

# 2025 State of Ethics Reporting Hotlines

## Trends in Anonymous Hotline Reporting and Whistleblowing

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## The Future of Ethics Hotlines: AI, Anonymity, and Global Trends

This year, we are excited to share the findings of our 2025 State of Ethics Hotlines Report, as we've observed a remarkable 25.5% increase in reports from 2023 to 2024. This surge in reporting underscores a growing commitment to ethical behavior and organizational accountability.

From our analysis of nearly 50,000 anonymous reports, we've identified the top reporting countries, most significant incidents, preferred reporting methods, and more. Our data reveals how global trends, such as whistleblower regulations and governmental guidance (EU Whistleblower Directive, Whistleblower Rewards Pilot Program, etc. ), the NIS2 Directive, advancements in AI and emerging technologies, workplace culture, and retaliation are shaping reporting practices.

In order to build a compliant and high-performing culture that drives innovation and exceptional results, organizations need solid information, continuous feedback, and robust ethics hotline reporting. We aim to provide valuable insights that help organizations foster transparency, accountability, and a more supportive work environment. We trust our findings will inspire proactive strategies and policies that uphold the highest standards of integrity as we navigate the complexities of 2025.



## Respondent Profile and Methodology



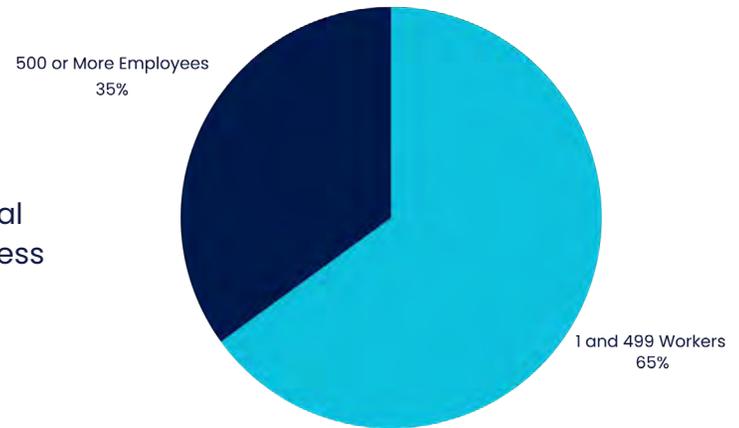
### Ethics Hotline Reporters

In 2024, employees from over 6,500 organizations collectively logged nearly 50,000 anonymous hotline reports, **marking a significant 25.5% increase from 2023's total of 39,328 reports**. This upward trend follows a 15.6% increase from the 34,000 reports logged in 2022, and an impressive 25.9% rise from the 27,000 reports in 2021.



### Company Size

The results indicate that 65% of responding companies employ 1-499 employees and 35% employ 500 or more employees.



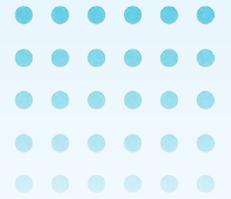
### Industries

Organizations span a range of industries, including healthcare, not-for-profit, financial services, technology, manufacturing, business services, education, biotechnology, retail, energy, entertainment, transportation, construction, government, real estate, insurance, manufacturing, hospitality, and agriculture.



### Methodology

Reports were submitted anonymously and stored in a secure case management system. **No confidential information was used to prepare this report.**



## Highlights of Key Incident Report Types

There's a clear rise in employee engagement on vital matters as ethics reporting hotlines become more prevalent.



### HR & Employee Relations

The reporting of certain HR and Employee Relations incidents has increased, as we see more reports on topics such as attendance, payroll, and employee relations, with a notable 27% rise in HR reports from 2023 to 2024. However, reports related to drugs, alcohol, and substance abuse have decreased by 17% from 2023 to 2024.



### Employment Law & Abuse

Despite an overall 10,000-report increase in 2024, employment law and abuse reports have decreased from 4.34% in 2023 to 3.52% in 2024. This reduction may be attributed to several factors, including extensive media coverage, increased leadership accountability, employees feeling more empowered to speak up, and companies providing more impactful training. Although harassment and discrimination persist, the decline in reports shows the positive impact of greater accountability.



### Workplace Safety

Workplace safety incidents have risen significantly, with a 30% increase in reports on "How's My Driving," close calls, and on-site injuries over the past year. This trend underscores the growing need for enhanced safety measures and proactive risk management strategies. Looking ahead, prioritizing workplace safety and implementing robust compliance training will be key to reducing incidents and ensuring a safer work environment for all employees.



### Healthcare

Healthcare reports have surged by over 1,000 from 2023 to 2024, marking a significant rise in incidents. Notably, HIPAA violation reports have risen by 25%. Overall, healthcare reports have climbed by approximately 34%. Moving forward, it's crucial for healthcare organizations to strengthen their compliance and privacy measures to address this growing trend and ensure patient trust and data security.



### Privacy & Security

Over the past year, there has been a notable 16% increase in privacy, security, and theft reports. This surge highlights growing concerns around data protection and asset security given the increase of cybersecurity incidents globally.



### Other Ethics & Legal Compliance Topics

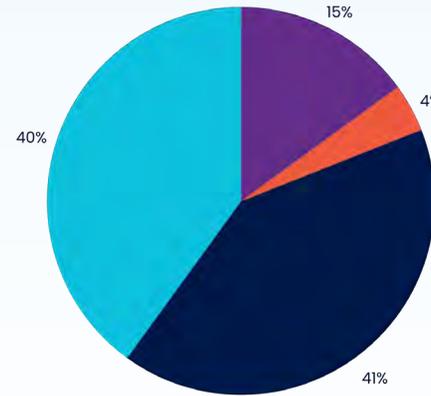
In 2023, 28% of incident reports were related to various other ethics and legal compliance issues, such as fraud, misconduct, conflicts of interest, and other code of conduct breaches. This percentage slightly decreased to 27% in 2024. However, these violations still rank among the most common grievances reported by employees.

## Website & Email Reporting Surges

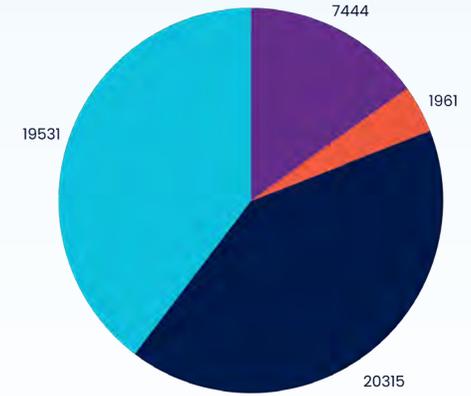
There was a 7% decrease in telephone reporting from 2023 to 2024, a 5% increase in website reporting, and a 7% rise in email reporting, indicating that employees are increasingly favoring online methods. This shift can be attributed to the convenience of online reporting, which allows employees to report incidents at any time and from any location.

The trend towards online reporting may be influenced by the rise of remote and hybrid work environments. Employees are more inclined to use digital tools they're familiar with, which simplifies the reporting process. The increased preference for online reporting methods also reflects broader technological trends and the growing comfort with digital communication. As organizations continue to enhance their digital infrastructures, it's anticipated that this shift towards online reporting will persist, offering more efficient and accessible channels for employees to voice their concerns.

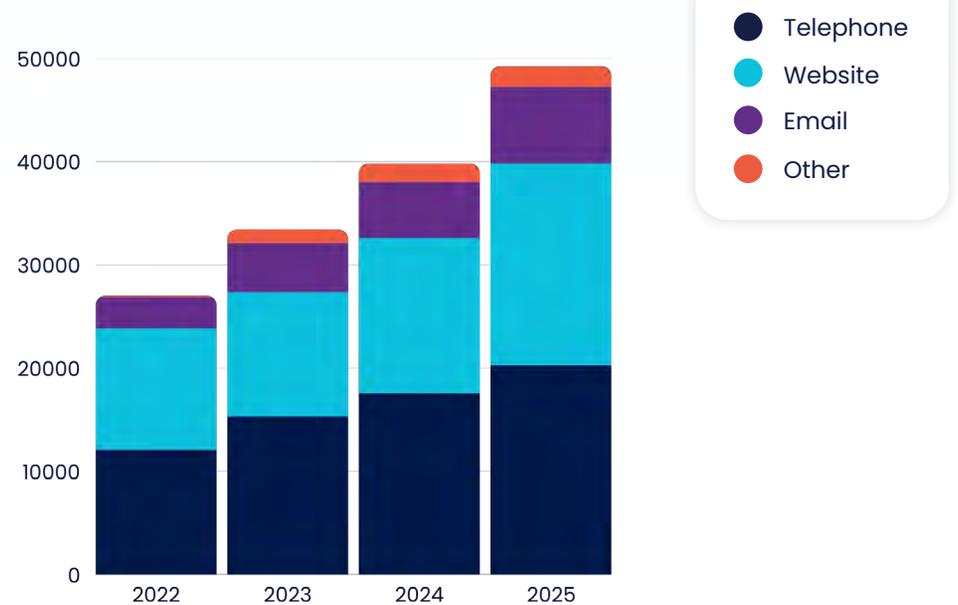
Report Source Percentages



Report Source Counts



Report Source Trend



## Ethics Hotlines Continue to Be Widely Used Across Industries

Initially prominent in highly regulated sectors, ethics hotlines have now been adopted by many companies in diverse fields. U.S. publicly traded companies are required to have whistleblower hotlines, but proactive privately held organizations in healthcare, non-profits, business services, manufacturing, and technology also use them. These hotlines support compliance initiatives, help in attracting top talent, and contribute to better financial outcomes. Industry leaders recognize that beyond meeting regulatory requirements, ethics hotlines play a crucial role in promoting a positive workplace culture and high performance.

Our latest insights reveal shifts in the top ten reporting industries. Education, retail, and the IT sector saw notable rises, with education jumping to second place with a 5% increase, retail rising to fourth with a 10% increase, and the IT sector climbing to sixth with a 40% rise. Meanwhile, manufacturing, business services, and technology and telecommunications all experienced declines, with manufacturing dropping to third with an 11% decrease, business services falling to fifth with a 36% decrease, and technology and telecommunications slipping to ninth with a 15% decrease.

## The Proactive Power of Ethics Hotlines

- ✓ Mandated by law in many countries, ensuring compliance
- ✓ Encourage employees to report unethical behavior
- ✓ Enable anonymous reporting, ensuring confidentiality
- ✓ Foster trust and accountability, enhancing workplace culture
- ✓ May identify and address issues early, preventing costly investigations and lawsuit

## Top 10 Reporting Industries

1. Healthcare ⬇️
2. Education - **5%** ⬆️
3. Manufacturing - **11%** ⬇️
4. Retail - **10%** ⬆️
5. Business Services - **36%** ⬇️
6. Not for Profit - **40%** ⬆️
7. Restaurant and Hospitality - **7%** ⬇️
8. Government ⬇️
9. Technology and Telecommunications - **15%** ⬇️
10. Transportation and Distribution ⬇️

## Elevating Compliance and Speak-Up Culture Across Continents

Employee ethics hotlines aren't just for ticking off regulatory boxes – they're vital in stopping workplace harassment, discrimination, fraud, and safety violations. And we can tell that they're working worldwide – 2023-2024 saw a global surge of over 10,000 additional reports.

Our recent findings reveal some intriguing shifts in the top ten countries reporting potential wrongdoing. The United Arab Emirates, Syria, and Germany have shown significant increases in reports and are now among the top 10 recipients of reports, ranking at #7, #9, and #10 respectively. This reshuffle has seen Peru, China, and Jamaica being replaced, with Peru experiencing a 64% decrease, China a 33% decrease, and Jamaica a 56% decrease in reports.

### Top 10 Countries Anonymously Reporting

1. USA - **No Change** ⬇️
2. Philippines - **30%** ⬇️
3. Mexico - **2%** ⬆️
4. Canada - **12%** ⬆️
5. India - **20%** ⬇️
6. Brazil - **14%** ⬇️
7. United Arab Emirates (UAE) - **710%** ⬆️ *Replacing Peru*
8. United Kingdom - **14%** ⬇️
9. Syria - **90%** ⬆️ *Replacing China*
10. Germany - **130%** ⬆️ *Replacing Jamaica*

While we consistently see the United States having the highest percentage of reports year over year, there typically is a shift in trending topics reported. For example, Mitratesh saw an increase in reports relating to hostile work environments amid an overall increase in workplace violence. On the other hand it saw a reduction in sexual harassment reports in the wake of the "Me Too" movement. Despite staying in the number 2 spot, the Philippines experienced a 30% decrease in reports, while Mexico's reports increased by 2%, keeping it at number 3. Canada reported a 12% increase, India saw a 20% decrease, Brazil had a 14% decrease, and the UK also faced a 14% decrease in reports.

As we look ahead, the increasing reliance on employee ethics hotlines globally demonstrates their pivotal role in shaping safer, more transparent workplaces worldwide. Organizations across the globe must continue to enhance these reporting channels and foster a culture of integrity and trust. By doing so, they'll be well-equipped to proactively address issues and promote a positive, compliant work environment.

## Taking a Closer Look into the UAE, Syria and Germany



### The United Arab Emirates

The UAE has seen a staggering 710% increase in internal reports. This surge might be attributed to the efforts of the Securities and Commodities Authority. Legislation known as Resolution No. 3 and its amendments (Corporate Governance Rules) introduced in 2020, and updated in 2024, has significantly improved corporate responsibility and ethical practices.<sup>1</sup> These changes may have made it easier for employees to report issues, leading to a dramatic rise in internal reports as employees feel more confident that their concerns will be addressed.



### Syria

Over the past year, Syria has faced numerous challenges, including natural disasters, economic hardship, and general unrest. These conditions may have created an environment where individuals feel more secure using anonymous reporting mechanisms to voice their concerns. The 90% increase in reports may reflect people's desire to seek help and address the issues they face without fear of retaliation.



### Germany

The introduction of the German Whistleblower Protection Act (Germany's transposition of the EU Whistleblower Directive) in July 2023 has likely had a significant impact on internal reporting, resulting in a 130% increase in reports. In December 2023, the act required all public sector employers and private sector employers with 50 or more employees to establish internal reporting channels. Increased media coverage and public discussions about workplace misconduct and the importance of whistleblowing may have also contributed to the rise in reporting.



1. European Corporate Governance Institute (ECGI), (n.d.). Corporate governance in the United Arab Emirates (UAE). <https://www.ecgi.global/publications/codes/countries/corporate-governance-in-the-united-arab-emirates-uae>

## The Top Trends Shaping Reporting and Compliance

Based on our analysis of nearly 50,000 reports, several key trends are shaping ethical reporting and whistleblower protections for 2025. Advancements in AI and emerging technologies are transforming internal reporting and compliance while regulations around the globe, such as the NIS2 Directive and the EU Whistleblower Directive, promote transparency. Additionally, the DOJ's continued guidance in its Evaluation of Corporate Compliance Programs and the role of voluntary disclosure highlight the importance of ethical practices and accountability. Additionally, the influence of workplace culture and the number of organizations addressing employee fears of retaliation continue to drive the rise in reporting.



## AI & Emerging Technologies

Over the past year, privacy, security, and theft reports have increased by 15%, highlighting growing concerns about data protection within organizations. As artificial intelligence continues to integrate into various industries, these concerns are compounded by the unique challenges that AI presents. For instance, global hotline programs may not contemplate issues like reporting of deepfake videos and discriminatory algorithms.

The Department of Justice's September 2024 Guidance urges companies to update their compliance programs to keep pace with technological advances, particularly AI.<sup>2</sup> The updated guidance includes new questions on managing risks associated with AI and other technologies, emphasizing a broad approach to risk management. It also focuses on how organizations use and control technology to ensure compliance, highlighting the importance of integrating AI risks into overall risk management strategies.

Lawrence Lessig, a Harvard law professor representing AI industry whistleblowers, warns against the belief that tech companies can self-regulate effectively.<sup>3</sup> Organizations must take a proactive approach to strengthening security and enhancing employee training to combat these emerging threats.

### Stay 'AI Risk Ready'

With AI regulations on the rise, it's crucial to stay ahead. Companies should begin monitoring their AI governance and consider taking the following steps:

- 
**Gain Transparency on AI Models and Usage:**  
 Ensure clear visibility of AI models and their applications both within your organization and with third parties.
- 
**Manage and Monitor End-to-End AI Application Lifecycle:**  
 Implement continuous monitoring and management practices for the entire AI application lifecycle.
- 
**Hold AI Models to High Standards:**  
 Ensure AI models comply with leading laws and frameworks, maintaining high accountability and ethical standards.



<sup>2</sup>Covington & Burling LLP. (2024, October). DOJ updates guidance for evaluation of corporate compliance programs, focusing on artificial intelligence, data, and whistleblower protections. Covington & Burling LLP. <https://www.cov.com/en/news-and-insights/insights/2024/10/doj-updates-guidance-for-evaluation-of-corporate-compliance-programs-focusing-on-artificial-intelligence-data-and-whistleblower-protections>

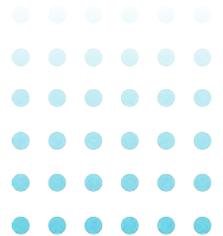
<sup>3</sup>Kaustuv Basu. (2024, November 4). AI workers seek whistleblower cover to expose emerging threats. Bloomberg Law.

## Global Whistleblower & Security Regulations Are on the Rise

Recognizing the crucial role whistleblowers play in uncovering corporate misconduct, governments are committed to enhancing protections and ensuring that individuals who expose wrongdoing are safeguarded against retaliation and supported throughout the reporting process. These efforts are part of a broader initiative to foster a culture of transparency and accountability within organizations. The focus on ethical practices and compliance is expected to grow, driving more effective and trustworthy workplaces.

### NIS2 Directive

The NIS2 Directive was officially due to be transposed into law by EU member states in October 2024. This marks a significant step in enhancing cybersecurity across various sectors, including energy, transport, banking, healthcare, and digital infrastructure. The Directive aims to curb privacy breaches and data theft, addressing the recent 25% increase in HIPAA reports and the 16% rise in privacy and security incidents. By setting stringent compliance requirements, NIS2 promotes a proactive approach to safeguarding sensitive information, ensuring that organizations are better equipped to protect against evolving cyber threats.





## Department of Justice Guidance

The DOJ's continued guidance in updating its Evaluation of Corporate Compliance Programs has companies working to ensure transparency, accountability, and highly functioning compliance programs.

### Corporate Whistleblower Awards Pilot Program

Launched in August 2024, the [Corporate Whistleblower Awards Pilot Program](#) is a three-year initiative incentivizing individuals to report corporate misconduct. Under this program, whistleblowers who provide valuable information leading to successful enforcement actions may receive a percentage of the recovered funds.<sup>4</sup> This initiative not only rewards those who come forward but also sends a strong message that corporate misconduct will not be tolerated.

In 2025, organizations may see an increase in whistleblower reports, prompting them to strengthen their [internal reporting systems](#) and compliance measures.

4. U.S. Department of Justice. (n.d.). Criminal Division's Corporate Enforcement, Compliance, and Oversight Section. Retrieved from <https://www.justice.gov/criminal/media/1362321/dp/inline>

## Corporate Enforcement and Voluntary Self-Disclosure Policy (formerly FCPA Corporate Enforcement Policy)

The DOJ has also provided guidance that corporate voluntary self-reporting, if done within 120 days of receipt of an internal whistleblower report, may make the corporation eligible for a presumption of a declination.

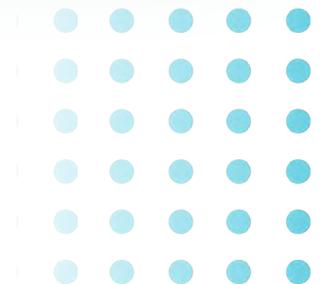
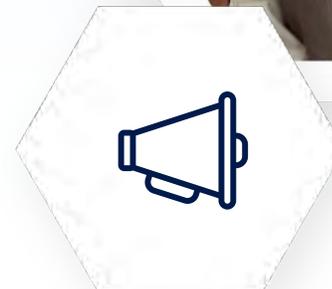
These programs reflect the DOJ's commitment to promoting ethical conduct and corporate responsibility by supporting whistleblowers and rewarding timely disclosure of misconduct. Organizations in 2025 will need to adapt to these updates by enhancing their compliance programs, investing in employee training, and fostering a culture of transparency and accountability.



**“Our message to whistleblowers is clear: the Department of Justice wants to hear from you.**

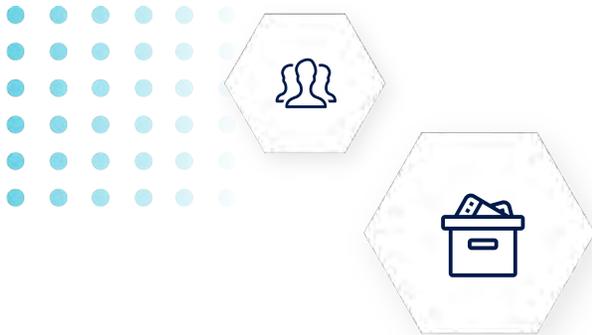
**And to those considering a voluntary self-disclosure, our message is equally clear: knock on our door before we knock on yours.”<sup>5</sup>**

- Deputy Attorney General Lisa Monaco



## Retaliation Still Remains an Issue

Retaliation against whistleblowers was a big issue, with almost 50% of employees who reported misconduct facing some form of retaliation, according to the 2023 ECI Global Business Ethics Survey.<sup>6</sup> This fear discourages many from coming forward, fueling a culture of silence. However, this fear also drives the preference for anonymous reporting, which might explain the 10,000 more reports in 2024 compared to 2023.



6. Ethics & Compliance Initiative. (2023). 2023 Global Business Ethics Survey: Retaliation and Reporting Misconduct. Retrieved from <https://www.ethics.org/gbes-2023/>

## Workplace Culture's Impact on Reporting

In 2024, reports of harassment and discrimination dropped from 1.9% to 1.5%. Sexual harassment reports experienced a substantial reduction, decreasing by 1.83 times over the past year. Additionally, reports of hostile work environments and workplace violence fell by 14%. One potential factor driving these improvements is the implementation of a “speaking up and listening up” workplace culture. This approach encourages employees to voice their concerns while ensuring that managers actively listen and make corrective actions to improve the environment.

Organizations that prioritize open communication and active listening will not only reduce instances of misconduct but also foster a more positive and productive work environment. As we move into 2025, continued efforts to strengthen workplace culture will play a vital role in promoting ethical behavior and ensuring employee well-being.



## Navigating the Ethics Landscape of 2025

Anonymous reporting has significantly increased, reflecting employees' confidence in speaking up, leadership's enhanced accountability efforts, and the heightened awareness of ethical misconduct driven by extensive media coverage. This rise in confidence marks a positive shift towards greater transparency and accountability.

In tandem with this momentum, online reporting methods have gained significant traction, offering employees more convenient and accessible ways to report issues. The trend towards digital reporting is further supported by the strengthening of whistleblower regulations worldwide which are crucial in providing protections for those who come forward.

Organizations must invest in their ethics hotline protocols not only to ensure compliance but also to promote a culture of transparency and accountability. By doing so, they can create a safer, more ethical environment for all employees.

To help you choose the best fit for your organization, check out [our hotline buyer's guide](#). It's packed with insights to match your needs and boost your company's ethical standards.

Get the Insights ►

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