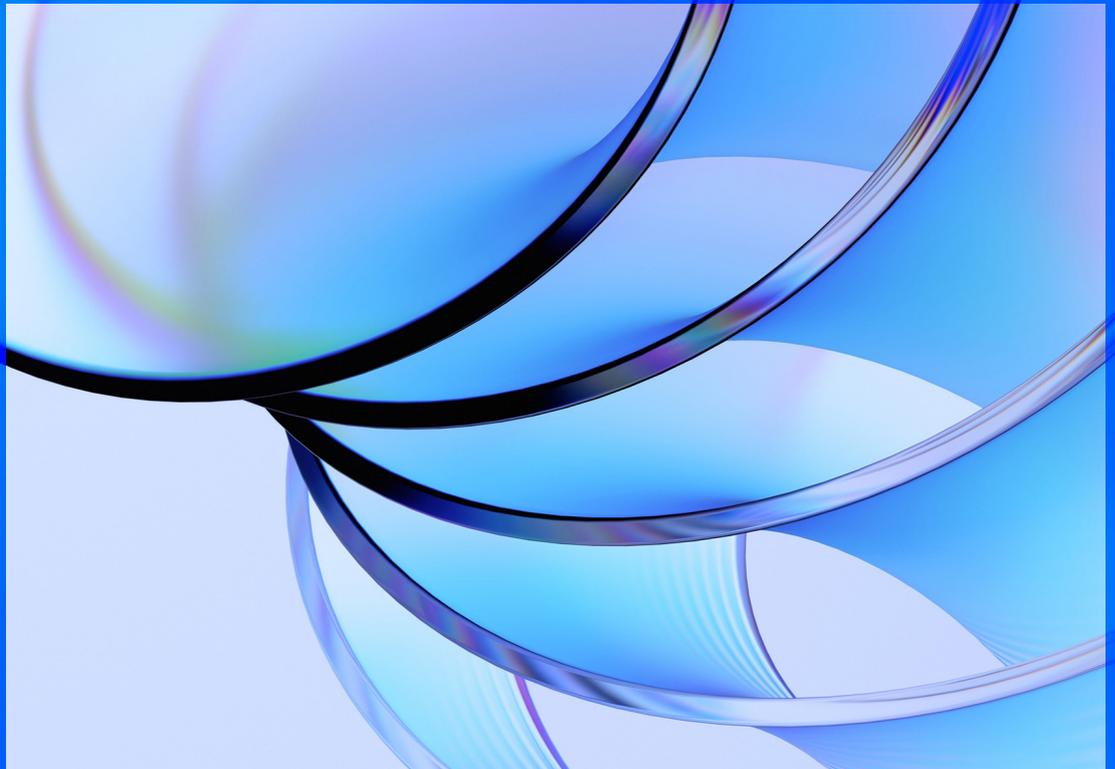




# The profile of fraudsters and the changing nature of fraud

**KPMG Sweden**  
**Risk & Compliance Consulting**

November 2025



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Our forensic team conducted a comprehensive study of multiple forensic engagements undertaken by KPMG Sweden. The study involved investigations of private and public organizations where fraud has been substantiated. This report is the summary of our analysis and presents key themes and fraud risk areas emerging on the basis of our study.

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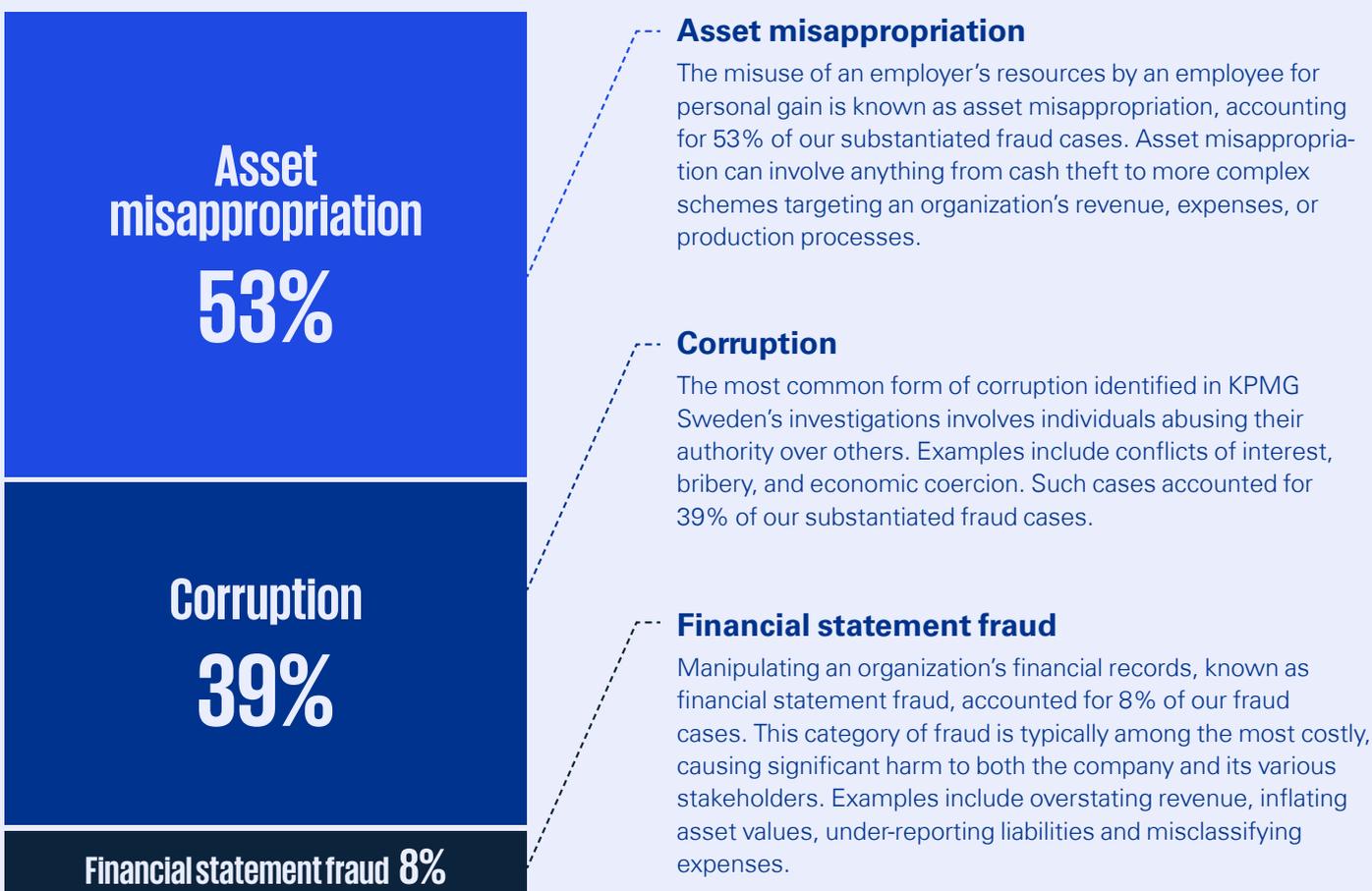
# The evolving nature of fraud today

## Categories of fraud

### Methodology

The Fraud Tree is a comprehensive classification system developed by the Association of Certified Fraud Examiners (ACFE). The Fraud Tree categorizes types of occupational fraud, providing a structured framework to identify and understand various fraudulent activities within organizations. The Fraud Tree organizes fraud in three categories: asset misappropriation, corruption and financial statement fraud.

This report is based on an analysis of multiple fraud investigations conducted by forensic professionals at KPMG Sweden. These investigations entails both private and public organizations across various market sectors. The underlying data includes all fraud-related investigations in the period 2021-2025, wherein instances of fraud have been substantiated.



# Fraud risks uncovered

## The fraud triangle describes three key factors which, when present, increases the risk of fraud occurring

Developed by Donald R. Cressey in the 1950s, the model explains why individuals commit fraud by highlighting three key factors: *pressure*, *opportunity* and *rationalization*.

*Pressure* refers to the financial or personal stress that motivates someone to engage in fraudulent activity, such as debt or job insecurity. *Opportunity* arises when weak internal controls or lack of oversight provide the means to commit fraudulent acts. *Rationalization* being the individual justifying their behavior in a way that aligns with personal ethics, often convincing themselves that the fraud is acceptable.



\*Statistics based on KPMG's own investigations and represent our own assessments.

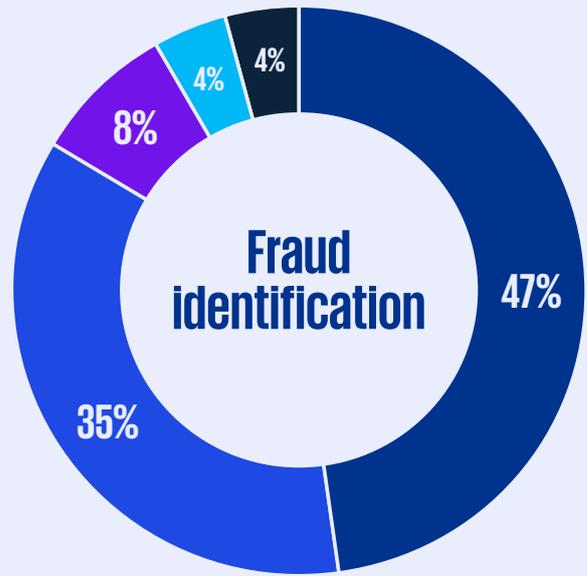
# How fraud is detected and how long it hides

## Fraud identification

The fraud and misconduct identified in the investigations being part of our survey were uncovered by five main channels of fraud identification. Whistleblower complaints and management suspicion making up the majority, while audits and other methods played smaller but important roles.

The underlying data includes all fraud-related investigations in the period 2021-2025, wherein instances of fraud have been substantiated.

- Whistleblower complaints
- Management suspicion
- Other
- Red flags – External audit
- Red flags – Internal audit



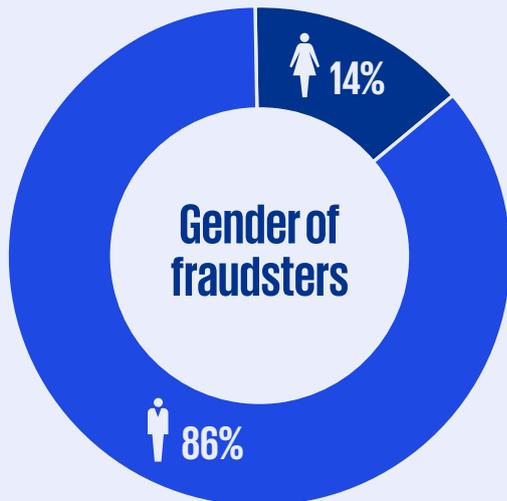
## Duration of fraud

The duration of the fraud varied in our investigations, with most occurring during two years, though some persisted for over three years.

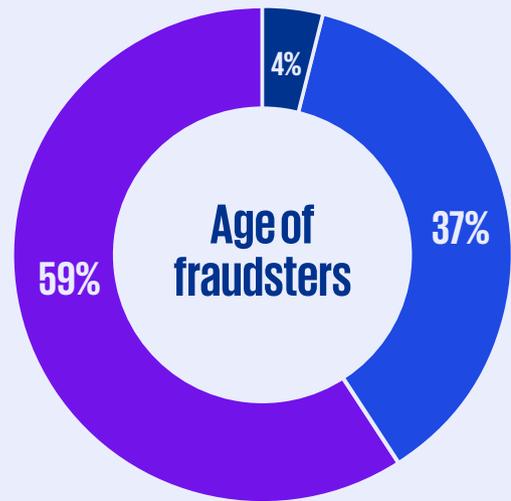
- 0–11 months
- 12–24 months
- 25–36 months
- 36+ months



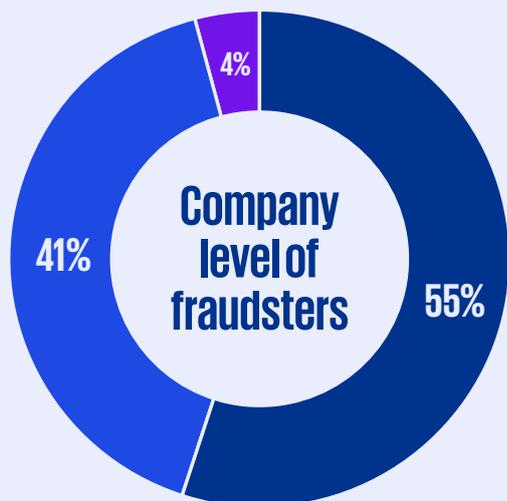
# The general profile of a fraudster



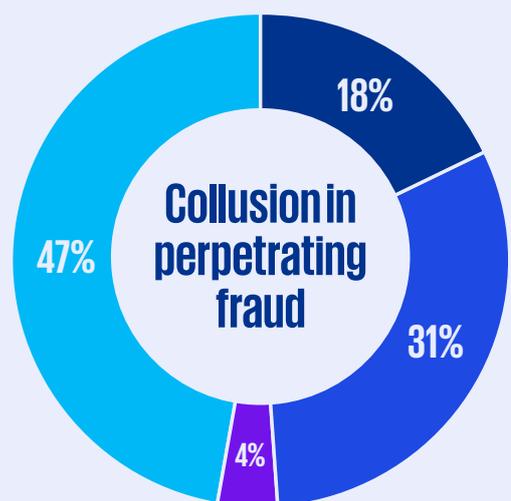
● Women ● Men



● < 30 years old ● 30-45 years old ● > 45 years old

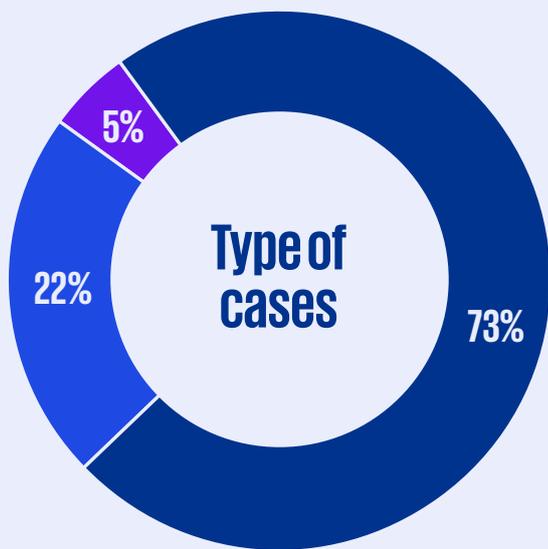


● Senior management ● Mid-level management ● Junior employees



● Employees colluded with fellow employees ● Employees colluded with external parties  
● Employees colluded with fellow employees and external parties ● Employees perpetrated the fraud independently

# The value of whistleblowing channels



## Beyond legal definitions

Most fraud cases have been identified through whistleblower reports. The following statistics are sourced from KPMG’s Whistleblowing Channel, which we provide to our clients. This platform allows employees and stakeholders to confidentially report concerns or misconduct. The data covers the period of 2023 – 2025.

Over the last three years, our clients have received a wide range of reports. While not all reports have met the strict legal definition under the EU Whistleblower Directive (2019/1937), each submission played a vital role in identifying risks, improving internal processes and controls, and strengthening the culture of transparency and accountability.

- Non-Whistleblowing case
- Whistleblowing case
- Inconclusive (Cases where it has not been possible to determine whether they fall within the scope of the law)

## Every report matters

A robust whistleblowing channel is not only a legal safeguard but a cornerstone of sound governance and internal control.

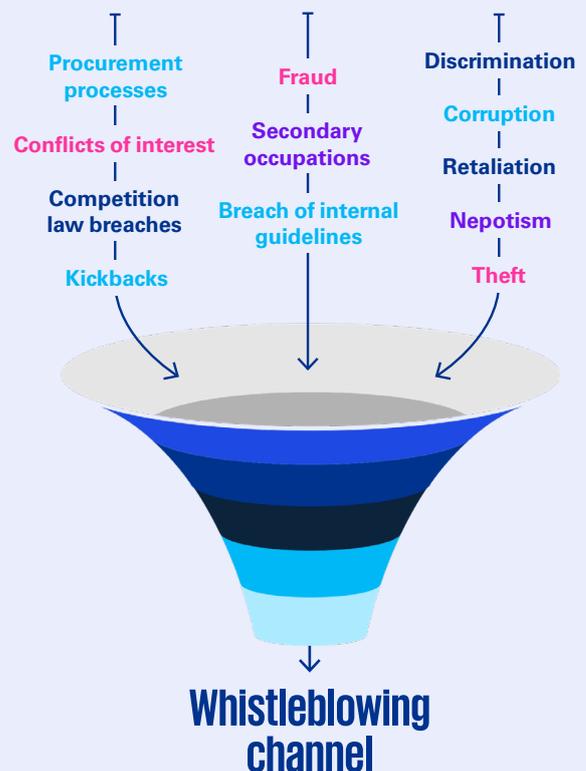
By providing employees and stakeholders a secure and trusted channel to raise concerns, organizations gain early visibility into emerging risks.

Each report, whether it meets the legal definition under the EU Whistleblower Directive, offers valuable insights that can prevent misconduct, strengthen internal controls, and reinforce a culture of accountability and transparency.

KPMG’s whistleblowing channel fosters trust, strengthens governance and ensures that potential risks are addressed before they escalate.

A whistleblower is an individual who reports misconduct, fraud, or unethical behavior within an organization to relevant authorities or designated channels, aiming to ensure accountability and integrity. Under Swedish legislation and the EU directive, whistleblower cases involve reporting work-related wrongdoing, such as legal violations or corruption, with protections against retaliation.

## Common allegations for whistleblower reports



# Importance of a whistleblowing function



## Why ignoring whistleblowing is a risk

- Legal and financial consequences: Regulatory fines, lawsuits, loss of investor confidence
- Reputational damage: Public trust erosion, negative media coverage
- Internal cultural decline: Fear and silence, decreased morale and engagement



## How whistleblowing strengthens organizations

- Early risk mitigation: Identifies fraud and misconduct, strengthens compliance
- Builds a culture of integrity: Encourages transparency, empowers employees
- Enhances business performance: Protects financial stability, strengthens reputation



## How KPMG can support

KPMG's whistleblowing service: With KPMG's whistleblowing service, your company get a complete, secure and digital solution that protects your organization and the whistleblower.

### Supportive services

- Whistleblowing process implementation
- Training in case handling
- Legal advice
- Investigation support
- Guidance and tools to address emerging trends in work environment-related cases



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