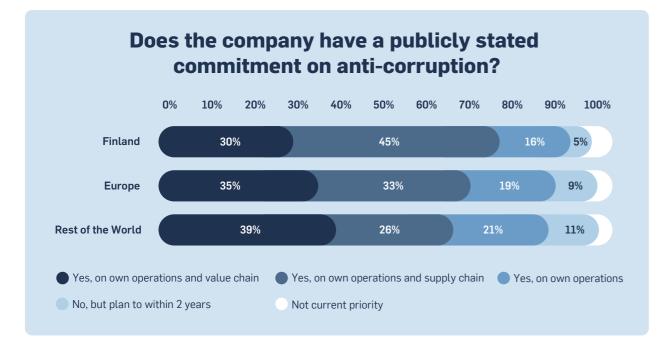


HIGHLIGHTS FROM FINNISH COP REPORTS: ANTI-CORRUPTION AND GOVERNANCE

Each UN Global Compact participant is expected to report on their sustainability progress annually either by submitting their Communication on Progress (CoP) report or their sustainability report to UN Global Compact. This snapshot is gathered from the data provided by Finnish CoP reporters in 2024. In that year, 135 entities in Finland submitted their CoP report, out of which were 68 large companies and 67 SMEs. Data selected for the snapshots has been chosen to either showcase performance or differences between Finnish CoP reporters and their peers. For more information on data gathering and methodology, please visit **www.globalcompact.fi/cop-data**, or scan the QR code.



Over 90% of Finnish CoP reporters are committed to anticorruption, but fewer have a due diligence process in place

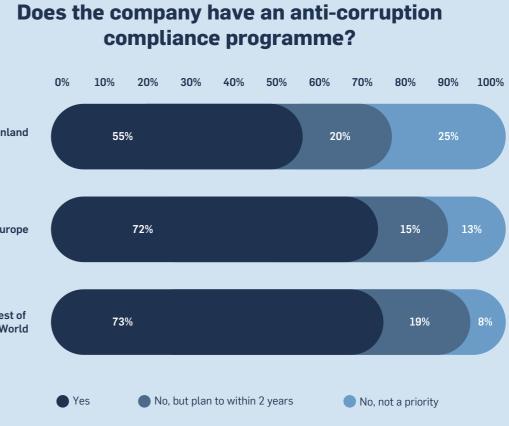


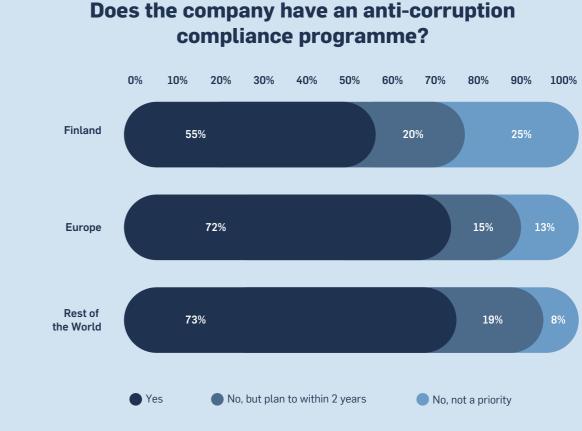
Does the company have a due diligence process on anti-corruption?



OUR INSIGHTS: Over 90% of Finnish CoP reporters have a publicly stated commitment to anti-corruption, which is often thought as a foundation for anti-corruption.¹ At the same time, fewer Finnish CoP reporters than their global peers have a policy commitment both on their own operations and value chain, though the difference is small. Then when looking at a due diligence process on anti-corruption, fewer Finnish CoP reporters than their peers in Europe and globally state that they have a process in place. Again, the difference is small, but it is interesting to see how a public commitment does not correlate with an existing due diligence process. However, a significant amount (22%) of Finnish CoP reporters state that they plan to have a due diligence process within two years, which is encouraging.

For a quarter of Finnish companies, compliance on anti-corruption is not a priority



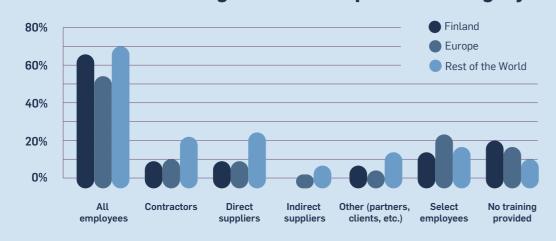


OUR INSIGHTS: The same trend as in the previous chart continues when looking at the existence of anticorruption compliance programmes - very few Finnish CoP reporters compared to their peers state to have one. Also, more Finnish CoP reporters state not seeing anti-corruption compliance as a priority, 25 % of Finnish CoP reporters compared to 8 % of rest of the world's reporters. One reason for these numbers could be the repetitive high ranking of Finland in Transparency International's Corruption Perceptions Index, showing Finland's overall corruption as relatively low². However, recent court cases and criminal investigations have busted the myth of the non-existence of corruption in the Finnish society. Moreover, many Finnish companies have business operations or relationships in countries where the risk for corruption is significant. Therefore, the number on anti-corruption compliance seems low, especially compared to the responses from other regions. On a positive note, a quarter of Finnish CoP reporters plan to have an anti-corruption compliance programme within the next two years. Anticorruption efforts need all hands on deck, as over two-thirds of countries in the world score below 50 out of the maximum 100 points in Transparency International's Index. This means that billions of people live in countries where corruption destroys lives and undermines human rights. Corruption is also closely linked to climate change: funds intended for climate mitigation end up stolen or misused and undue influence obstructs policies aimed at addressing the climate crisis.³

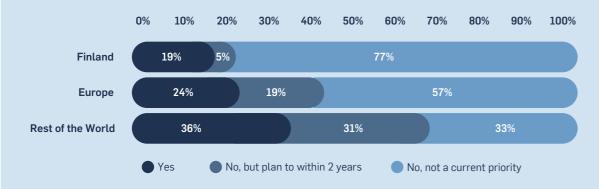
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Anti-corruption training provided to employees, less so to contractors and direct suppliers

Who receives training on anti-corruption and integrity?



Does the company engage in collective action against corruption?



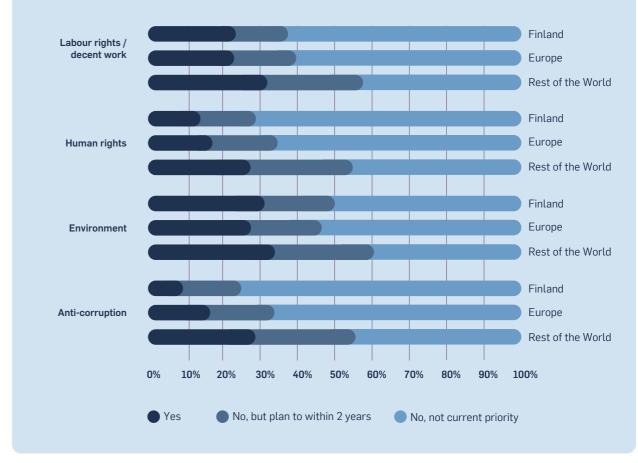
OUR INSIGHTS: Like their peers in Europe and globally, Finnish CoP reporters mostly provide anti-corruption and integrity training to all their employees. Interestingly, both Finnish and European CoP reporters provide less training to their contractors and direct suppliers than their global peers. Without more background information it is hard to say why this is so – maybe these contractors and direct suppliers are from countries seen as low risk areas. The other option is that they are simply not seen as corruption risk operators.

When comparing the frequency of anti-corruption and integrity training, Finnish CoP reporters provide such training less frequently than their global peers. Only 30% of Finnish CoP reporters provide annual training compared to 65% of their global peers and 42% of their European peers. A significant amount (27%) of Finnish CoP reporters have provided training only once compared to their global peers (17%). This again is likely to reflect the image of Finland as one of the least corrupt countries in the world, and therefore corruption is not seen as a priority issue.

The same trend continues when looking at engaging in collective action against corruption. Most of the Finnish CoP reporters (77%) say that this not a current priority compared to only 33% of their global peers and 57% of their European peers. Only 5% of the Finnish CoP reporters say they plan to do so within the two years, compared to a third of their global peers. Joining forces with others on anti-corruption is a form of action the UN Global Compact encourages, as it increases the impact of individual action and can strengthen weak local laws and anti-corruption practices.⁴

Very few Finnish CoP reporters link anti-corruption to executive pay

Is executive pay linked to one or more sustainability topics?



OUR INSIGHTS: According to Finnish CoP reporters, on sustainability topics, executive pay is mostly linked to the environment. Interestingly, 50% of Finnish CoP reporters do not see the environment as a current priority topic for executive pay. The least linked sustainability topic to executive pay is anti-corruption. Again, this seems to highlight the low need for anti-corruption measures. There seems to be a significant gap again on not seeing anti-corruption as a current priority between Finnish CoP reporters and their global peers: 75% of Finnish CoP reporters do not see this as priority topic on executive pay compared to only 44% of their global peers. Very similar trend is seen on human rights, where 75% of Finnish CoP reporters see this as a non-priority topic for executive pay compared to 45% of their global peers.

4

Endnotes

- **1** Transparency International UK: Global Anti-Bribery Guidance, <u>https://www.antibriberyguidance.org/guidance/2-governance/guidance</u>. Obtained 17 April 2025.
- **2** Transparency International: Our work in Finland, <u>https://www.transparency.org/en/countries/</u><u>finland</u>. Obtained 8 April 2025.
- **3** Transparency International Corruption Perception Index 2024, <u>https://www.transparency.org/en/cpi/2024</u>. Obtained 8 April 2025.
- **4** UN Global Compact: Anti-corruption Collective Action, <u>https://acca.unglobalcompact.org/about</u>. Obtained 22 April 2025.



For more information on data gathering and methodology, please visit **www.globalcompact.fi/cop-data**, or scan the QR code to the left.

