

WILL YOU LISTEN?

**A STUDY OF WHISTLEBLOWING POLICIES OF SGX-
LISTED ISSUERS**

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Disclaimer

Information used in this report is based on disclosures by listed issuers and may not necessarily reflect the actual practices of these issuers. The Centre for Investor Protection, NUS Business School, National University of Singapore and the authors do not provide any warranties or make representations as to the accuracy, completeness, suitability or fitness for purpose of the report and accept no responsibility for any acts or omissions made in reliance of the report. This report is not intended, in part or full, to constitute legal or professional advice.



EXECUTIVE SUMMARY

This first-ever in-depth study assesses compliance with listing requirements on whistleblowing policies by 536 issuers with a primary listing on the Singapore Exchange (SGX). It also assesses their disclosures and practices against other good practices in whistleblowing policies. Information on whistleblowing policies are obtained from the latest annual reports and sustainability reports published by these issuers and their websites.

Compliance with SGX Rules

All 536 issuers disclosed that they have a whistleblowing policy in place. However, compliance with specific requirements is quite low.

127 issuers (23.7%) did not disclose that they have designated an “independent function” to investigate whistleblowing reports and are therefore not in compliance with the listing rules. Another 79 issuers (13.1%) did not identify the function/individual and 36 (6.0%) disclosed having a designated team but did not identify the team. Many others disclosed functions that may not be independent of management.

33 issuers (6.2%) did not disclose any information about keeping the identity of the whistleblower confidential and are therefore not compliant with the requirements. Another 456 issuers (85.1%) disclosed a commitment to do so but did not disclose how and are therefore arguably also not fully compliant.

106 issuers (19.8%) did not specifically disclose the AC’s oversight and monitoring of whistleblowing beyond mentioning the duty in Provision 10.1 of the Code of Corporate Governance. 370 issuers (69.0%) disclosed the AC did so but did not disclose how.

21 issuers (3.9%) did not disclose a commitment to protect whistleblowers against reprisals. While the rest disclosed a commitment to do so, only four issuers (0.7%) specifically mentioned what they will do to support and protect the whistleblower during the investigation period. However, 106 issuers (19.8%) disclosed the actions they will take to protect the whistleblower in the event that whistleblowers have experienced detriment and feel victimised or harassed.

Other Practices

248 issuers (46.3%) published their whistleblowing policy on their website.

The whistleblowing policies of 190 issuers (35.4%) include environmental, social and governance (ESG) issues, such as those relating to health, safety and human rights violations, among the breaches that can be reported under the whistleblowing policy.

150 (28%) said all complaints are investigated, 166 (31%) said some complaints are investigated, while the remaining 220 issuers (41%) did not disclose.

30 issuers (5.6%) disclosed that anonymous complaints are not accepted while 233 issuers (43.5%) are silent.

All whistleblowing policies allow employees/staff to report, with many other policies allowing other parties to do so. 52 issuers (9.7%) specifically state that members of the public can make reports under their whistleblowing policies.

225 issuers (42%) disclosed that all complaints are reviewed and one disclosed that some complaints are reviewed. The Audit Committee is the most common function involved in reviewing complaints, with 200 of the issuers (62.3%) that disclosed that complaints are reviewed indicating the involvement of the AC.

429 issuers (80%) did not disclose if they acknowledge complaints, with three (0.6%) saying they are not obliged to acknowledge.

60 issuers (11.2%) did not disclose specific functions/individuals that whistleblowers can make reports to, and nine (1.7%) mentioned a designated team but did not disclose who they are. The AC Chairman (277 issuers) and AC (145 issuers) are the most common functions/individuals disclosed, followed by supervisor (79 issuers) and Internal Audit (69 issuers).

Other Practices

Email, mail/post and telephone/internal hotlines are the three most common methods for reporting. 23 issuers (4.3%) allow whistleblowers to make reports through external hotlines managed by a third party, usually a major accounting firm.

347 issuers (64.7%) disclosed a commitment to communicate their whistleblowing policy but did not disclose how they do it. Only 44 issuers (8.2%) specifically provided information on how they communicate the policy. 145 issuers (27.1%) did not disclose a commitment to communicate or provide information on how they do so.

Only 83 issuers (15.5%) disclosed that they provided training on the whistleblowing policy.

157 issuers (29.3%) did not disclose number of complaints. Of the rest, 355 issuers (66.2%) disclosed that they did not receive a single complaint.

Overall Assessment: Whistleblowing Scorecard

A 20-item Whistleblowing Scorecard based on the practices covered in this report was developed to provide a sense of the overall adoption of good practices in whistleblowing policies by issuers. Based on a maximum possible score of 40, the mean score is 20.6 and the median score is 20. Only 54.7% of the issuers scored a minimum of 20 out of 40 and 9.7% scored at least 30 out of 40.

Comparisons based on listing board and issuer size

Not surprisingly, Mainboard and Large/Mid-Cap issuers tend to fare better than Catalist and Small-Cap issuers for most areas, although there are exceptions.



INTRODUCTION

In December 2024, Singapore Post (SingPost) shocked corporate Singapore when it announced the termination of the Group CEO, Group CFO and CEO of the International Business Unit Operations (SP IBU Ops) with immediate effect, following investigations into a whistleblowing complaint. In an announcement on 22 December 2024¹, the company said that it had earlier in the year received a whistleblowing report relating to the Group's non-regulated international e-commerce logistics parcels business. The whistleblowing report alleged that there were manual entries of certain delivery status codes by SP IBU Ops for international transshipment parcels which the company had agreed to deliver under an agreement with one of its largest customers, allegedly without basis or supporting documentation and with the intention of avoiding contractual penalties under the agreement.

An initial investigation, led by the Group Internal Audit (GIA) under the oversight of the Audit Committee (AC), resulted in the sacking of three managers in SP IBU Ops. Further investigations with the assistance of external legal counsel resulted in disciplinary proceedings being commenced against the three senior executives. These proceedings found that, in relation to the handling of internal investigations into the whistleblowing reports and renewal of the related agreement, the three senior executives “were grossly negligent and had omitted to consider material facts that compromised their decision-making and/or failed to perform their duties responsibly and reliably”². The three senior executives were then fired with immediate effect. They have said that they are challenging their termination.

¹ Singapore Post Limited. (22 December 2024). Announcement on: 1. Whistleblower Reports, 2. Disciplinary Proceedings, and 3. Leadership Succession Following Termination of GCEO, GCFO and CEO-IBU.SGXNET.

<https://links.sgx.com/FileOpen/SGXAnnWBRDP2.ashx?App=Announcement&FileID=828572>

² Ibid

The revelations led to scrutiny of the company's whistleblowing policy and how the investigations were conducted. A week later, SingPost issued a further announcement in which it provided more information about the investigation and disciplinary process, leadership succession, group plans and direction, and a detailed timeline of key events.³

The SingPost case indicates the important role that whistleblowers can play in exposing fraud and other wrongdoing. It also raises questions as to what constitutes a robust whistleblowing policy and appropriate investigation procedures.

This first-ever in-depth study of whistleblowing policies of SGX-listed issuers assesses compliance with the SGX requirements based on disclosures made by these issuers and evaluates their disclosures and practices against other good practices in whistleblower policies.

³ Singapore Post Limited. (29 December 2024). Response to Comments/Queries from Stakeholders. SGXNET.
https://links.sgx.com/FileOpen/Response_to_Comments_Queries_from_Stakeholders.ashx?App=Announcement&FileID=82911
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HISTORY OF WHISTLEBLOWING RULES FOR SGX-LISTED ISSUERS

Despite the importance of whistleblowing in promoting corporate governance and accountability, Singapore's legal framework in this area remains fragmented and limited in scope. The country does not have a universal whistleblower protection law, relying instead on a patchwork of sector-specific legislation and non-binding guidelines.⁴

While there have been some developments in the corporate space, gaps in whistleblower protection persist. In terms of general existing laws, statutes like the Prevention of Corruption Act and the Corruption, Drug Trafficking and Other Serious Crimes (Confiscation of Benefits) Act do provide safeguards for whistleblowers reporting on corruption and serious crimes. Nonetheless, individuals who flag other forms of workplace misconduct, such as fraud, forgery, and misappropriation of funds, fall outside the ambit of these legal protections.

Furthermore, guidelines like the Tripartite Advisory on Managing Workplace Harassment, while offering some suggested whistleblowing protocols to combat against workplace harassment, are not legally binding. Employers are merely expected, not legally required, to adhere to these standards.

In general, there is no mandatory duty to blow the whistle. However, Singapore's legal framework imposes certain statutory obligations for individuals and companies to report

⁴ Tham, D. (2023, October 15). Harassment, intimidation and sabotage: Can more be done to protect whistleblowers? CNA. <https://www.channelnewsasia.com/singapore/whistleblower-protection-law-wirecard-kinderland-3820066>

specific types of information and suspected criminal activities under the Corruption, Drug Trafficking and Other Serious Crimes (Confiscation of Benefits) Act (CDSA) and the Penal Code. Failure to fulfill these mandatory reporting requirements can result in criminal penalties. In addition, section 207 of the Companies Act 1967 imposes certain obligations on the statutory auditor to report to the Registrar or Minister of Finance if the auditor discovers certain breaches or offences in the course of performance of their duties as an auditor.

WHISTLEBLOWING PROVISIONS FOR SGX-LISTED ISSUERS

Guidelines on whistleblowing policies for listed issuers in Singapore were first introduced when the Code of Corporate Governance (the "CG Code") first issued in 2001 was revised in 2005. Under Guideline 11.7 of the 2005 Code, it was stated: "The AC should review arrangements by which staff of the company may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters. The AC's objective should be to ensure that arrangements are in place for the independent investigation of such matters and for appropriate follow up action."⁵

The guideline was enhanced when the Code was revised again in 2012. The revised Guideline 12.7 stated: "The AC should review the policy and arrangements by which staff of the company and any other persons may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters. The AC's objective should be to ensure that arrangements are in place for such concerns to be raised and independently investigated, and for appropriate follow-up action to be taken. The existence of a whistle-blowing policy should be disclosed in the company's Annual Report, and procedures for raising such concerns should be publicly disclosed as appropriate."⁶

The 2018 edition of the Code made some further changes, with Provision 10.1 stating that the duties of the AC should include: "(f) reviewing the policy and arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, independently investigated and appropriately followed up. The company publicly discloses, and clearly communicates to employees, the existence of a whistle-blowing

⁵ Ministry of Finance. [14 July 2005]. Code of Corporate Governance 2005. https://www.mas.gov.sg/-/media/MAS/resource/fin_development/corporate_governance/CG-Code-2005-Code.pdf

⁶ Monetary Authority of Singapore. [2 May 2012]. Code of Corporate Governance 2012. https://www.mas.gov.sg/-/media/MAS/resource/fin_development/corporate_governance/CGCRevisedCodeofCorporateGovernance3May2012.pdf

policy and procedures for raising such concerns.”⁷ Practice Guidance 10 for Audit Committees states that the activities that the AC should report to the board include “(f) the significant matters raised through the whistle-blowing channel.”⁸

The importance of whistleblowing policies for SGX-listed issuers was considerably elevated when SGX Regco made it mandatory for all listed issuers with a primary listing to have a whistleblowing policy in place which complies with certain requirements, starting from 1 January 2022.

Under Rule 1207 (18A) of the Mainboard Rulebook⁹ and Rule 1204 (18A) of the Catalist Rulebook¹⁰, issuers must include the following in its annual report:

“A statement that the issuer has put in place a whistleblowing policy which sets out the procedures for a whistleblower to make a report to the issuer on misconduct or wrongdoing relating to the issuer and its officers.”

Further, pursuant to Rule 1207 (18B) of the Mainboard Rulebook and Rule 1204 (18B) of the Catalist Rulebook, issuers must disclose the following in its annual report:

“An explanation of how the issuer has complied with the following key requirements:

- (a) The issuer has designated an independent function to investigate whistleblowing reports made in good faith.*
- (b) The issuer ensures that the identity of the whistleblower is kept confidential.*
- (c) The issuer discloses its commitment to ensure protection of the whistleblower against detrimental or unfair treatment.*

⁷ Monetary Authority of Singapore. [6 August 2018]. Code of Corporate Governance 2018. <https://www.mas.gov.sg/-/media/mas/regulations-and-financial-stability/regulatory-and-supervisory-framework/corporate-governance-of-listed-companies/code-of-corporate-governance-6-aug-2018.pdf>

⁸ ⁸ Monetary Authority of Singapore. [11 January 2023]. Practice Guidance. <https://www.mas.gov.sg/-/media/mas-media-library/regulation/practice-notes/cmi/practice-guidance---corporate-governance/practice-guidance-mar-2022.pdf>

⁹ SGX Group. Chapter 12: Circulars, Annual Reports and Electronic Communications. Mainboard Rulebook. <https://rulebook.sgx.com/rulebook/chapter-12-circulars-annual-reports-and-electronic-communications>

¹⁰ SGX Group. Chapter 12: Circulars, Annual Reports and Electronic Communications. Catalist Rulebook. <https://rulebook.sgx.com/rulebook/chapter-12-circulars-annual-reports-and-electronic-communications-0>

(d) *The Audit Committee is responsible for oversight and monitoring of the whistleblowing framework.”*

SGX REGCO WHISTLEBLOWING OFFICE

In January 2020, SGX RegCo established a dedicated Whistleblowing Office to facilitate reporting in the wider securities market, not just at the issuer level¹¹. The Whistleblowing Office is a separate entity within SGX RegCo that reports directly to the CEO and Board of SGX RegCo.

Two things should be noted. First, the scope of reports is limited to the following:

- any non-compliance of listed issuers, their directors, executive officers, sponsors and registered professionals with the Listing Rules;
- any non-compliance of SGX trading and clearing members, their directors, trading representatives, officers, employees or agents with the Trading and Clearing Rules; or
- any suspected market manipulation.

Second, SGX Regco Whistleblowing Office does not deal with whistleblowing allegations concerning SGX itself, for which SGX has its own dedicated channel.

¹¹ SGX Group. Whistleblowing. <https://regco.sgx.com/regco/whistleblowing>



DATASET - SAMPLE

- Initial list: 632 issuers
- Final dataset: 536 issuers
- Of the 536 issuers:
 - ✓ 350 (65.3%) are listed on the Mainboard
 - ✓ 186 (34.7%) are listed on the Catalyst



DATA SOURCE

- Annual reports (FY2023 and FY2024)
 - ✓ 418 (78%) FY2023
 - ✓ 118 (22%) FY2024
- Sustainability reports (FY2023 and FY2024)
- Issuer's websites

THIS STUDY

In this study, we assess compliance with SGX listing requirements on whistleblowing policies by SGX-listed issuers. We also assess their disclosures and practices against other good practices in whistleblowing policies.

DATASET

An initial list of 632 issuers, excluding funds, was first extracted from the SGX website in June 2024.

96 issuers were excluded for the following reasons:

- ✓ Trading suspension
- ✓ Delisted
- ✓ Secondary listing
- ✓ Latest annual report (AY23/24) unpublished
- ✓ Issuer's website cannot be located
- ✓ Issuers are no longer active
- ✓ Issuer is winding up
- ✓ Newly listed issuers with no annual report published

The final dataset that formed this study was 536, with 65.3% listed on the Mainboard and 34.7% listed on the Catalyst.

Information used in the study was collected from annual reports and sustainability reports for FY2023 and FY2024, as well as the issuers' websites.



FINDINGS

COMPLIANCE WITH SGX REQUIREMENTS

We first assessed the whistleblowing policies of the 536 issuers against the requirements in Chapter 10 of the SGX Rulebook.

Existence of whistleblowing policy

All 536 listed issuers complied with Rule 1207 (18A) of the Mainboard Rulebook or Rule 1204 (18A) of the Catalist Rulebook which requires listed issuers to include a statement in the annual report that the issuer has put in place a whistleblowing policy which sets out the procedures for a whistleblower to make a report to the issuer on misconduct or wrongdoing relating to the issuer and its officers.

Detailed requirements

Rule 1207 (18B) and Rule 1204 (18B) of the Mainboard and Catalist Rulebooks respectively also require an issuer to explain **how** it has complied with each of the following:

- designated an independent function to investigate whistleblowing reports;
- ensures that the identity of the whistleblower is kept confidential;
- discloses its commitment to ensure the protection of the whistleblower against detrimental or unfair treatment;
- and the Audit Committee is responsible for oversight and monitoring of whistleblowing.

Although most issuers made disclosures that address these requirements, many did not disclose information about processes or measures and therefore did not explain “how” they have met the requirements. In addition, the processes or measures that issuers have adopted may not have met the intent of these requirements although the lack of guidance for the rules may have contributed to this. The immediate few subsections provide further elaboration.

(a) Independent function to investigate complaints

127 issuers (23.7%) did not disclose that they have designated an “independent function” to investigate whistleblowing reports and are therefore not in compliance with the listing rules. Figure 1 shows the function/individual disclosed for the remaining 409 issuers (76.3%). Some issuers disclosed more than one function/individual responsible for investigating complaints.

There were 79 issuers that did not identify the function/individual and another 36 that disclosed a designated team but did not identify the team. These issuers are arguably not fully compliant because without such disclosures, it is not possible to assess if the function/individual is independent. Further, many of the functions and individuals disclosed are not independent of management and issuers that rely solely on them may not have an independent function in place. SGX has not provided any guidance on what constitutes an independent function for investigation.

The three most commonly identified functions are the Audit Committee (166 cases), Internal Audit (70 cases) and External Parties (66 cases).

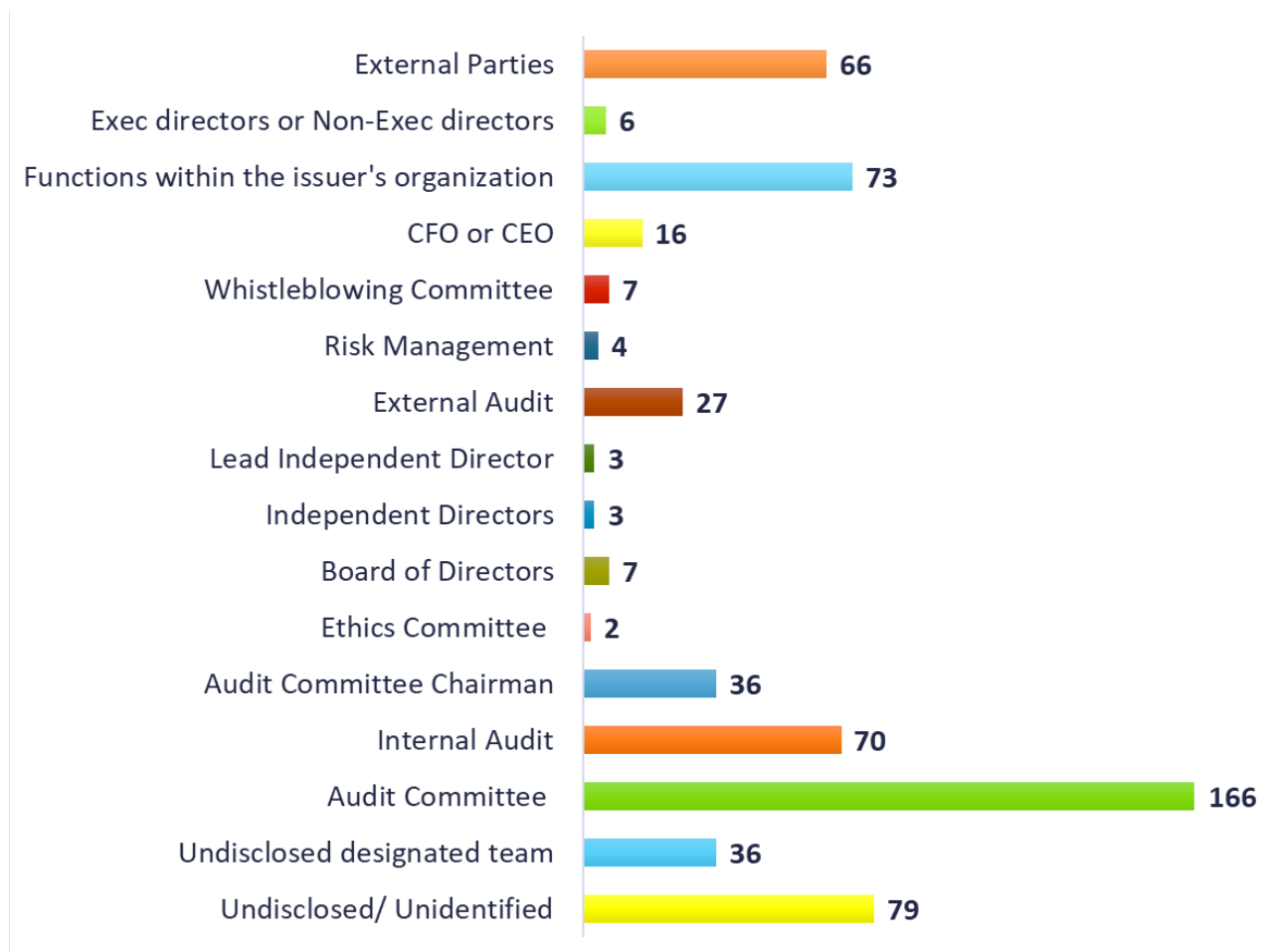
We then assessed the number of issuers that included at least one of the following functions which we consider to be more likely to be independent as they are part of the third or fourth line of defence: board of directors, audit committee, risk management committee (board), external parties, audit committee chairman, independent directors, lead independent director, internal audit and external audit. For those that included the ethics committee or whistleblowing committee/officer, we only classified them as independent if they are a subcommittee of the board or report directly to the board or independent board committee. Of the 409 issuers that disclose they have a function to investigate complaints, 149 did not have at least one

of the above functions and therefore arguably did not have an independent function to investigate whistleblowing reports.

Overall, we assess that only 260 of the 536 issuers covered (48.5%) have disclosed and have at least one independent function to investigate complaints and are compliant with SGX rules.

It is also important that any independent function tasked to investigate complaints is not only truly independent but is also competent and adequately resourced to do so. For example, it is not necessarily the case that the Internal Audit function, even if independent, has the competencies or resources to investigate complaints, since investigation may not be a key role of Internal Audit.

Figure 1: Functions that investigate complaints

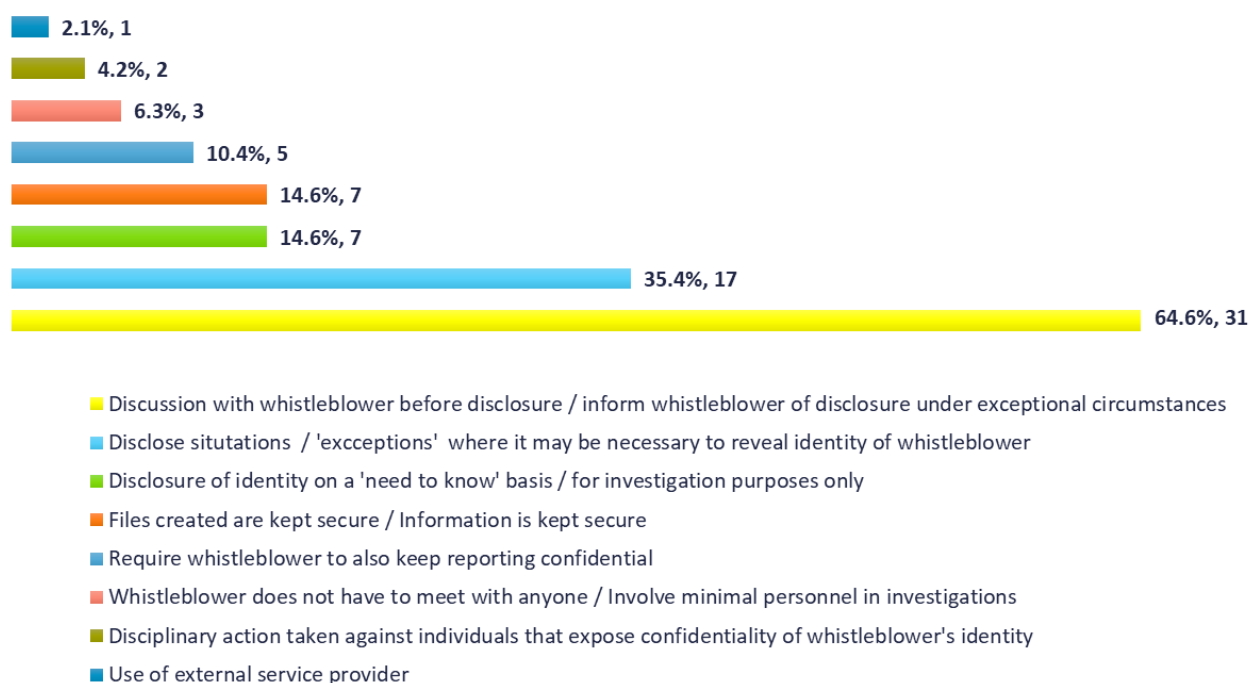


(b) Confidentiality of the identity of the whistleblower

33 issuers (6.2%) did not disclose any information about keeping the identity of the whistleblower confidential and therefore were not compliant with the requirements. Another 456 issuers (85.1%) disclosed a commitment to do so but did not disclose how and were therefore arguably also not fully compliant.

Only 47 issuers (8.8%) disclosed information about how they did so. Figure 2 shows how these 47 issuers indicate they fulfil their commitment to confidentiality, with some having multiple measures.

Figure 2: Protection of whistleblower confidentiality



An example of good disclosure by a large issuer states:

"A dedicated whistleblowing platform (known as 'Speak Up') has been implemented to ensure anonymous and confidential reporting...[the company] will never see your username or email. You are assigned a new randomly generated id and avatar for each report you create...Your IP address is deleted

every single time and never stored in our servers. We also use high-grade AES256 encryption to protect your data...Whispli removes any identifying meta data from most file types shared via Whispli".

This issuer also provided additional details on the backend management of user information to provide reassurance on the confidentiality of the whistleblower's identity.

Another good example is a REIT manager which states:

"The whistle-blowing reports and related documents will be password protected and shared only with appropriate persons. Furthermore, hard copies of documents in relation to whistle-blowing reports will be kept under lock and key. Employees' and any other persons' identities will not be disclosed without prior consent. Where concerns are unable to be resolved without revealing the identity of the whistle-blower, the matter will be discussed with the whistle-blower as to whether and how the REIT Manager can proceed."

Protection covers both digital and hard-copy data for this issuer.

(c) Protection of the whistleblower against detrimental or unfair treatment

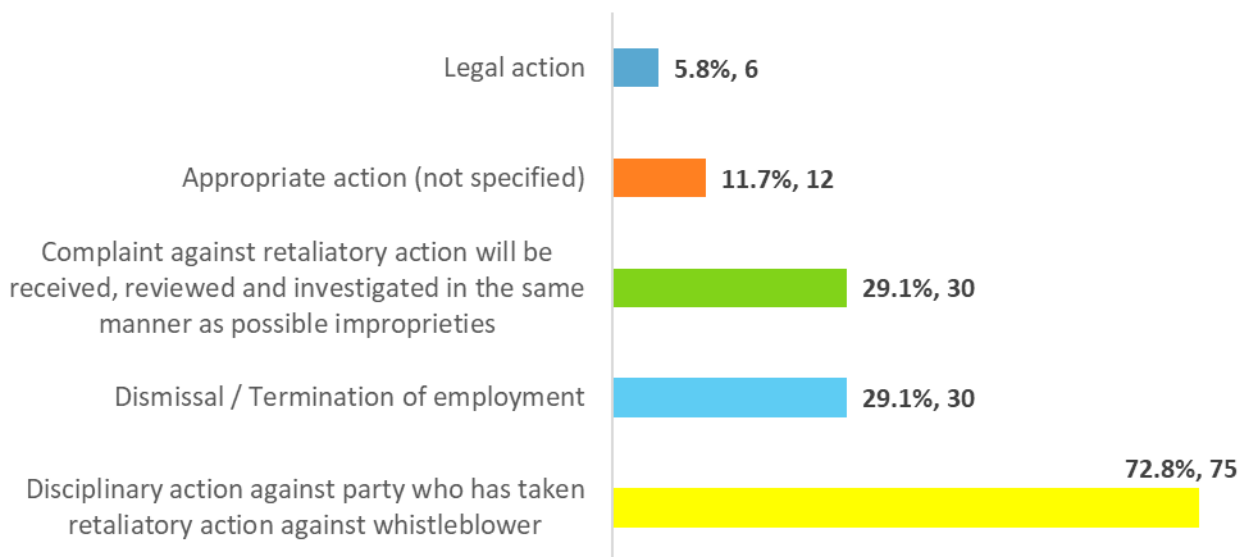
21 issuers (3.9%) did not disclose a commitment to protect whistleblowers against reprisals. While the rest disclosed a commitment to do so, only four issuers (0.7%) specifically mentioned what they will do to support and protect the whistleblower during the investigation period. This can be done by providing the flexibility required for the whistleblower to be comfortable in their working environment or appointing a function to look out for the whistleblower's wellbeing.

For example, one issuer disclosed that they "may allow the employee or officer to perform the employee or officer duties from another location or reassign the employee or officer to another role (at the same level) or make other modifications

to the employee or officer workplace or the employee or officer duties to protect the employee or officer from the risk of detriment.” Another disclosed that “... the Group may assign a senior officer from the Group HR Department as the Whistleblower protection officer who will keep in touch with the whistleblower to monitor and assess any signs of victimisation or stress.”

However, 106 issuers (19.8%) disclosed the actions they will take to protect the whistleblower in the event that whistleblowers have experienced detriment and feel victimised or harassed. Figure 3 shows the actions issuers say they will take to protect whistleblowers who experience detriment.

Figure 3: Actions to protect whistleblowers in the event of detriment



For example, one company stated that it will reinstate the employees or fully compensate them for any losses or damages due to the reprisal. Another issuer spelt out the consequences for those who engage in detrimental conduct and the remedies in the form of compensation, injunction, reinstatement or apology that may be afforded to a whistleblower who faced reprisal.

15 issuers (including 3 of the 4 issuers above which said they will support and protect the whistleblower during the investigation process) disclosed who a whistleblower

can go to for protection. For example, one issuer stated: “The Group views victimisation of whistle blowers as a serious matter and will not hesitate to take disciplinary action. If a whistle blower believes that he or she is being subjected to reprisals or victimisation for having made a report under this policy, he or she should immediately report those facts to the AC Chairman or the General Counsel.” The most common person mentioned was the AC/ARC Chairman, which was mentioned by seven issuers. Others mentioned include Non-Executive Independent Chairman, Board Chairman, Director, CEO, General Counsel, Compliance Officer, Human Resource Manager and Receiving Officer.

(d) Audit Committee’s (AC) oversight and monitoring of whistleblowing

SGX rules do not state what constitutes AC’s oversight and monitoring of whistleblowing. Most issuers include a standard disclosure under the AC’s duties under Provision 10.1 of the Singapore Code of Corporate Governance which states that one of the duties of the AC is “reviewing the policy and arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, independently investigated and appropriately followed up on.”

106 issuers (19.8%) did not specifically disclose the AC’s oversight and monitoring of whistleblowing beyond mentioning the duty in Provision 10.1. 370 issuers (69.0%) disclosed the AC did so but did not disclose how, and therefore are arguably not fully compliant with the rules.

Figure 4 shows the functions responsible for reviewing and overseeing the whistleblowing policy for the 480 issuers that specifically disclosed there was a function responsible for this, beyond the standard disclosure of AC duties under the Code. Some issuers disclosed multiple functions being involved. 466 of the 480 issuers (91.6%) disclosed that the AC was involved.

Figure 4: Function responsible for reviewing and overseeing the whistleblowing policy

Functions responsible	No. of issuers	%
Audit Committee	466	91.6%
Audit Committee Chairman	5	1.0%
Board Chairman	1	0.2%
CEO	1	0.2%
CFO	1	0.2%
Compliance Department	5	1.0%
Ethics Committee	1	0.2%
Human Resources Team/Head	2	0.4%
Internal Audit	15	2.9%
Internal Legal	2	0.4%
Lead Independent Director	1	0.2%
Not disclosed	1	0.2%
Risk Management	3	0.6%
Secretary	1	0.2%
Undisclosed Designated Team	1	0.2%
Whistleblowing Committee	3	0.6%
Total	509	100.00%

Only 60 issuers (11.2%) disclosed specific information on how the AC oversees and monitors whistleblowing.

One large issuer stated:

"The Audit Committee also regularly reviews the whistleblowing programme's adequacy against the SGX whistleblowing mandate in 2021. The Whistleblowing Policy is reviewed once every three years or following a significant regulatory change, with the last review conducted in FY2022/23."

However, whether such a review is sufficient for complying with the SGX rules remains questionable.

The AC's oversight and monitoring of whistleblowing should involve much more than periodically reviewing the policy. It should include regular updates by an independent function (such as the Internal Audit) about the number and nature of whistleblowing complaints; assessments of whether the complaints should be investigated; the monitoring of investigation progress; and the oversight to be maintained over the necessary actions that arose out of investigations. It should also satisfy itself that the whistleblowing policy is effective.

ADOPTION OF OTHER GOOD PRACTICES

In this section, we move beyond assessing compliance with SGX requirements by assessing the adoption of other good practices.

(a) Disclosure of whistleblowing policy on website

SGX rules only require issuers to disclose in their annual report the existence of a whistleblowing policy and how an issuer complies with certain requirements.

248 issuers (46.3%) went beyond this by publishing their whistleblowing policy on their websites. Publication of the whistleblowing policy on the website generally provides more details about the whistleblowing policy. It may also mean greater accessibility to the whistleblowing policy by stakeholders.

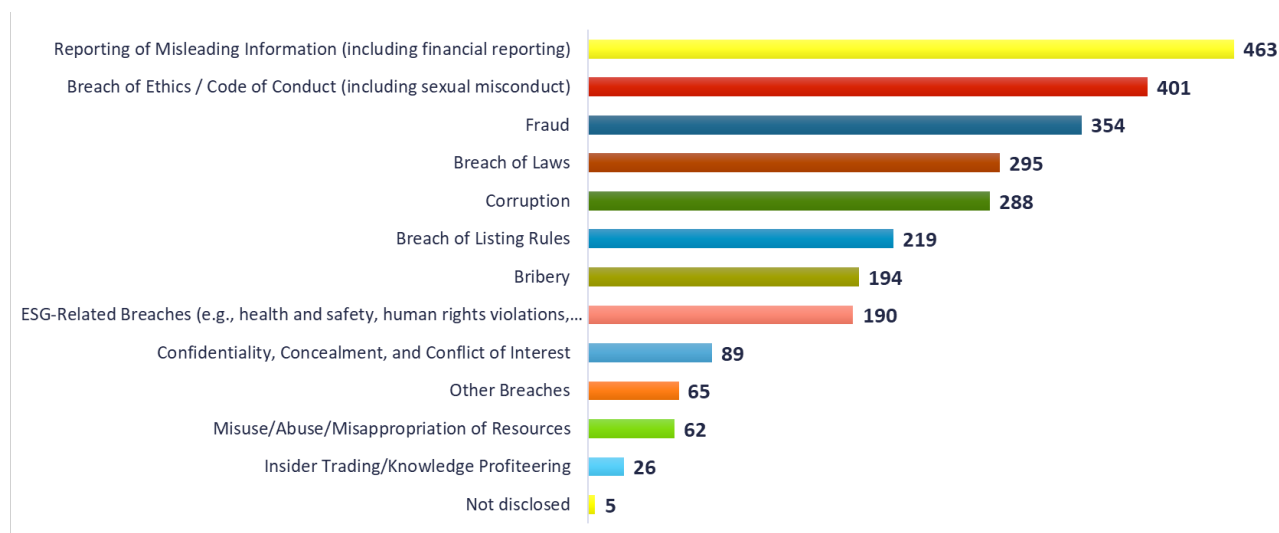
A more in-depth assessment was made for issuers that publish the whistleblowing policy on the website, although we note that the policy that is made public may be less detailed than the policy that is available to the issuer's employees and other key stakeholders, such as suppliers and customers.

(b) Breaches covered under the whistleblowing policy

A good whistleblowing policy would include a statement on the type of breaches that can be reported under the policy. While it is important that this should not be too restrictive, the whistleblowing system should also not become a substitute for normal feedback and grievance channels. It should be aimed at complaints relating to breaches of the code of ethics/conduct, listing rules and statutory requirements, and other breaches that have potentially serious impact on the interests of stakeholders, such as investors, employees, customers and suppliers.

Figure 5 shows the disclosure of the type of breaches covered by the whistleblowing policies. 5 out of 536 issuers did not disclose the type of breaches that are covered by the policy. For those which made disclosure, the three most common breaches covered are the reporting of misleading information (including financial reporting), breach of ethics/code of conduct, and fraud. 190 issuers also include ESG-related breaches under their whistleblowing policy.

Figure 5: Types of breaches covered by the whistleblowing policy

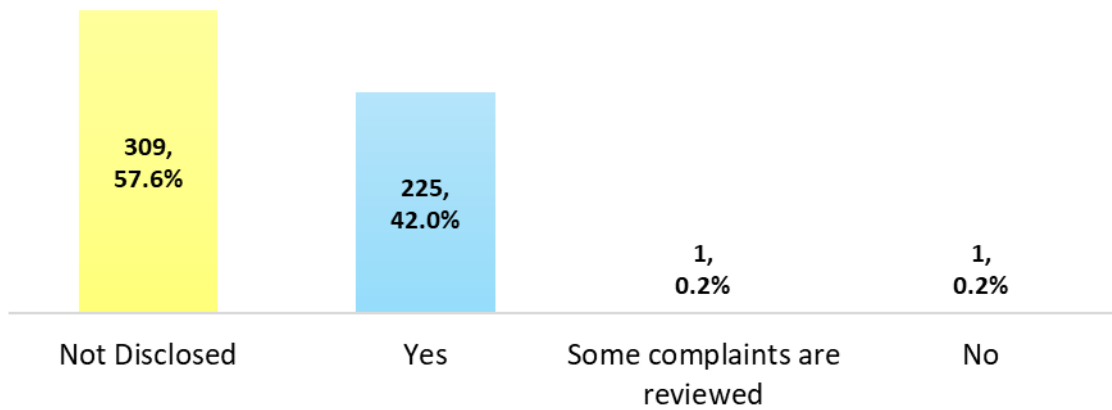


(c) Review and investigation of complaints

Issuers should take all whistleblowing complaints seriously. They should ensure that all complaints are reviewed and the decision as to whether a complaint should be investigated should not be made solely by management.

Figure 6 shows the disclosure about the review of complaints. 225 issuers disclosed that all complaints were reviewed and one disclosed that some complaints were reviewed.

Figure 6: Review of complaints



Additionally, Figure 7 shows the functions charged with reviewing complaints for the 226 issuers that disclosed that all or some complaints are reviewed.

Some issuers disclosed more than one function. The AC is the most common function involved in reviewing complaints, with 200 of the issuers (62%) that disclosed that complaints are reviewed indicating the involvement of the AC. 38 issuers (16.8%) that disclosed the complaints are reviewed did not disclose that the Board, an independent board committee or a designated director, such as AC Chairman or Board Chairman, is involved. 2 out of 4 issuers which disclosed that the Board Chairman reviewed complaints did not have an independent Chairman. However, in both cases, the AC is also involved.

Figure 7: Functions to review complaints

Functions to review complaints	No. of issuers	%
Audit Committee	200	62.3%
Audit Committee Chairman	31	9.7%
Board of directors	21	6.5%
Board Chairman	4	1.2%
Internal Audit Head / Team	23	7.2%
Human Resources	4	1.2%
Compliance Officer / Team	4	1.2%
Ethics Officer/Committee	3	0.9%
Financial Controller	2	0.6%
Company Secretary	3	0.9%
CEO	2	0.6%
CFO	2	0.6%
External Audit	1	0.3%
Risk Committee	3	0.9%
Legal Team	1	0.3%
Receiving Officers	2	0.6%
Designated Officer/Committee	3	0.9%
Independent Officers	4	1.2%
Management (incl Senior)	7	2.2%
Not disclosed	1	0.3%
Grand Total	321	100.0%

In terms of investigation of complaints, 150 (28%) said all complaints are investigated, 166 (31%) said some complaints are investigated, while the remaining 41% did not disclose.

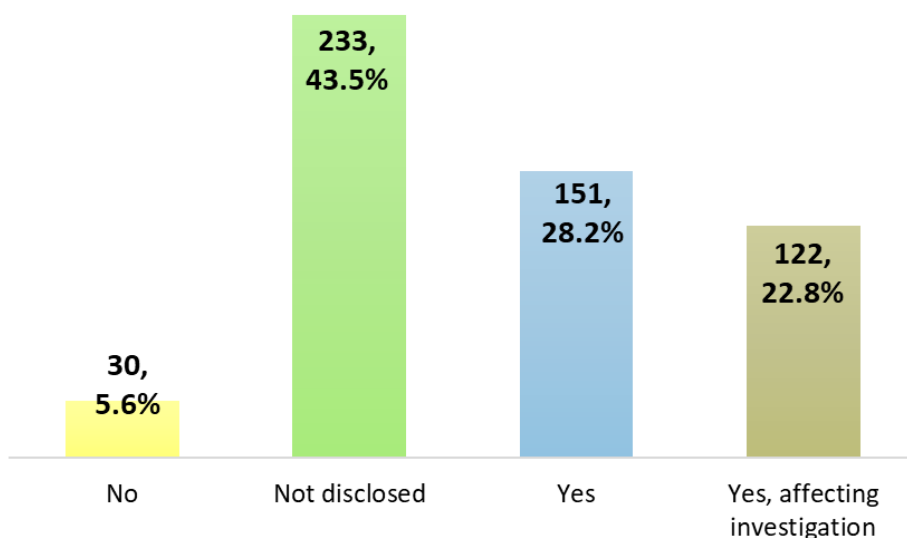
(d) Anonymous complaints

A good whistleblowing policy should allow for anonymous complaints, although the policy may encourage whistleblowers to disclose their identity to facilitate investigations or indicate that anonymity may affect the ability to investigate complaints.

Figure 8 shows that 30 issuers (5.6%) disclosed that anonymous complaints are not accepted while 233 issuers (43.5%) are silent. The rest of the issuers accept anonymous complaints, with 122 issuers (22.8%) indicating that while they accept anonymous complaints, this may affect their ability to investigate.

It should be emphasised that an issuer should not attempt to identify the whistleblower who has chosen to remain anonymous. We have heard about organisations deploying technology to track down whistleblowers and even service providers who offer such services. While the issuer’s intention may be to obtain more information to undertake investigations, going against the whistleblower’s wish to remain anonymous is likely to undermine trust between the whistleblower and the organization.

Figure 8: Anonymous reporting



(e) Acknowledgement of complaints

A good whistleblowing policy would include acknowledgement of all complaints, particularly if the whistleblower has identified himself or herself. This can give confidence to the whistleblower that the complaint is taken seriously. It may also persuade the whistleblower not to report to external bodies such as regulatory

agencies, media or other parties, although the whistleblowing policy should never discourage the whistleblower from reporting to regulatory agencies.

As Figure 9 shows, 429 issuers (80%) did not disclose if they acknowledge complaints, with three saying they are not obliged to acknowledge. One large-listed issuer said:

“The Company will not be obliged to acknowledge the receipt of a whistleblowing report or keep the whistle-blower informed of the stage of or outcome of its investigations.”

27 issuers (5%) said they acknowledge only non-anonymous complaints, which is reasonable. The remaining 77 issuers (14.4%) said they acknowledge all complaints.

Figure 9: Acknowledgement of complaints

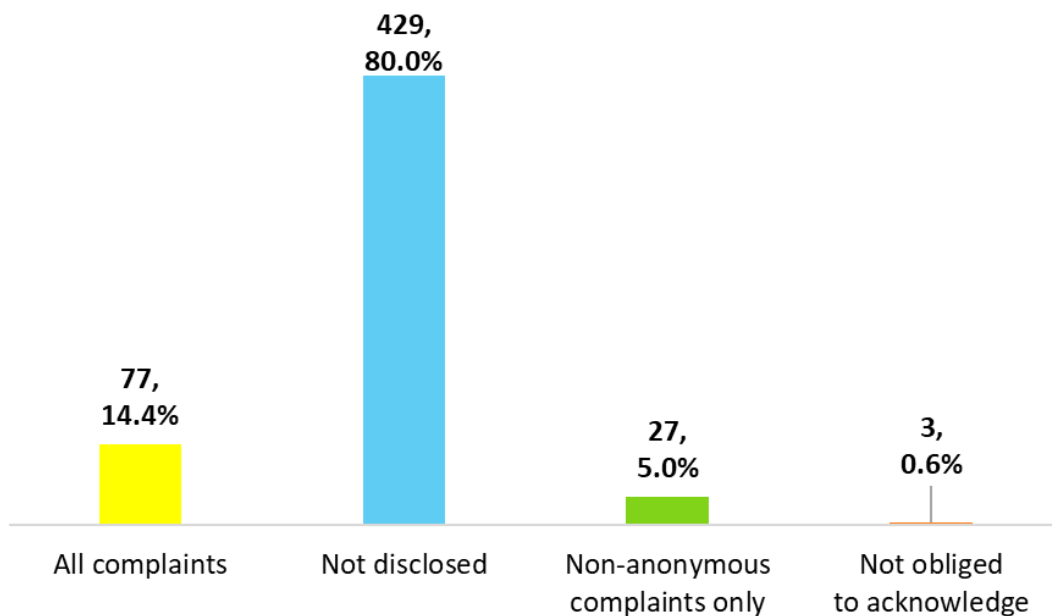
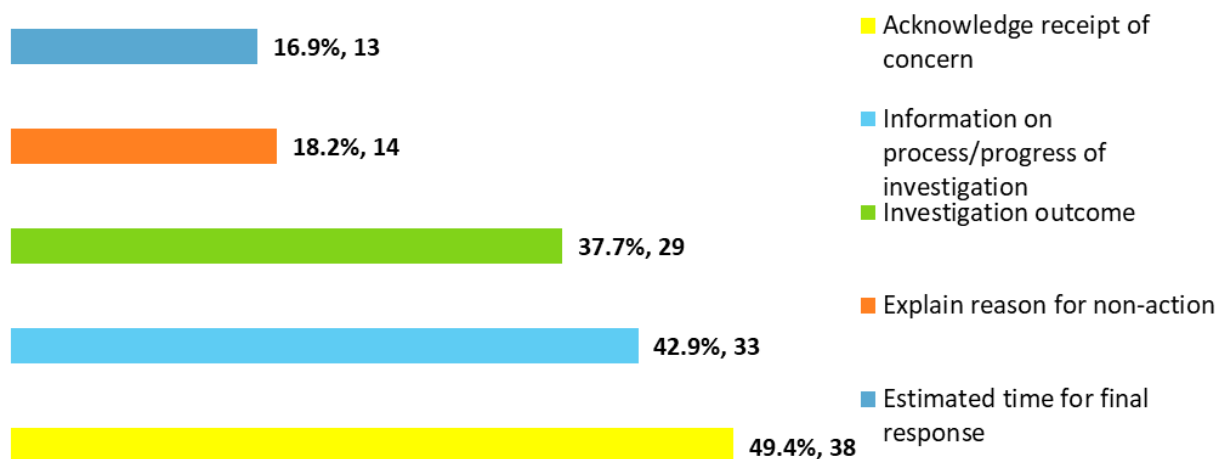


Figure 10 shows the nature of the acknowledgement disclosed by issuers. In addition to acknowledging receipt of complaint which 38 issuers do, 33 issuers said they provide information on process or progress of investigation, and 29 said they provide information on investigation outcome.

Figure 10: Nature of acknowledgement of whistleblowing complaints



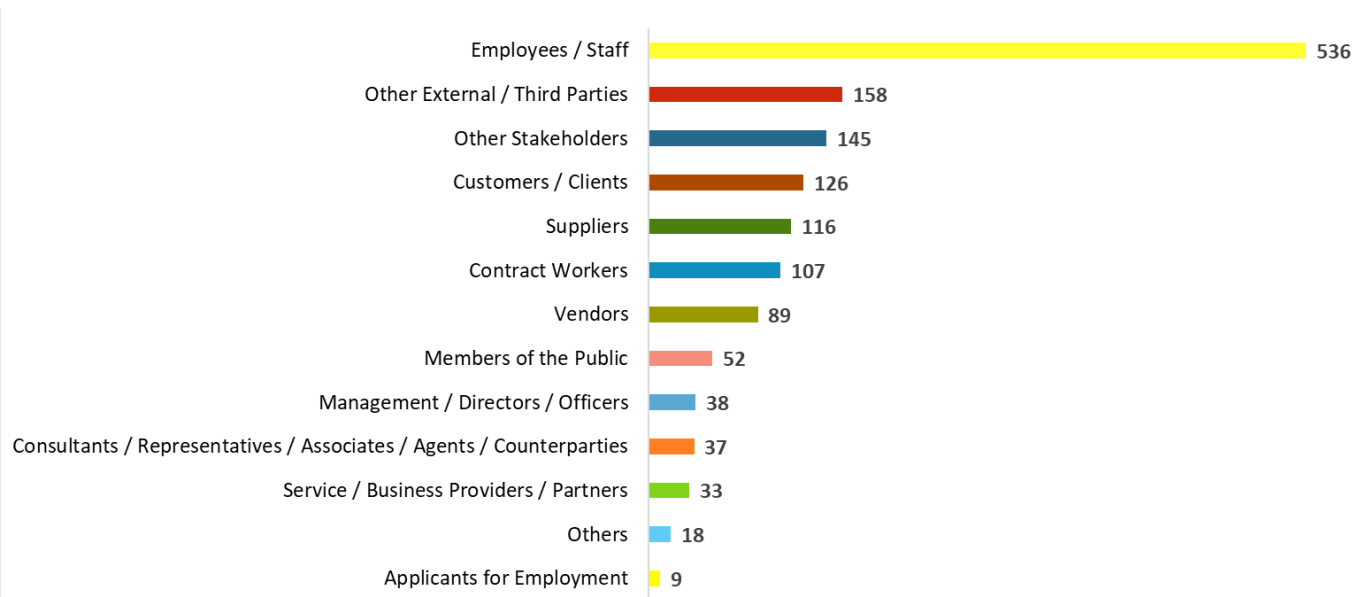
(f) Who can make reports

A good whistleblowing policy should allow a wide group of stakeholders, and not just employees, to make complaints. According to the 2024 study of occupational fraud by the Association of Certified Fraud Examiners (ACFE), 52% of occupational fraud is reported by employees and 15% by anonymous sources, but customers account for 21% and for vendors, 11% of such reports.¹²

Figure 11 shows who can report under the whistleblowing policies of the 536 issuers. All policies allow employees/staff to report, with other external/third parties, other stakeholders, customers/clients, suppliers and contract workers also often covered under the whistleblowing policies.

¹² Association of Certified Fraud Examiners (ACFE). [2024]. Occupational Fraud 2024: A Report to the Nations. <https://www.acfe.com/-/media/files/acfe/pdfs/rtn/2024/2024-report-to-the-nations.pdf>

Figure 11: Who can make whistleblowing reports



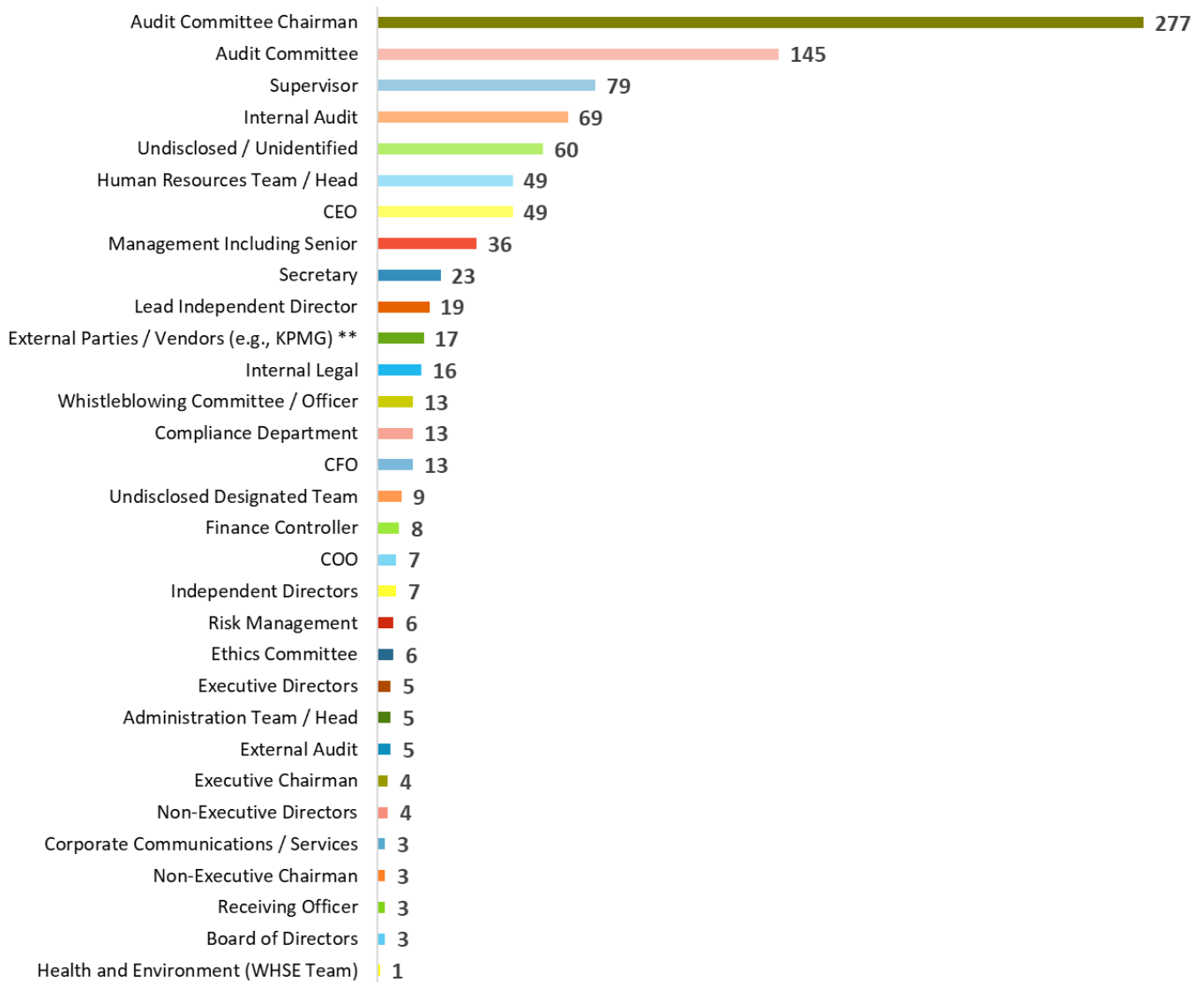
*Others include tenants, volunteers, investors / creditors / debtors, NGOs, Outsourced Partners, auditor, former employees

(g) Who can reports be made to

Figure 12 shows specific functions/individuals that whistleblowers can make reports to. 60 issuers did not disclose this, and 9 mentioned a designated team but did not disclose who they are.

The AC Chairman (277 issuers) and AC (145 issuers) are the most common functions/individuals disclosed, followed by supervisor (79 issuers) and Internal Audit (69 issuers).

Figure 12: Who can whistleblowing make reports to



Note: Where a report is to an external hotline but it is disclosed that the information is then shared with, for example, the Audit Committee Chairman, this would be included under “Audit Committee Chairman” in the above chart, and not “External Parties”.

A good whistleblowing policy would generally provide a few options for whistleblowers to make reports to, depending on what they are most comfortable with. However, it is important that there are board-level options for reporting, which are independent of management, such as the AC chairman or AC, or external parties providing external

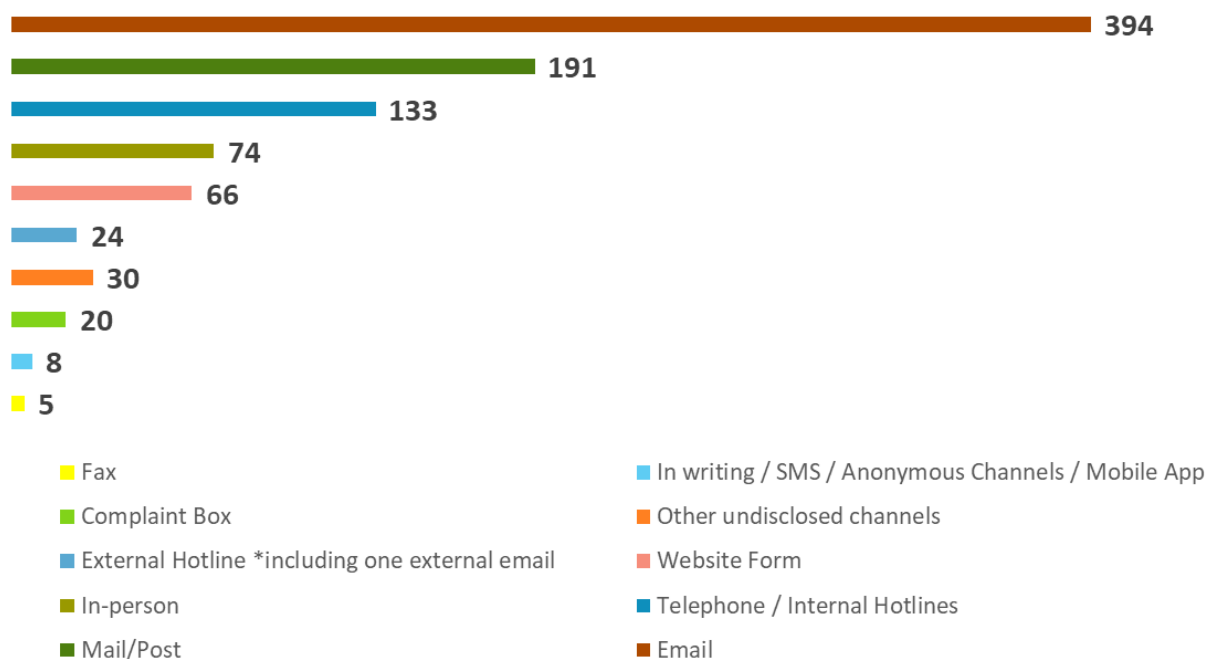
hotline services which report to an independent board committee. Further, where multiple options are provided, it is important to ensure that all complaints received by potential recipients are escalated to an independent board committee or the Board for their review and decision as to the appropriate course of action.

(h) How can whistleblowers make reports

We next look at the methods by which whistleblowers can make reports. As shown in Figure 13, email, mail/post and telephone/internal hotlines are the three most common methods.

23 issuers allow whistleblowers to make reports through external hotlines managed by a third party, usually a major accounting firm. 30 issuers did not disclose the methods that can be used. It is possible that these issuers have communicated these methods internally to employees but do not make them public, and a possible reason is that there is no intention for other stakeholders to make reports.

Figure 13: Whistleblowing methods



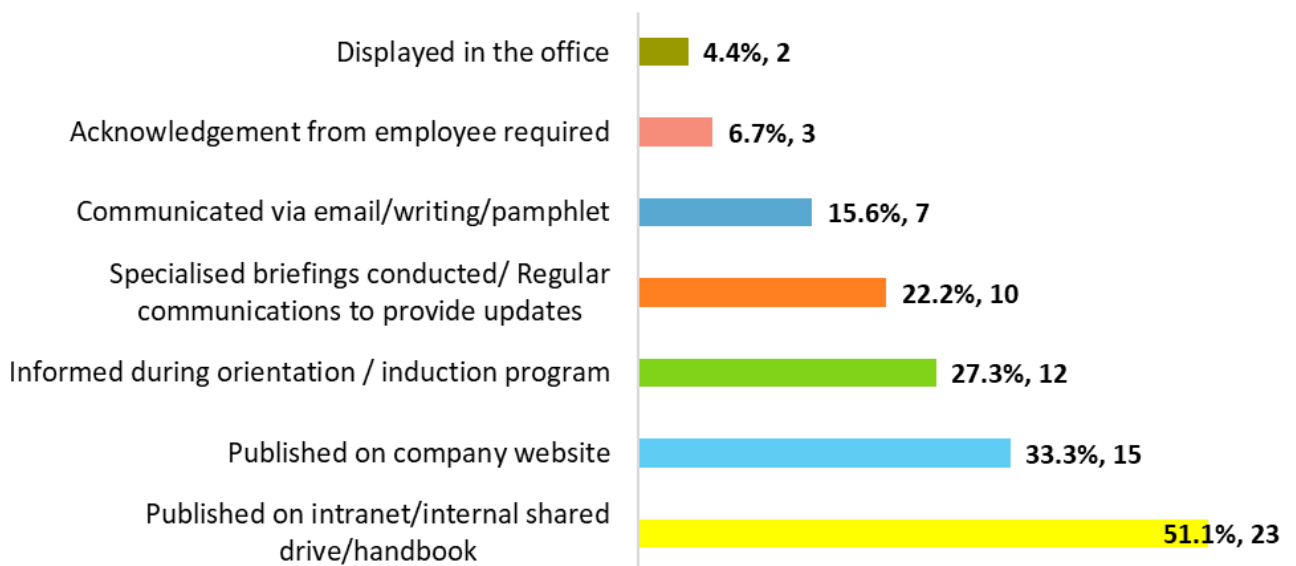
(i) Communication and training

It is important that issuers communicate the whistleblowing policy widely so that stakeholders are aware of the policy and how they can make reports.

347 issuers (64.7%) disclosed a commitment to communicate their whistleblowing policy but did not disclose how they do it. It was reported earlier that 53.7% of issuers publish their whistleblowing policy on their website. Only 44 issuers (8.2%) specifically provided information on how they communicate the policy. 145 issuers (27.1%) did not disclose a commitment to communicate or provide information on how they do so.

For the issuers who provided information on methods of communication of the whistleblowing policy, Figure 14 summarises those methods. Some issuers use multiple communications modes.

Figure 14: Methods for communicating whistleblowing policy



An example of good disclosure of communication is as follows:

“This Policy shall be communicated to employees of [the group] as follows: (a) To all new Employees during on boarding; (b) To all Employees as part of compulsory refresher trainings; and (c) As and when requested by the ARC or the Board of directors. The Employees can also access a copy of this Policy on the

Infotech. At any time, if an Employee is unclear about whether an action is lawful or complies with the Company policies, laws or regulations, such Employee is invited to seek clarifications or advice. Depending on the circumstances, Employees may seek clarifications or advice from the Policy Owner, Departmental Heads, Supervisors or Human Resources."

Only 83 issuers (15.5%) disclosed that they provided training on the whistleblowing policy.

(j) Recognition for whistleblowers

Issuers here rarely disclose that they provide rewards or recognition for whistleblowers. We found two issuers which do so. One said:

“To further strengthen its Whistleblower Policy, the Company has implemented a strong deterrent by offering a cash reward to any person whether employees, suppliers, business associates or the general public who provides specific, reliable and credible information or evidence of fraudulent activities by any of the Company’s Executive Director and Management team as listed in the Company’s Annual Report (\$50,000/- cash reward) and all other employees (up to \$2,000/- cash reward) which leads to admission of guilt by the accused or leads to successful prosecution.”

It would, however, be good if the rewards offered were not based on rank.

Another said:

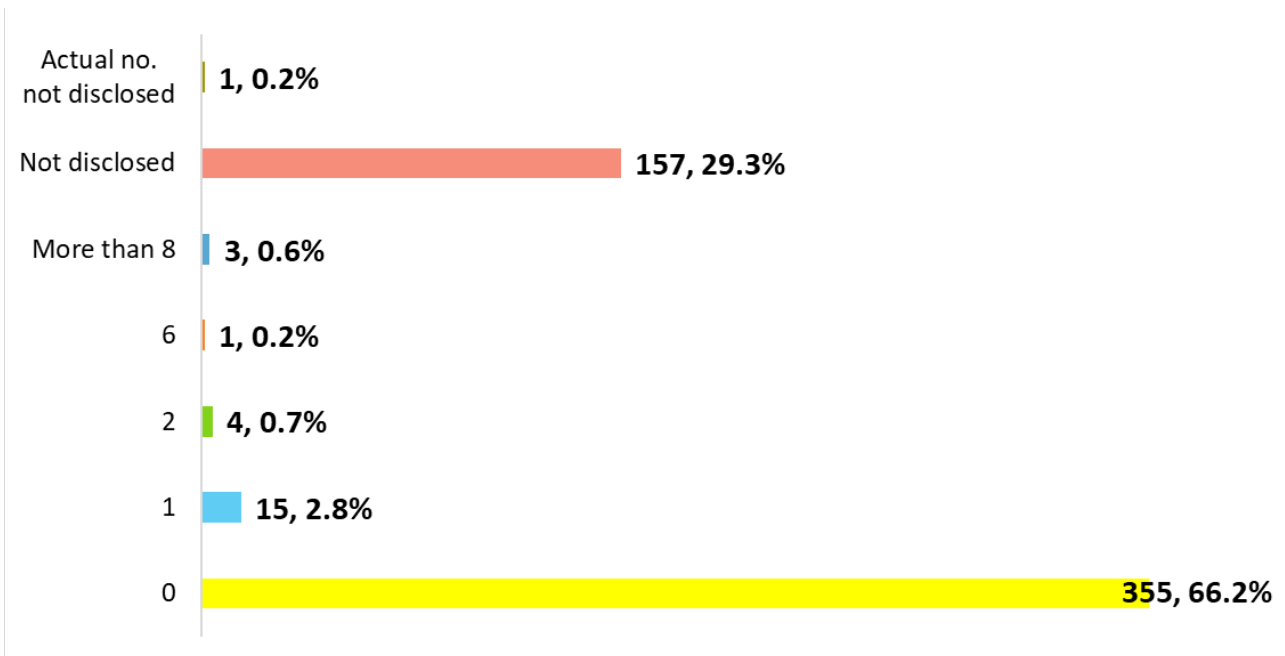
“Your report may eventually lead to the protection of the Group’s reputation and/or the prevention/recovery of any financial loss for which we may consider a commendation provided you reveal your identity.”

(k) Disclosure of number of complaints

Figure 15 shows the disclosure of the number of whistleblowing complaints during the financial year. 157 issuers (29.3%) did not disclose number of complaints. Of the rest, 355 issuers (66.2%) disclosed that they did not receive a single complaint.

Where there are no whistleblowing complaints, boards and ACs should consider if this is because the whistleblowing policy is ineffective, or employees are fearful of making reports. Where there are many complaints, even if they are deemed to be malicious, boards should also be alert to possible corporate culture issues.

Figure 15: Disclosure on the number of whistleblowing complaints



Those that disclosed the number of whistleblowing complaints often did not disclose the nature of the complaints. For those that disclosed the nature of complaints, the most common was fraud and similar issues. Other examples include favouritism/discrimination, unfair treatment, bribery, corruption, misconduct, conflict of interest, sexual harassment, IT system breach, and breach of operating procedures and controls.

An example of a good disclosure on number and nature of whistleblowing complaints is as follows:

“Two whistleblowing complaints were received in FY2023. The first whistleblowing report was closed due to lack of details provided by the complainant. Having suggested there were weaknesses in the Company’s operating procedures and possible breaches of controls by management prior to 2023, the AC decided that the matter was sufficiently serious to merit investigation. Accordingly, by way of follow up, the AC requested the Internal Auditor to review the circumstances surrounding the matter complained of and the subsequent report highlighted historic shortcomings in the area of standard operating procedures for product development that management was requested to correct as a matter of urgency. The second whistleblowing complaint was related to Board procedures. Following an investigation in accordance with the Whistleblowing Policy, it was found that, the complainant had not followed the Board Charter and also, while the complainant had some merit in their assertion, there were reasons of conflict of interests that justified why the relevant instruction had been issued. Directors were reminded of the Board Charter and the importance of adhering to it. Subsequently, the second whistleblowing report was closed.”

Singtel has by far the most number of complaints disclosed but is also the most transparent by far, not only in terms of disclosure of number and nature of complaints, but also breakdown by major markets, channels, and whether they were substantiated. This is shown in Figure 16.

Figure 16: Disclosure of whistleblowing complaints and details by Singtel

Table 2: Number of cases received in FY2024 and cases brought forward from FY2023

Number of cases received	FY2024					
	Singtel		Optus		Singtel Group	
	via WB channels (all complaints)	via non-WB channels (Fraud/Corruption related)	via WB channels (all complaints)	via non-WB channels (Fraud/Corruption related)	via WB channels (all complaints)	via non-WB channels (Fraud/Corruption related)
Received	33	11	70	100	103	111
Substantiated	12	9	13	39	25	48
Not substantiated	15	2	38	12	53	14
Under investigation	6	0	19	49	25	49
Cases under investigation as at 31 March 2023	4	3	14	30	18	33
Substantiated	1	2	11	21	12	23
Not substantiated	3	1	3	9	6	10

Substantiated cases outside Singapore/Australia	Singtel	Optus
Cases under investigation as at 31 March 2023	0	1
Cases received in FY2024	2	7
Total	2	8

Table 3: Breakdown of nature of substantiated cases in FY2024

Types/Nature of cases	Singtel	Optus	Singtel Group
Employee fraud and theft	4	36	40
Employee misconduct, undeclared conflict of interest and inappropriate behaviour	11	13	24
Breach of policy including IT security policy	8	17	25
Identity theft	0	18	18
Corruption	1	0	1

Number of corruption cases during the year	Singtel	Optus	Singtel Group
No. of cases in which employees were dismissed or disciplined for corruption	1	0	1
No. of cases where contracts with business partners were terminated or not renewed due to corruption	0	0	0

Source: Singtel, Sustainability Report 2024, page 63.

Figure 17 shows the disclosure of whistleblowing reports by issuers that are in the STI, excluding secondary listings. Of the 27 STI issuers, 20 did not clearly disclose the number of whistleblowing complaints, including the three local banks and SGX. Four said they had zero complaints.

Figure 17: Disclosure of whistleblowing complaints by primary-listed STI constituents

Issuer	FY	No. of Whistleblowing Reports	Comments
CapitaLandInvest	2023	Not disclosed	
CapLand Ascendas REIT	2023	Not disclosed	
CapLand IntCom Trust	2023	Not disclosed	
CityDev	2023	Not disclosed	As of 31 December 2023, there were no incidents of corruption, fraud, and money laundering activity across CDL Group, apart from five non-major incidents of fraud under M&C operations. Note: Issuer did not disclose number of whistleblowing complaints or that these five cases were from whistleblowing complaints.
DBS	2023	Not disclosed	
Frasers Cpt Trust	2023	0	In FY2023, we did not receive any cases via our whistle-blowing channels.
Frasers L&C Trust	2023	0	In FY2023, we did not receive any cases via our whistle-blowing channels.

Issuer	FY	No. of Whistleblowing Reports	Comments
Genting Singapore	2023	Not disclosed	<p>0 confirmed incidents of corruption and money laundering; 0 cases of non-compliance with environment-related rules and regulations; 0 breaches of customer privacy; no financial penalties or sanctions to date (PMLTF).</p> <p>Note: Issuers did not disclose number of reports.</p>
Jardine C&C	2023	0	<p>For 2023, no cases of breaches against its CoC or any other ethics policies have been reported for the JC&C head office.</p>
Keppel	2023	More than 8	<p>In 2023, amongst the reported incidents of breaches to our Code of Conduct received through the Whistle-Blower reporting channels, there were three reports alleging corruption or bribery, one incident related to conflict of interest and another four incidents related to workplace discrimination. All complaints were followed up and there were no substantiation of</p>

Issuer	FY	No. of Whistleblowing Reports	Comments
			the allegations for concluded reviews or those that are currently under review. None of the reported incidents were related to customer privacy data, money laundering or insider trading. Did not disclose actual number of reports, but only mentioned the eight were amongst those reported.
Mapletree Ind Trust	2023	Not disclosed	
Mapletree Log Trust	2023	Not disclosed	
Mapletree PanAsia Commercial Trust	2023	Not disclosed	
OCBC	2023	Not disclosed	
SATS	2023	Not disclosed	
Seatrium	2023	Not disclosed	
Sembcorp Industries	2023	Not disclosed	

Issuer	FY	No. of Whistleblowing Reports	Comments
SGX	2024	Not disclosed	<p>SGX Group had no monetary losses because of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behaviour, market manipulation, malpractice, or other related financial industry laws or regulations in FY2024...There were no cases of bribery, corruption, anti-competitive behaviour, or other material non-compliance with the law at SGX Group in FY2024.</p> <p>Note: Issuer did not disclose number of reports.</p>
SIA	2023	Not disclosed	
Singtel	2024	103	<p>During the year, we received 103 reports via our whistleblower channels, covering various allegations, including employee misconduct. In addition, 111 allegations related to fraud and similar issues were received from other channels, such as</p>

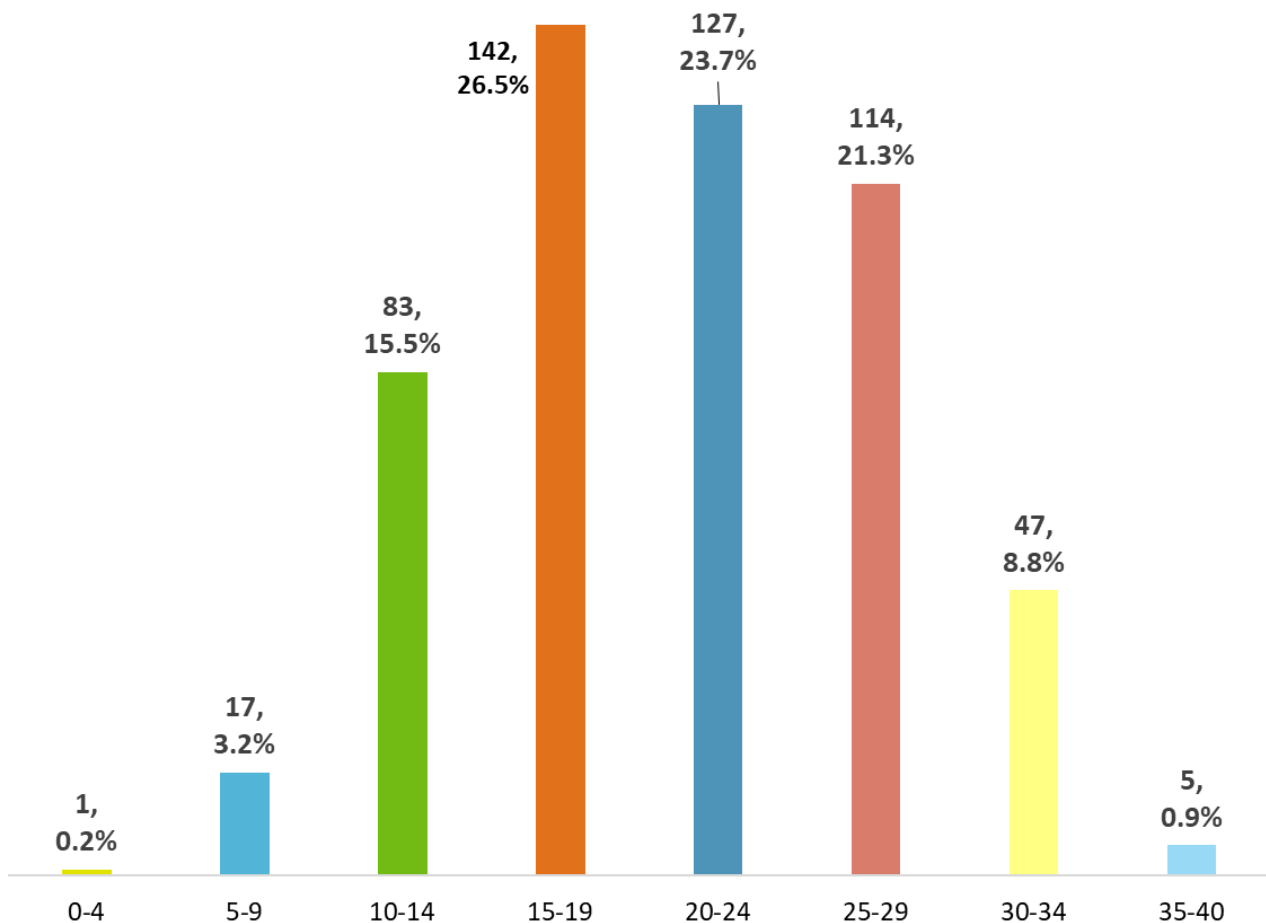
Issuer	FY	No. of Whistleblowing Reports	Comments
			<p>compliance checks and investigations by law enforcement agencies.</p> <p>Note: The 103 include only those received through whistleblowing channels</p>
ST Engineering	2023	Not disclosed	
ThaiBev	2023	Not disclosed	
UOB	2023	Not disclosed	
UOL	2023	Not disclosed	
Venture	2023	1	<p>At the Board level, the Audit & Risk Committee assumes responsibility for overseeing and monitoring whistleblowing. In 2023, there was one whistleblowing incident and remedial actions were promptly taken.</p>
Wilmar Intl	2023	Not disclosed	
YZJ Shipbuilding	2023	0	<p>As at the date of this Report, there were no reports received through the whistle-blowing mechanism.</p>

OVERALL ASSESSMENT - SCORECARD

To provide a sense of the overall adoption of good practices in whistleblowing policies by issuers, we developed a 20-item Whistleblowing Scorecard based on the practices covered in this report. The maximum possible score is 40.

For the 536 issuers covered in our report, the lowest score is 4 and the highest is 36, with a mean score of 20.6 and a median score of 20. Mainboard issuers attain lowest score of 4, highest score of 35, mean score of 21.1, median score of 22 and mode score of 20. Catalyst issuers attain lowest score of 5, highest score of 36, mean score of 19.8, median score of 20.5, and mode score of 16.

Figure 18: Distribution of whistleblowing scores for all issuers



(a) Comparisons across issuers

Comparisons were made between Mainboard and Catalist issuers, as well as between Large/Mid-Cap and Small-Cap issuers based on the practices covered in this report. Large/Mid-Cap issuers are defined as those with market capitalisation of more than S\$300m. Figures 19 and 20 respectively provide tabular summaries of the differences between Mainboard and Catalist issuers and between Large/Mid-Cap and Small-Cap issuers.

Figure 19: Differences between Mainboard and Catalist issuers

Item	Mainboard (%)	Catalist (%)
Whistleblowing policy on website	56.6%	48.4%
All complaints are reviewed	47.4%	31.7%
All/some complaints investigated	61.7%	53.8%
Commitment to keeping whistleblower identity confidential	89.4%	76.9%
Process of keeping whistleblower identity confidential	5.7%	14.5%
Action in the event of detriment to whistleblower	23.4%	12.9%
Commitment/process by AC to oversee and monitor whistleblowing	78.3%	83.9%
Anonymous reports accepted	54.9%	43.6%
Training provided on whistleblowing	18.9%	9.1%
Disclosure of number of whistleblowing complaints	61.7%	87.1%
No complaints during FY	57.4%	82.8%

Figure 20: Differences between Large/Mid-Cap and Small-Cap issuers

Item	Large/Mid-Cap (%)	Small-Cap (%)
Whistleblowing policy on website	81.0%	45.8%
All complaints are reviewed	53.7%	38.6%
All/some complaints investigated	76.9%	53.7%
Commitment to keeping whistleblower identity confidential	92.6%	82.9%
Action in the event of detriment to whistleblower	37.2%	14.7%
Anonymous reports accepted	64.5%	47.0%
Training provided on whistleblowing	27.3%	12.1%
Disclosure of number of whistleblowing complaints	47.9%	77.4%
No complaints during FY	38.8%	74.2%



CONCLUSION

In this study, we assessed the whistleblowing policies of 536 issuers with a primary listing on SGX, against the requirements of the SGX Rulebooks and good practices. We used information in the latest annual reports and sustainability reports for FY2023 and FY2024 and issuers' websites to collect information on whistleblowing policies.

While all issuers disclosed that they have a whistleblowing policy as required by the SGX rules, many did not provide the information or have not adopted practices that, in our view, are required to comply with the specific requirements in the SGX rules.

To provide an indication of the extent to which good practices are adopted, we developed a 20-item Whistleblowing Scorecard and assessed the disclosures made by all the issuers using this Scorecard. Based on an overall score of 40, we found that only 54.7% scored a minimum of 20 out of 40. Only 9.7% scored at least 30 out of 40.

We found that about 70% of issuers disclosed the number of whistleblowing complaints. However, 355 issuers or 66.2% disclosed that they had zero whistleblowing complaints during the financial year. Issuers that have no whistleblowing complaints may simply have policies that are ineffective.

Not surprisingly, based on the information disclosed, Mainboard and Large/Mid-Cap issuers tend to have better practices compared to Catalist and Small-Cap issuers, although there are some areas where the opposite is true.

An important caveat is that our study is based on disclosures of whistleblowing policies. Disclosing a practice does not mean that the practice is necessarily in existence or that it is effectively implemented.

Further, there are at least two other two elements which must be present in an organisation for a whistleblowing policy to be effective. First, a good corporate culture which provides an environment in which employees believe that they will not be victimised if they make reports in good faith and reasonable belief even if their reports turn out to be wrong. Issuers should consider giving some recognition to employees who do the right thing by making reports. Second, an independent and effective board which ensures that all reports are taken seriously and investigated where there is sufficient basis, with appropriate actions taken.

The fact that there is no overarching whistleblower protection legislation in Singapore is also likely to adversely affect the effectiveness of whistleblowing policies. We believe that Singapore should consider introducing such legislation.

About the Authors

Mak Yuen Teen is Professor (Practice) of Accounting at the NUS Business School and Founding Director of its Centre for Investor Protection. He is an ISCA member. Professor Mak founded the first corporate governance centre in Singapore called Corporate Governance and Financial Reporting Centre at NUS Business School in 2003. He served on the first, second and fourth committees which developed and revised the Code of Corporate Governance in Singapore and is currently serving a third three-year term on the Corporate Governance Advisory Committee under the Monetary Authority of Singapore. He is Program Advisor and one of the trainers for the Board Masterclass Program offered by ISCA and SAC Capital, which is accepted by SGX as satisfying the mandatory training requirements for first-time directors of SGX-listed issuers. He is also actively involved in corporate governance developments internationally in various capacities. Professor Mak has extensive experience relating to implementation of whistleblowing policies by different types of organisations.

Susan See Tho is Associate Professor of Accounting at the NUS Business School and a member of the Centre for Investor Protection. Outside of the academia, Associate Professor Susan is actively involved in listed boards and board committees in various capacities. She has a keen interest in the implementation of whistleblowing practices in organisations and firmly believes that when executed appropriately, whistleblowing policies will reinforce healthy organisational culture and corporate transparency, which in turn protects the interests of stakeholders.

About the Centre for Investor Protection

Established in 2024 at the NUS Business School, the Centre for Investor Protection (CIP) is the first of its kind in Singapore dedicated to research on investor protection. A truly independent entity that advocates for the interests of investors through independent research focused on improving investor protection policies and practices, it aims to help strengthen and ensure the long-term sustainability of the Singapore capital market and beyond.



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