns about violation of the company's policies, regulations and the law and hence, a mechanism is required to be in place to facilitate the same. The policy applies to not only employees and directors, but also to clients, retainers, consultants, service providers and vendors, who shall be referred to as complainants. The report can be made the manager, the HR or the ombudsperson who reports annually to the audit committee. The Ombudsperson shall protect the identity of the complainant and make a fulsome enquiry on the case. This policy defines the different types of concerns that can be raised by a complainant that include breach of the company's code of conduct, falsification or misrepresentation of information, misuse of authority, harassment, exercising undue influence to coerce others to commit non-compliant acts, or any failure to comply with the laws for and in the course of business in the company. The policy also lays

²⁴ <https://www.wipro.com/content/dam/nexus/en/investor/corporate-governance/policies-and-guidelines/wipro-ombuds-process/ombuds-policy.pdf> Visited on 5th December 2024

down a limitation period within which concerns can be raised or complaints can be made, a period of 3 months from the time the information comes to the knowledge of the complainant. At the same time, the company has to, within three months, inform the complainant about the follow-up action taken with regard to the complaint. There is also a demarcation of concerns that lie on a personal context, and not in relation to the company or its working, and also those concerns or complaints that already have alternate grievance redressal processes defined, for example, concerns relating to employee benefits are not to be dealt by this mechanism that seeks reporting on company practices that require attention of the appropriate authority. The Ombuds can be approached by an exclusive app, e-mail. Or by post/courier to the office address of the Ombudsperson. This process also provides for appeal with respect to the result of the investigation on the complaint, and the review will be done by the Chief Ombudsperson with a member of the Compliance Committee.

Heineken NV²⁵

Heineken is one of the longest running brewing company established in 1864 in Amsterdam. The process of whistleblowing has been presented by their ‘Speaking Up’ policy that encourages employees to ‘say something’ when they ‘see something’, with respect to any activity or behaviours against the law, or against the code of the company at the earliest so that the risk of its escalation and negative consequences are mitigated. As for the process of speaking up, the policy says that the concerns can be shared with the Manager, a trusted colleague, or the person may use the business conduct mail or the Speak Up portal. The reports made on the portal are reviewed by an independent team protecting the confidentiality of the reporter, in exchange of which, full cooperation in the course of investigation is sought. The policy states that there shall be zero tolerance to any form of retaliation against the employee who speaks up in good faith. While reminding that the policy is placed for raising genuine concerns, the premise of this policy is built on the premise that the employees have to work in a manner that protects their working environment and the Speak Up policy is one which aids and supports the process of dealing with proper internal environment, to take adequate actions

²⁵ <https://www.theheinekencompany.com/sites/heineken-corp/files/heineken-corp/sustainability-and-responsibility/our-progress/our-policies/code-policy-speak-up.pdf> Visited on 5th December 2024

against breaches by promptly dealing with any illegal activities or conduct, and to offer support to those who speak up against negative corporate activities.

This policy is all encompassing as it includes speaking up against harassment or bullying at workplaces. In India, a committee to protect against workplace harassment is separately mandated. The Speak Up policy is worded and intended to be more workplace oriented, giving an opportunity to every employee to know their role and scope of action and protection available from its work culture. This shows that different corporates view the whistleblowing procedures in accordance with their perception of what kind of information and the manner in which they would prefer to be dealt with. This flexibility is a characteristic of corporate autonomy to calibrate their internal functioning according to the prevailing work culture and motivations and dis-motivations with respect to speaking-up against any act that goes against the interests of the law that governs and applies and the interests of the company.

Siemens Financial Services Pvt Ltd (Parent Company: Siemens AG)²⁶

The Vigil Mechanism and Whistle-Blower Policy encourages persons to confidently raise compliance concerns and intends to remove any stigma or adverse consequences associated with reporting in good faith, and to avoid slander or misuse of compliance as well as reporting process. A report of any of the acts covered by the policy, including misappropriation, release of proprietary information, falsification or destruction of company information, mismanagement and financial or accounting irregularities, can be made to the CEO, or the Chairman of the Audit Committee, and the investigation shall be carried out by company officials or independent investigators designated by the Audit Committee. The person making the report will be informed of the completed investigation. The protection accorded to a whistle-blower includes the freedom to report without fear of repercussions, anonymity and protection against unfair termination or prejudicial employment practices. This assurance of protection gives a whistle-blower the option to directly approach the CEO if they are being unfairly treated or victimised. This focus of this policy is more on assuring and ensuring that the whistle-blowers are protected against any form of internal retaliation.

²⁶ <https://www.siemens.com/global/en/company/about/compliance/reporting-channels.html> Visited on 5th December 2024

BHP Ltd²⁷

BHP's Whistle-Blower policy outlines the broad procedures for making disclosures under the Whistleblower Protection Scheme as well as the safeguards that eligible reporters worldwide, including under these Australian laws, are entitled to. The disclosable matter referred to under this policy includes any information that gives reasonable grounds of suspicion about misconduct or improper state of affairs within the company. Any eligible reporter may report through the reporting channel (BHP Protected Disclosure Reporting Channel) or regulator and such person does not require prior approval to do the same. Even a disclosure made to a legal practitioner to obtain advice for the course of action is protected. According to the policy, no one may be subjected to any kind of harm, punishment, disciplinary action, or retaliation because they or another person may have, may have, may propose to, or could bring a Disclosable Matter to our attention, or because they are conducting, assisting, or taking part in an investigation.

Retaliation is not tolerated at BHP and is a reason for disciplinary action, which may include termination of employment. Any violation of a legal or regulatory obligation may be considered a disclosable matter, but not any personal work-related grievances such as interpersonal conflict or employment specifics. However, actions that may not always require breaking any specific law may also be considered disclosable matters.

This policy lays down in detail the process of investigation upon receiving a report and the role of the whistle-blower through the same. The reporter may choose to participate anonymously or non-anonymously in the investigation of the concern raised, while maximum possible confidentiality and fair treatment of those involved is acceded. Even circumstances that call for disclosure of identity shall be dealt with in a proper manner, reducing the risks involved in the same.

Conclusion

Whistleblowing works well to stop dishonest and illegal behaviour. Laws protecting whistleblowers must encourage an environment in which honest disclosures are respected,

²⁷ <https://www.bhp.com/> Visited on 5th December 2024

acknowledged, and rewarded.²⁸ Policies pertaining to whistleblowing must outline what the company, its workers, and the general public expect or believe will happen when organizational wrongdoing is exposed. Employee consultation is therefore necessary for whistleblowing policies that encourage accountability and responsible behaviour both inside and outside the company, as tasks flow more naturally from self-authored commitments. It is possible to view whistle-blowers as the bold defenders of principles that are more significant than the immoral actions of organizations. The impact of the legislation on the whistle-blower makes the development of whistle-blower policies crucial. Employees frequently run the risk of facing animosity and marginalization, losing their jobs, and being shut out of the industry. Many often, whistle-blowers are viewed negatively or even as complicit in unethical behaviour. However, whistleblowing is merely a way to draw attention to a problem that has the potential to hurt a lot of people in the future. It does not release anyone from the consequences of their unlawful actions. Furthermore, there is a serious risk to their physical safety. However, when viewed from the standpoint of its core purpose, whistleblowing helps the business by serving as a means of self-regulation and self-monitoring, which in turn prevents significant harm to the company's reputation and may even strengthen customer loyalty. The analysis of the various whistleblower policies the aspects of whistleblowing show that internal policy based on corporate governance principles tailored to the company's culture that include a reporting mechanism, investigation mechanism, and a mechanism for whistleblower protection. This finding agrees with the hypothesis which says that corporate whistleblowing does not need a separate legislative consideration as it is intricately a part of accountable and transparent corporate governance principles and practices, even preferred as an essential aspect for a corporate's internal functioning.

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