Take 5 for Integrity

Dutch Big Four Exam Fraud Scandal

The Case in 30 Seconds

Between 2018 and 2022, hundreds of staff — including partners — at Deloitte, PwC, and EY Netherlands cheated on internal ethics and regulatory exams. These assessments were meant to confirm their understanding of professional conduct. The misconduct went undetected for years and was exposed by Dutch and U.S. regulators in 2025.

What Went Wrong

Ethics Hypocrisy: Firms promoting integrity externally failed to uphold it internally.
Leadership Misconduct: Senior executives took part, undermining credibility.
Pressure Culture: Tight deadlines and billing pressure drove shortcuts.
Weak Oversight: Exam systems lacked controls to flag cheating.

The Impact

- US $8.5 million in total fines.
- Regulatory censure and ongoing AFM supervision.
- Leadership resignations at Deloitte and PwC.
- Severe reputational damage for the Dutch audit profession.

Key Integrity Lessons

- Integrity must be practiced, not just preached.
- Tone at the top defines the culture.
- Systems matter, controls must detect ethical lapses early.
- Commercial pressure never justifies misconduct.
- Trust is earned through example, not policy.

Discussion Questions

- What signals do our leaders send about cutting corners “just this once”?
- Are our integrity trainings meaningful or mere box-ticking?
- How do we detect small ethical breaches before they spread?
- What safeguards ensure independence in our control systems?