

The corporate wrongdoings that become a social problem have never ceased to occur. → **Need to prevent damage through early correction.**

① Facilitate Companies/Organizations to Correct their own Violations/Misconducts and Facilitate Whistleblowers to Make Internal Reports

- Obligate companies/organizations to **establish a system for responding to whistleblowing** (e.g. establishing an internal reporting channel, an investigation/correction rule etc.) The detailed content of obligations is to be decided by the guidelines **【Article 11】**
※obligate small and medium-sized business operators (300 employees or less) to make their best efforts
- Introduce **administrative measures** (advice/guidance, recommendation and publicizing of company's name) in order to ensure effectiveness of above-mentioned obligations **【Article 15,16】**
- Obligate person in charge of handling whistleblowing to **protect the confidentiality of information** identifying the whistleblower (and introduce criminal penalty for violation of this obligation) **【Article 12,21】**

② Facilitate Whistleblowers to Report to an Administrative Organ etc.

- Conditions for being protected when reporting to an administrative organ **【Article 3(ii)】**

(Current)	(Amendment adding)
Where whistleblower has reasonable grounds to believe	Where document with her/his name etc. is submitted
- Conditions for being protected when reporting to the press and other external parties **【Article 3(iii)】**

(Current)	(Amendment adding)
Where damage to the human life or body	Damage to the property (irredeemable/serious)
(None)	High possibility of leakage of information identifying the whistleblower
- Obligate administrative organs (with the authority to impose dispositions or recommendations) to **establish a system for responding to whistleblowing** **【Article 13(2)】**

Reinforcement of Response to Internal/External Report

③ Ensure Whistleblowers to be Protected

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| ○ Scope of whistleblower 【Article 2(1) etc.】 | ○ Scope of whistleblowing 【Article 2(3)】 | ○ Scope of protection 【Article 7】 | | | | | | | | | | | | |
| <table border="1"> <tr> <td>(Current)</td> <td>(Amendment adding)</td> </tr> <tr> <td>Current employees</td> <td>Retired employees (reporting within 1 year after resignation) and executives (obligated to investigate/correct before external whistleblowing)</td> </tr> </table> | (Current) | (Amendment adding) | Current employees | Retired employees (reporting within 1 year after resignation) and executives (obligated to investigate/correct before external whistleblowing) | <table border="1"> <tr> <td>(Current)</td> <td>(Amendment adding)</td> </tr> <tr> <td>Conducts to be criminally punished</td> <td>Conducts to be administratively sanctioned</td> </tr> </table> | (Current) | (Amendment adding) | Conducts to be criminally punished | Conducts to be administratively sanctioned | <table border="1"> <tr> <td>(Current)</td> <td>(Amendment adding)</td> </tr> <tr> <td>(None)</td> <td>Exempt from liability of compensation for damages incurred by whistleblowing</td> </tr> </table> | (Current) | (Amendment adding) | (None) | Exempt from liability of compensation for damages incurred by whistleblowing |
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