

## Insights

# PRACTICE NOTE, WHISTLEBLOWING: REGULATORY HEALTH CHECK FOR FINANCIAL INSTITUTIONS' WHISTLEBLOWER FRAMEWORKS

May 13, 2020

## SUMMARY

On 11 May 2020, Practical Law published a new practice note, written by Polly James, a partner in our Investigations, Financial Regulation and White Collar practice group, on whistleblower frameworks for financial institutions.

Financial institutions should regularly review their whistleblower frameworks for two main reasons:

- to ensure that the frameworks reflect the most up to date regulatory guidance, and
- to protect themselves and those with specific responsibilities for managing the frameworks from regulatory scrutiny and sanctions

The introduction of the senior managers and certification regime, coupled with the “non-financial conduct” agenda being pursued by the FCA, presents firms with an opportunity to review their whistleblower frameworks.

This practice note provides a helpful checklist which financial institutions can use to assess their existing whistleblower frameworks. The health check is distilled into six main steps:

Step 1: Diagnosing whistleblows effectively

Step 2: Maintaining policies and procedures

Step 3: Making required regulatory notifications

Step 4: Preventing conflicts of interest and “wrong” behaviours

Step 5: Conducting root cause analysis

## Step 6: Embedding a culture of psychological safety

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### RELATED CAPABILITIES

- Financial Regulation Compliance & Investigations
- Regulation, Compliance & Advisory
- Investigations

### MEET THE TEAM



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