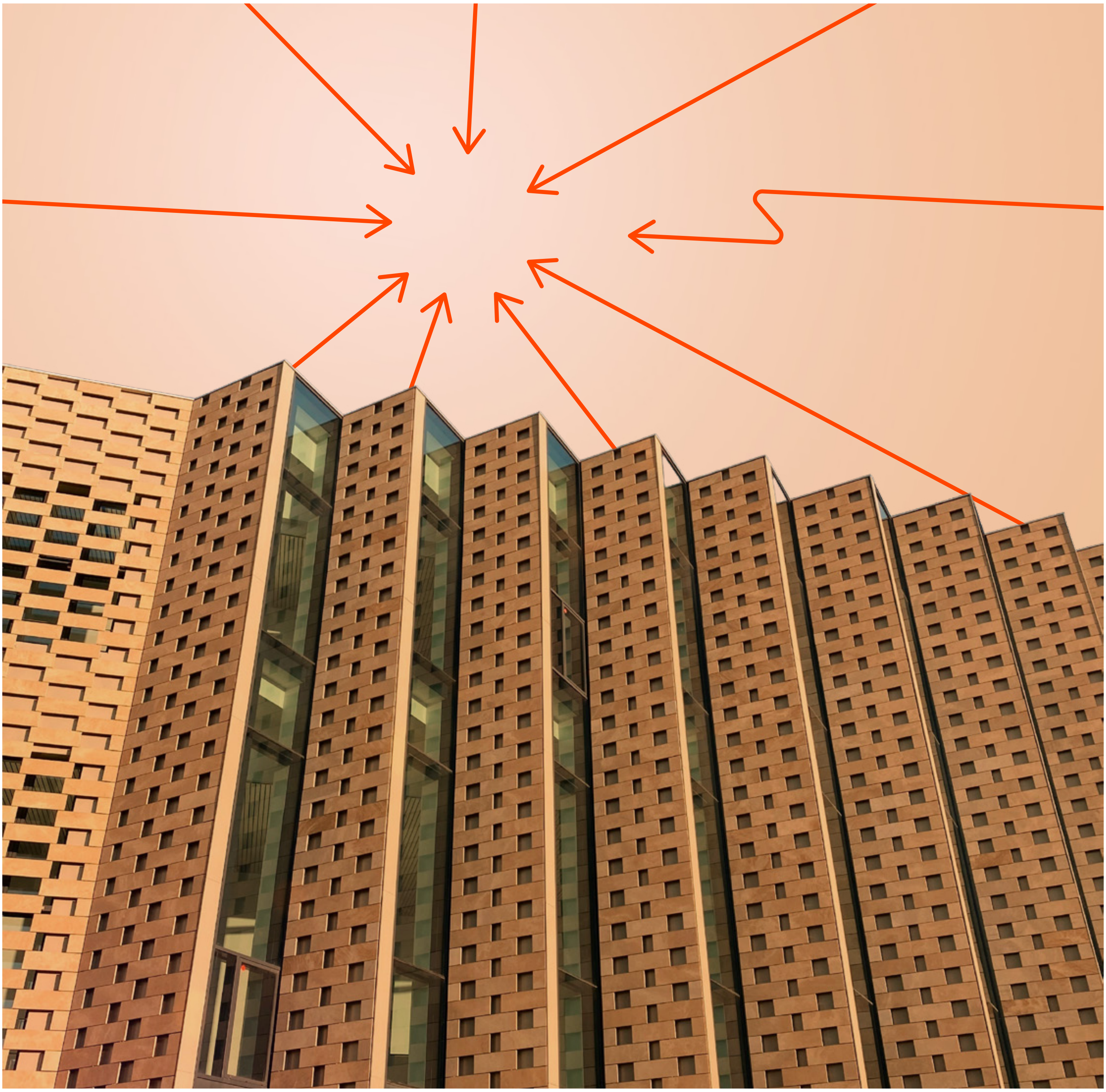
Northstar Series

State of Risk & Compliance in France

2026



Foreword

Vincent Vacher
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France's compliance landscape is entering a new phase.

Over the past decade, French organizations have invested heavily in strengthening governance, ethics and risk management programs. Regulations such as Sapin II, GDPR, the EU Whistleblower Protection Directive, CSRD and the EU AI Act have accelerated this evolution, raising expectations around transparency, accountability and operational oversight.

Encouragingly, the findings in this report show that French organizations are responding with increasingly mature compliance structures. Compared with global peers, France performs relatively well across several key indicators, including fewer regulatory actions, fewer ethics-related incidents and stronger program maturity overall.

But the data also reveal a more important shift.

The challenge facing organizations in France is no longer simply implementing compliance frameworks. Increasingly, it is about ensuring those frameworks consistently influence organizational cultural awareness, leadership behavior and managerial decision-making.

This report highlights a clear pattern: organizations experiencing repeated compliance issues often do not lack policies or governance structures. Instead, they struggle with operational consistency, lack of reliable reporting systems and the ability to maintain ethical standards when business priorities intensify.

At the same time, organizations must now navigate accelerating regulatory complexity while integrating emerging technologies such as AI into already demanding compliance environments.

The organizations that will succeed in this next phase of maturity are not necessarily those with the largest programs. They are the ones capable of embedding compliance into everyday decisions, strengthening trust across the organization and turning governance into a practical business capability rather than a standalone function.

We hope the insights in this report help compliance leaders, executives and boards better understand how the French market is evolving – and where the next opportunities and risks are emerging.

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The Northstar Series is NAVEX's curated collection of proprietary data and unparalleled analytical insights. Within this series we explore groundbreaking analysis intersected with bespoke data, shaping strategic decision-making across the risk and compliance landscape.

01 Compliance programs: structurally mature, but differentiated by behavior

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French organizations show strong compliance foundations, but the real test is whether ethical expectations hold when business pressure rises.

French companies have mature compliance programs with strong structural foundations. When referencing program maturity, NAVEX aligns with the Ethics and Compliance Initiative (ECI) High-Quality Program (HQP). Survey respondents self-report their program maturity using the following five HQP maturity levels:

- **UNDERDEVELOPED:** A new program or an existing one that has not progressed far in embedding HQP elements
- **DEFINING:** A program that contains a number of HQP elements reflecting some important attributes, but with room to further mature
- **ADAPTING:** A program that has a few HQP elements, but still lacks many important attributes
- **MANAGING:** A program that can be considered effective or good, but not an HQP
- **OPTIMIZING:** A program that contains the majority of, if not all, HQP elements

High-Quality Program (HQP) is defined as follows:

A maturity model with five levels developed by the Ethics and Compliance Initiative that identifies best practices in the following compliance program areas: ethics and compliance is central to business strategy; ethics and compliance risks are identified, owned, managed, and mitigated; leaders at all levels across the organization build and sustain a culture of integrity; the organization encourages, protects, and values the reporting of concerns and suspected wrongdoing; the organization takes action and holds itself accountable when wrongdoing occurs.

Program maturity levels are broadly aligned with global benchmarks, with French companies showing particularly strong representation in the "Optimizing" category. Thirty percent of French respondents classify their programs at the highest maturity level, above the global average of 25%.

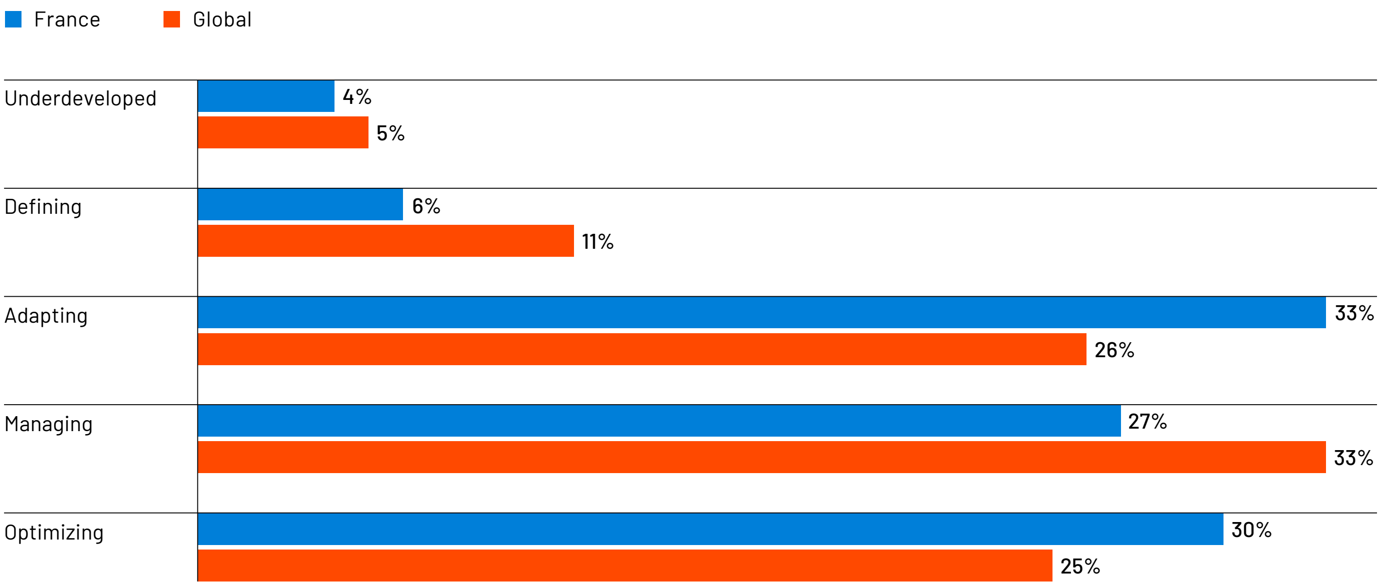
French organizations also demonstrate relatively mature governance structures in several operational areas:

- 83% involve compliance teams in AI-related decision-making
- 51% are publicly traded companies, reflecting higher governance and reporting expectations
- 38% report experiencing zero compliance issues, above the global average of 33%

This suggests that many French organizations have already invested significantly in formal compliance infrastructure, governance visibility and operational oversight.

Importantly, the HQP maturity model evaluates more than policies and controls alone. It also measures how effectively organizations embed ethics and compliance into leadership behavior, organizational culture, accountability and decision-making processes. This distinction is critical in the French market.

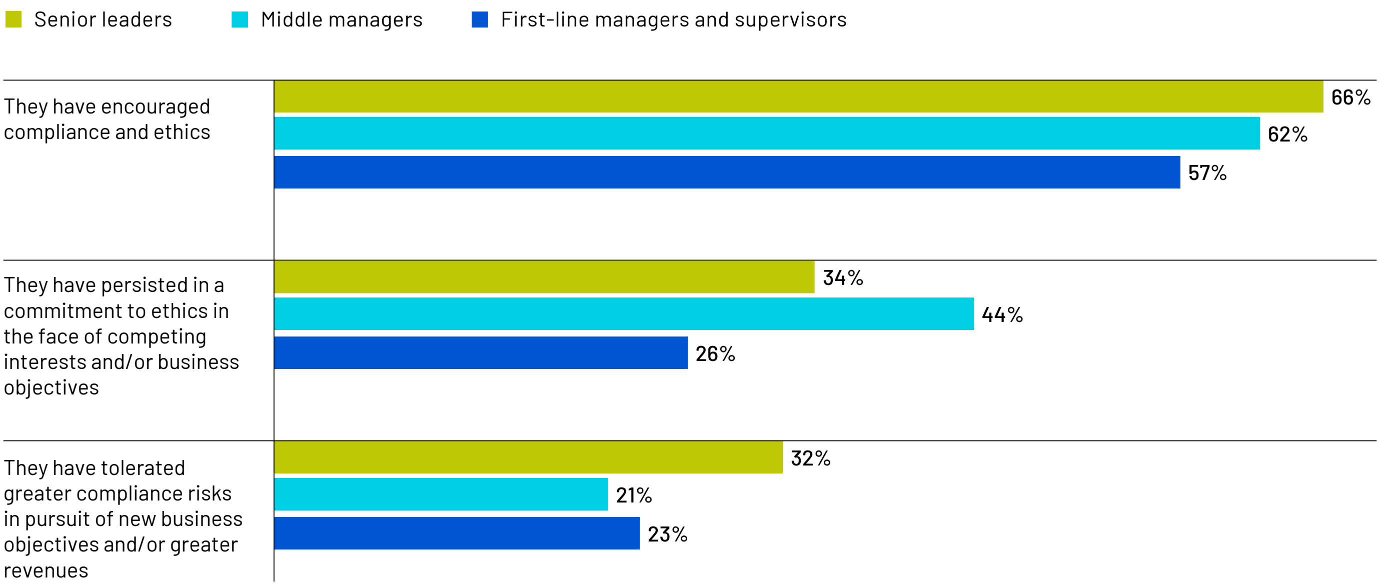
ETHICS AND COMPLIANCE PROGRAM MATURITY



Which of the following statements best describes your organization's Ethics and Compliance program?

While many organizations now appear structurally mature, the data suggests operational and cultural consistency remains far less uniform. Compared to global benchmarks, French organizations perform relatively well in establishing formal governance frameworks. However, significant gaps emerge when respondents evaluate how leaders behave under pressure, as seen in the chart below.

LEADERSHIP BEHAVIORS RELATED TO ETHICS AND COMPLIANCE



Which of the following statements are true about your organization's senior leaders/middle management/first-line managers and supervisors?

The leadership picture appears relatively positive with two-thirds of respondents saying their senior leaders encourage compliance and ethics, while 62% say the same of middle managers and 57% of first-line managers.

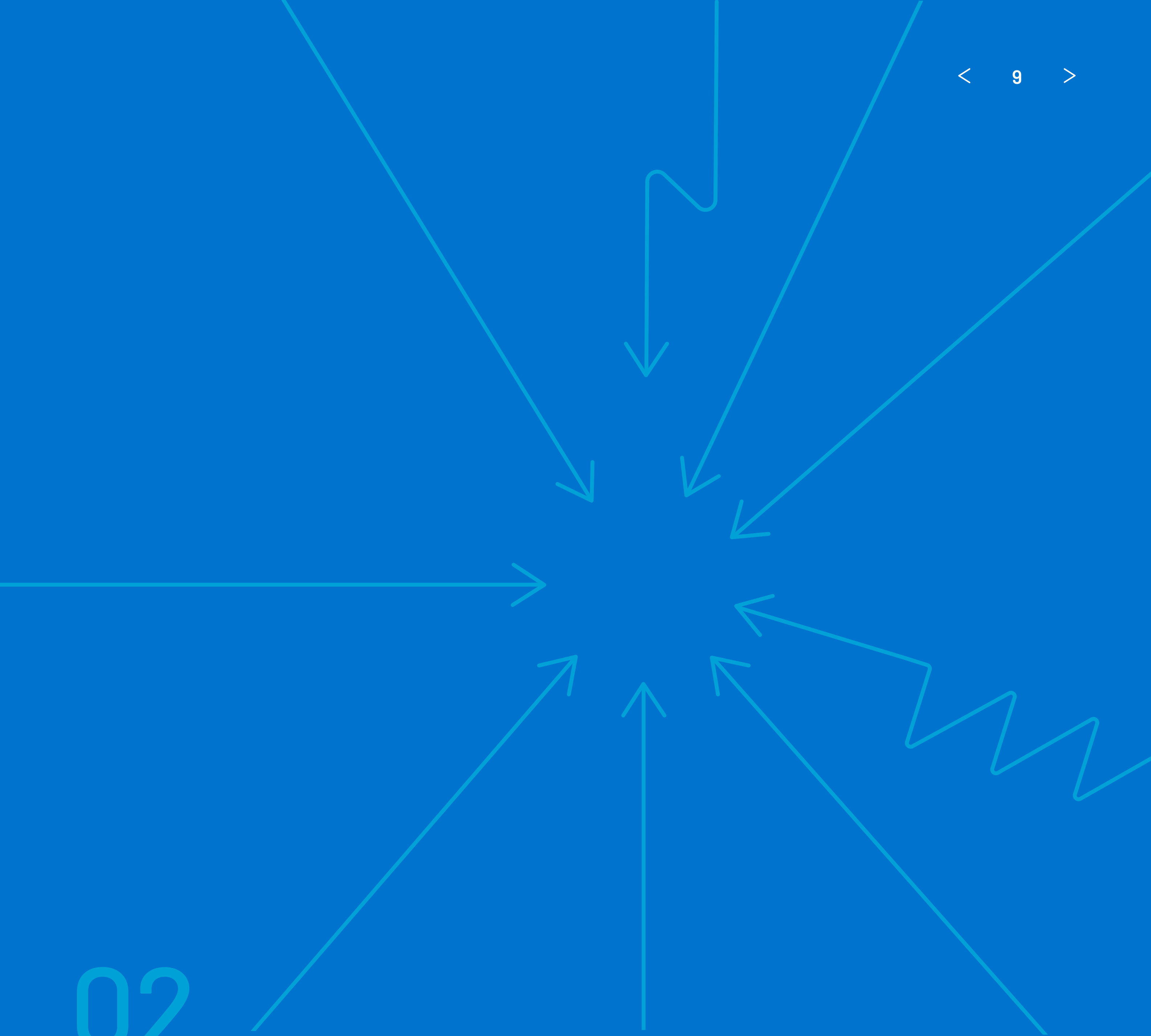
But encouragement is not the same as commitment under pressure. Only 34% report that senior leaders persist in their commitment to ethics when faced with competing business objectives. Among first-line managers, this falls further to 26%.

The findings suggest that the challenge in France is no longer simply whether organizations have compliance programs in place. While policies, training, and governance structures establish expectations, leaders determine whether those expectations hold when commercial priorities, operational pressure or revenue targets pull in the opposite direction.

The pressure is not just confined to the top of organizations. While 32% say senior leaders have tolerated greater compliance risks in pursuit of new business objectives or revenue, 23% say the same of first-line managers and supervisors. That points to a challenge across the management chain: ethical expectations may be communicated clearly, but they are not always reinforced consistently in day-to-day decision-making.

For French organizations, the differentiator is whether leaders at every level are equipped, incentivized and held accountable for sustaining ethical standards when business pressure arises.

> “While policies, training, and governance structures establish expectations, leaders determine whether those expectations hold when commercial priorities, operational pressure or revenue targets pull in the opposite direction. “



02

Companies with compliance issues behave differently

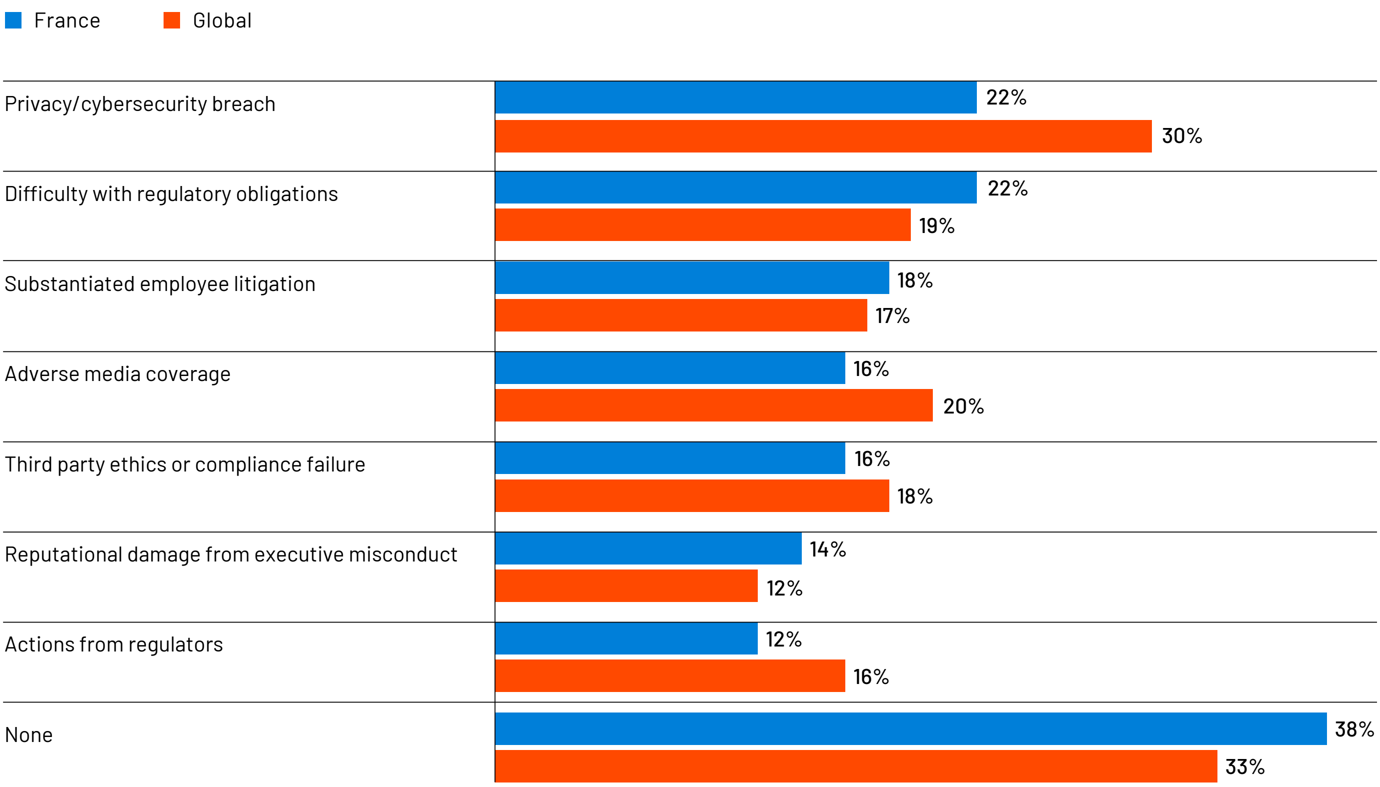
02 Companies with compliance issues behave differently

The difference between compliance outcomes is not simply whether programs exist, but whether compliance shapes decisions before issues escalate.

French organizations report fewer compliance issues than the global average across several areas, and are more likely to report no compliance issues in the past two years.

These results likely reflect stronger governance visibility, increased investment in compliance infrastructure and the lasting impact of regulatory frameworks such as GDPR and Sapin II. However, these strengths do not necessarily guarantee resilience under pressure – the data in the previous section consistently show that structural maturity alone is not enough.

COMPLIANCE ISSUES EXPERIENCED IN THE PAST TWO YEARS



Has your organization experienced any of the following compliance issues in the past two years?

One of the strongest themes across the French cohort is the growing divide between organizations that successfully manage compliance and those that struggle with repeated compliance issues.

The differences between these two groups are not primarily explained by company size, budget, industry or regulatory exposure. Instead, they are largely explained by leadership behavior and organizational culture. The contrast is particularly striking around leadership attitudes toward compliance itself.

Among organizations reporting zero compliance issues in the past two years:

- Only 12% say leadership tolerates greater compliance risk to pursue business objectives
- 43% believe executives see compliance as a "necessary evil"

Among organizations reporting two or more compliance issues in the last two years:

- 55% say leadership tolerates greater compliance risk
- 66% say executives view compliance as a "necessary evil"

This is a critical distinction: organizations with stronger compliance outcomes do not necessarily face less complexity. Rather, they appear more successful at integrating compliance into decision-making itself.

In these organizations, compliance tends to be embedded earlier in decision-making processes, escalation is more normalized, governance involvement is more proactive and leadership accountability is more visible.

"Organizations with stronger compliance outcomes do not necessarily face less complexity. Rather, they appear more successful at integrating compliance into decision-making itself."

Boards also behave differently in high-performing programs. Organizations with stronger compliance outcomes are significantly more likely to report active board-level strategic oversight:

- 46% among organizations with zero compliance issues
- Versus 19% among organizations with repeated issues

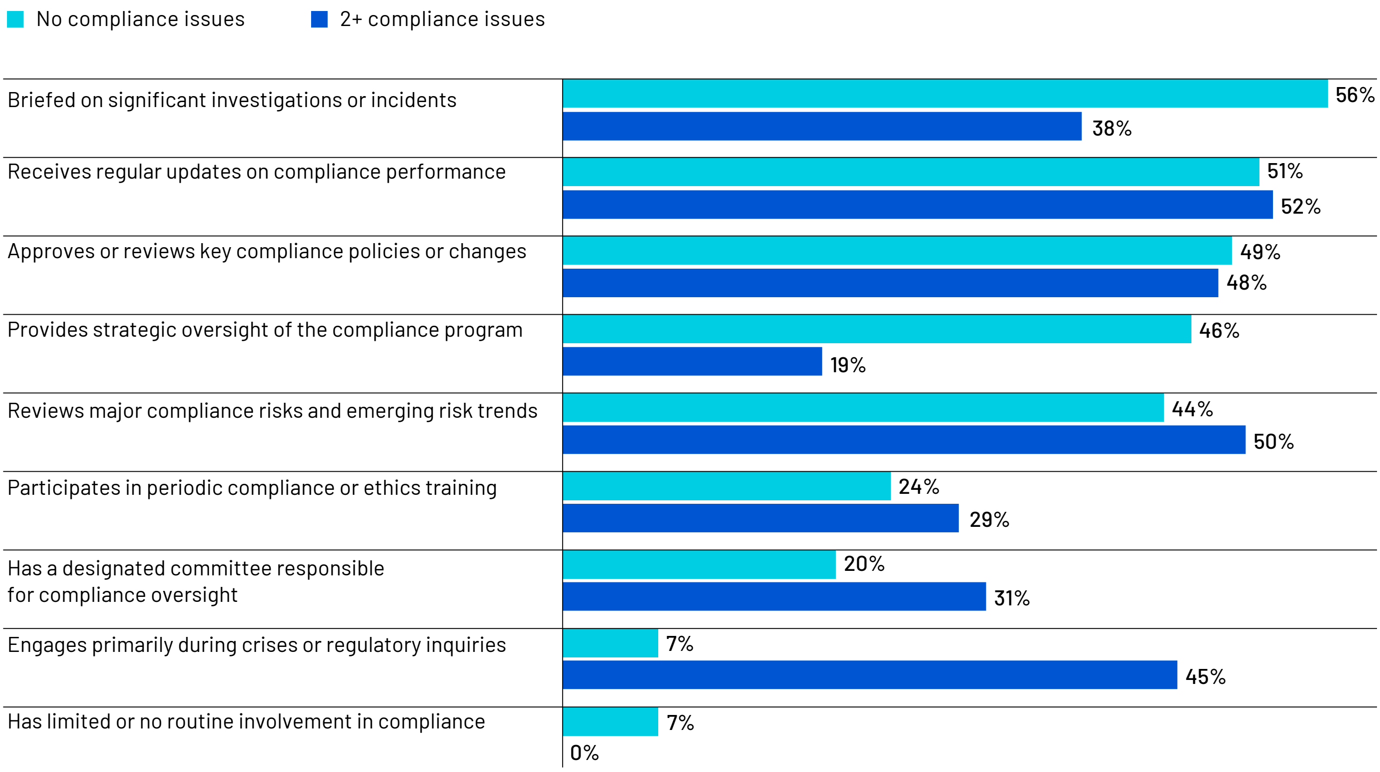
By contrast, companies experiencing repeated compliance problems are far more likely to involve boards reactively during crises or investigations:

- 45% involve boards mainly during crises
- Versus only 7% among organizations with zero issues

Ultimately, the findings suggest that compliance performance is deeply tied to organizational behavior and culture, not simply program existence. Therefore, the difference is cultural as much as structural: clearer leadership accountability, earlier escalation and more proactive board oversight support compliance in being a routine part of business decision-making.

> "Compliance performance is deeply tied to organizational behavior and culture, not simply program existence."

BOARD ENGAGEMENT PATTERNS ACROSS COMPLIANCE ISSUE LEVELS



How is your board of directors currently involved in your compliance program?

03

France's speak-up culture depends heavily on managers

03 France's speak-up culture depends heavily on managers

In France, speak-up culture depends heavily on the manager relationship, making trust, escalation confidence and anonymous channels critical to how concerns surface.

The French speak-up landscape reveals another important tension: France relies heavily on managers as the primary mechanism for employees to raise concerns. This creates both strengths and vulnerabilities.

On one hand, manager-led escalation can feel more personal and culturally aligned; on the other, it places enormous pressure on managerial capability and employee trust. This is reflected in the two biggest speak-up challenges identified by French respondents: fear of negative career consequences and managers not consistently knowing how to escalate concerns.

TOP TWO SPEAK-UP CHALLENGES IN FRANCE:

01

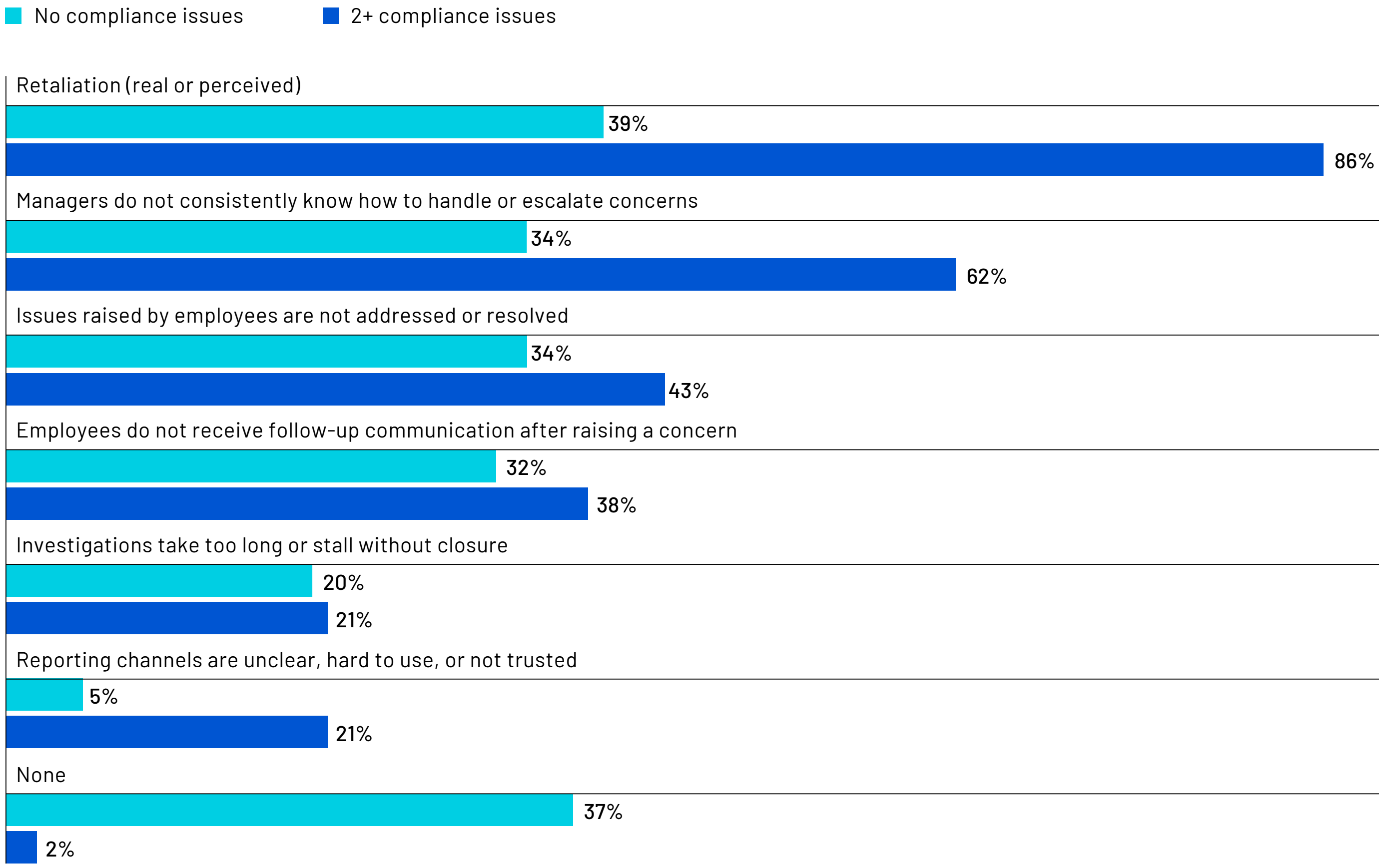
Fear of negative career consequences (47%)

02

Managers not consistently knowing how to escalate concerns appropriately (45%)

However, these concerns become significantly more pronounced when comparing organizations with no reported compliance issues to those that experienced two or more issues within the past two years. This suggests that organizations struggling most with compliance are also the ones facing the greatest barriers to effective speak-up cultures.

CHALLENGES AFFECTING SPEAK-UP CULTURE BY NUMBER OF COMPLIANCE ISSUES EXPERIENCED

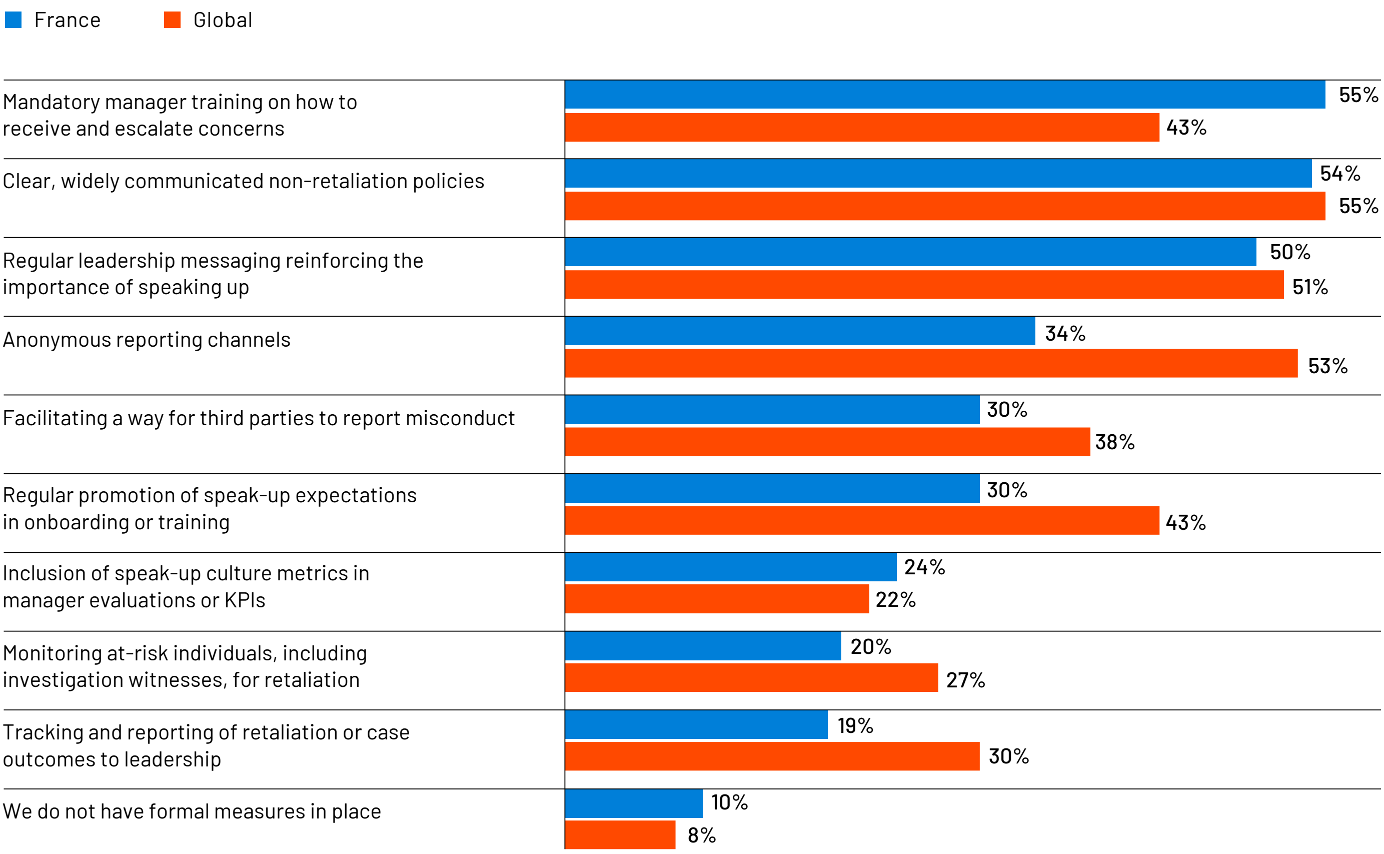


Which of the following challenges (if any) affect speak-up culture in your organization?

France performs relatively well on mandatory manager escalation training at 55% versus 43% globally. However, it falls behind global peers on a more foundational speak-up tool: anonymous reporting channels.

The relatively low adoption of anonymous channels may partly reflect broader cultural dynamics within French organizations, where concerns are often managed relationally rather than formally.

MEASURES ORGANIZATIONS HAVE IN PLACE TO PROMOTE A STRONG SPEAK-UP CULTURE



Which of the following measures (if any) does your organization have in place to promote a strong speak-up culture?

But it also increases organizational dependence on manager trust – and where trust is weak, reporting culture suffers. As seen in the 2026 NAVEX Whistleblowing & Incident Management Benchmark Report, global retaliation rates are substantiated at just 16%. With the fear of retaliation significantly outpacing its actual incidence, employees who want to report anonymously have fewer options, and this makes the quality of manager relationships even more consequential.

France also appears to rely heavily on training and managerial discretion to support speak-up culture. Fifty-five percent of organizations provide formal manager escalation training, above the global average of 43%. However, 24% include speak-up culture metrics in manager KPIs and just 18% tie leadership evaluations to ethics-related outcomes.

The opportunity for French organizations is to move from equipping managers to escalating concerns, to also measuring and reinforcing the behaviors that make speak-up culture work in practice.

Anonymous reporting is noticeably less embedded in France, where 34% of organizations provide anonymous reporting channels, compared with 53% globally. This lower uptake may point to something more fundamental than programme design, potentially reflecting how comfortable French employees feel using formal escalation routes.

Culturally, non-anonymous reporting is considered more credible and morally legitimate in France. Therefore, anonymous reporting is perceived as carrying less weight, with employees more likely to raise concerns directly, regardless of the level of trust in management rather than through anonymous methods.

"The opportunity is to move from equipping managers to escalating concerns, to also measuring and reinforcing the behaviors that make speak-up culture work in practice."

04

Regulatory pressure is intensifying operational strain

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French organizations are feeling the strain of regulatory change, especially where repeated compliance issues already exist.

French organizations identify regulatory change itself as their single biggest compliance challenge. Thirty-seven percent cite difficulty keeping up with new regulatory demands, higher than both global and broader EU averages.

Importantly, the issue is not simply regulatory volume.

Organizations increasingly report challenges linked to overlapping regulations, implementation complexity and translating evolving requirements into operational processes across the business.

These difficulties become significantly more pronounced among organizations reporting repeated compliance issues, particularly around regulatory interpretation, coordination and implementation consistency. For companies reporting two or more compliance issues over the past two years, EU regulatory complexity is translating into delayed guidance, internal confusion and additional reporting burdens. The implication is clear: the organizations least equipped to absorb this complexity are often those most exposed to it.

For organizations that have faced two or more compliance issues, the regulations proving hardest to implement are especially revealing:

- Anti-corruption and ethics regulations, including Sapin II (36%)
- Whistleblower protection regulations (36%)

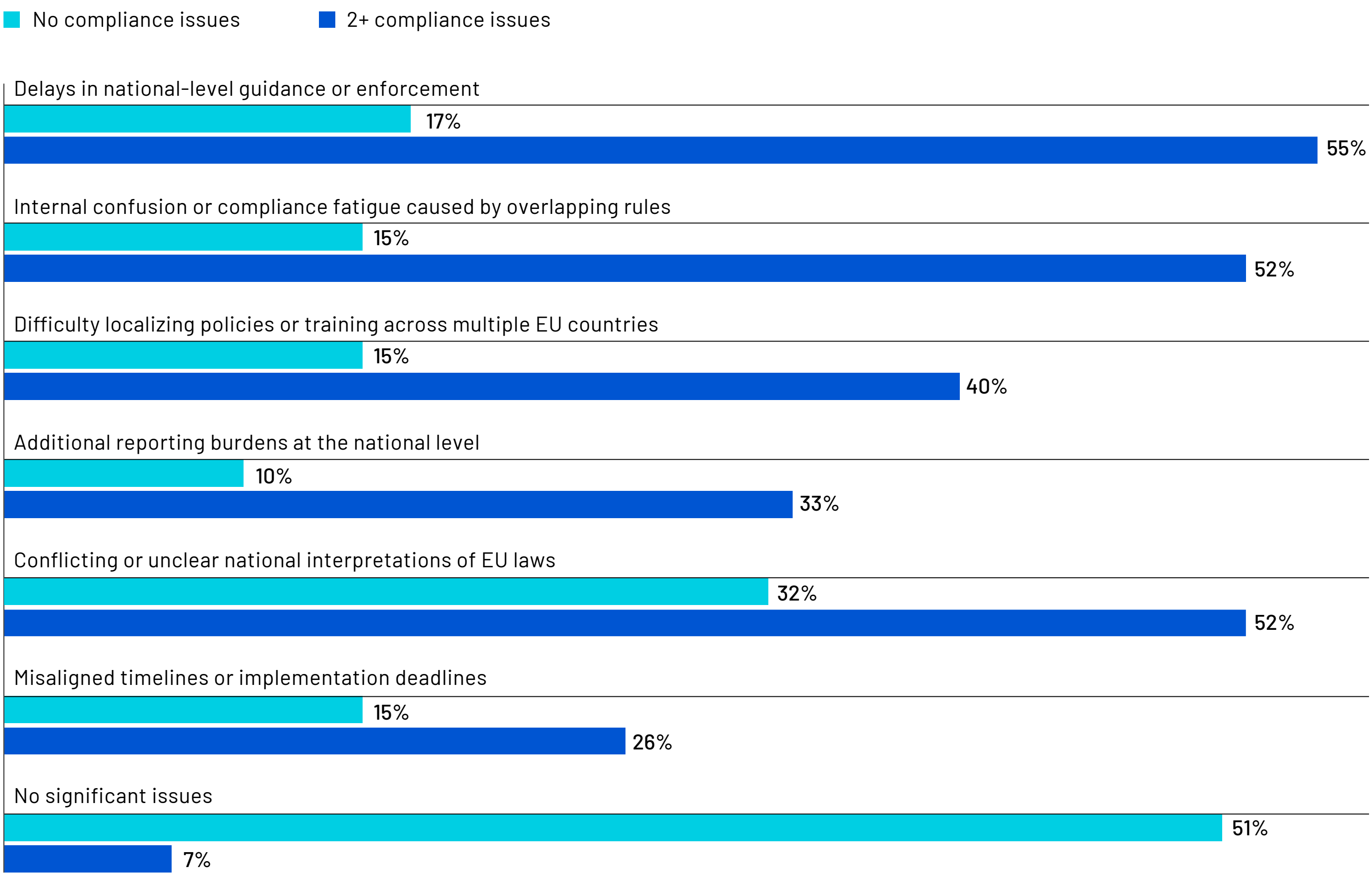
French organizations also report growing implementation complexity around newer regulatory areas such as AI governance and ESG-related obligations.

Not coincidentally, these are also the areas that are most dependent on:

- Leadership behavior
- Trust
- Speak-up culture
- Ethical consistency
- Cross-functional coordination

In other words, France's regulatory and cultural challenges are increasingly becoming the same issue viewed from different angles.

CHALLENGES OF OPERATING UNDER MULTIPLE EU FRAMEWORKS



In the past 12 months, has your organization experienced any challenges caused by differences between EU-wide regulations and how they are implemented or enforced at the country level?

Sapin II continues to heavily shape the French compliance landscape

The influence of Sapin II is clearest in anti-corruption controls and third-party due diligence, but is also reshaping how compliance operates internally: raising executive visibility, influencing training priorities and increasing attention on reporting systems and oversight.

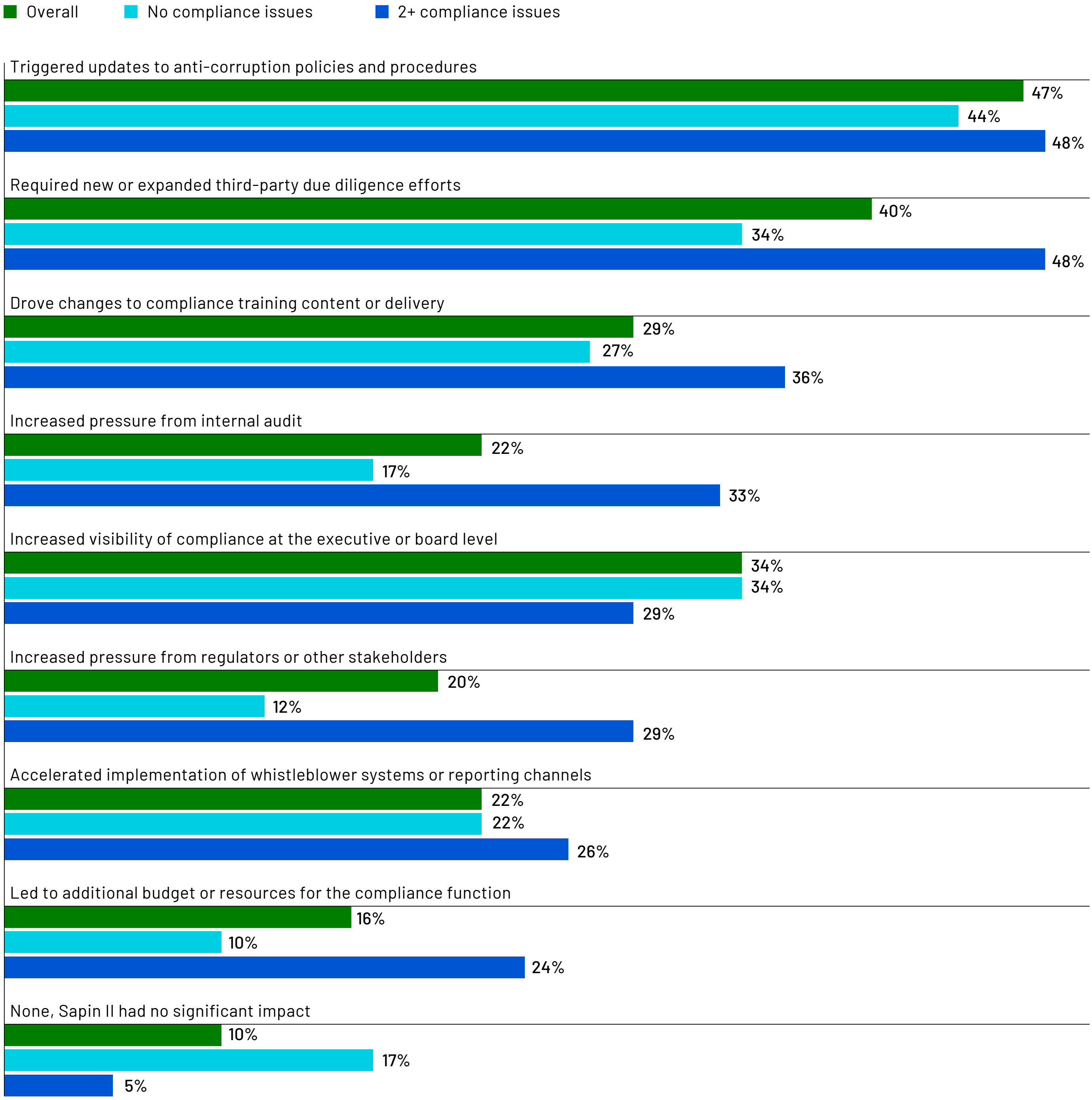
For organizations already experiencing compliance problems, Sapin II appears to be felt more intensely. These companies are more likely to face greater scrutiny from regulators, internal audit functions and external stakeholders. This suggests that scrutiny is intensifying where compliance weaknesses are already visible.

Ultimately, the core challenge with regulations is not implementing them once they are understood. It is staying current on what is changing, what it means in practice, and who in the organization needs to act on it.

For larger organizations, that is fundamentally a coordination problem: compliance teams need to centralize regulatory intelligence and translate it consistently across functions, so that legal, HR, finance, and operations are all working from the same picture. For smaller and mid-sized companies, the challenge is more foundational: building the basic infrastructure to monitor regulatory change at all, whether that is a dedicated internal resource, an external advisor relationship, or a systematic process for tracking updates from regulators and industry bodies.

What both have in common is that staying current cannot be a reactive exercise. By the time regulatory pressure is being felt acutely, the window for proactive adjustment has already closed. The organizations navigating France's regulatory environment most effectively are the ones that treat keeping up with regulations as an ongoing practice, not a periodic or reactive activity.

EFFECTS OF SAPIN II ON R&C PROGRAMS IN THE LAST 12 MONTHS IN FRANCE



In the past 12 months, how has Sapin II impacted your compliance team or program?

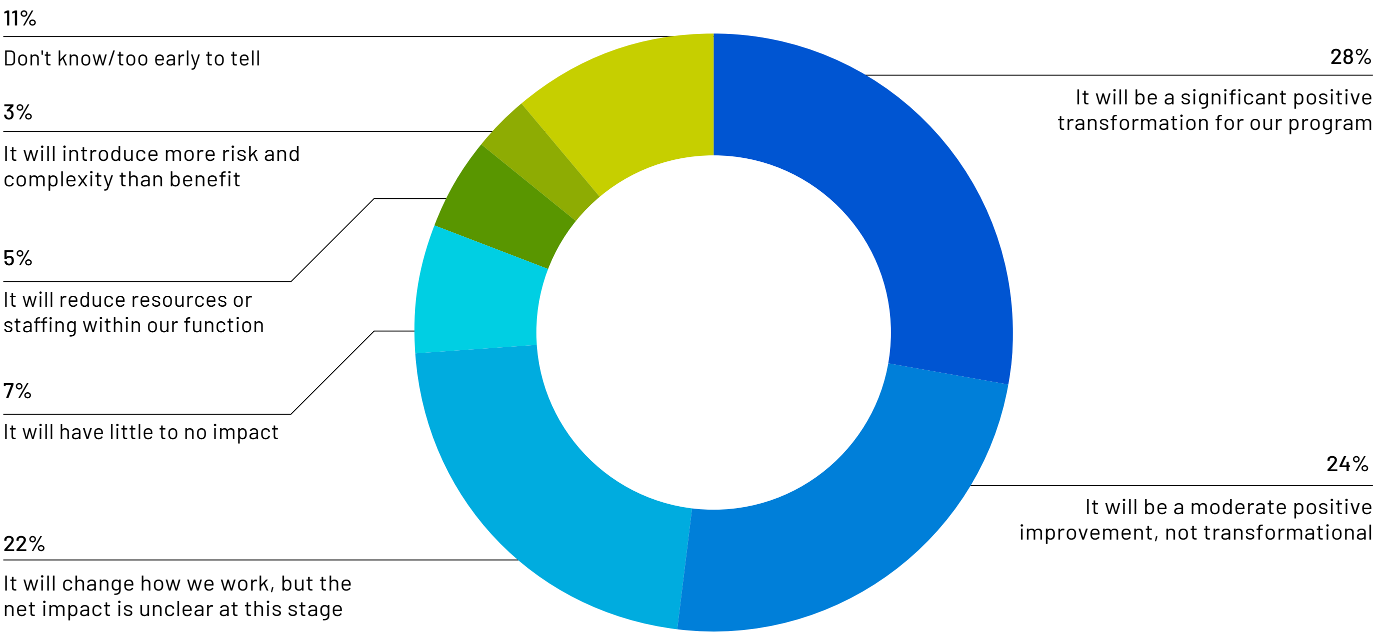
05
When compliance turns to AI before trust

05 When compliance turns to AI before trust

French companies broadly share the same optimism about AI in compliance as their global peers. But when you look past attitudes and into actual adoption patterns, a more specific story emerges.

Artificial Intelligence adoption is another area where the data reveals important nuance. Overall, French organizations appear broadly aligned with global sentiment around AI. Over half of respondents expect moderate positive improvement or significant positive transformation impact as a result of AI.

EXPECTED AI IMPACT ON R&C PROGRAMS OVER THE NEXT TWO TO THREE YEARS



How do you expect AI to change the way your Risk and Compliance function operates over the next 2-3 years?

AI adoption in compliance is not even across French organizations. The companies adopting AI most aggressively are often the same ones experiencing the greatest compliance difficulties.

Among organizations with two or more compliance issues, 45% are actively piloting or expanding AI use, compared with only 17% among organizations reporting zero compliance issues. This gap is especially pronounced in hotlines and speak-up systems, where organizations with two or more compliance issues are approximately three times more likely (31%) to be using AI in these areas than those reporting zero compliance issues (10%).

Organizations are also increasingly investing in AI for:

- Compliance training
- Third-party risk screening
- Policy management
- Reporting analytics

This creates a potentially sensitive dynamic. AI may improve efficiency and scalability, but trust-sensitive areas such as reporting systems still depend heavily on transparency, human oversight, confidentiality and employee confidence. Organizations introducing AI into speak-up systems without addressing underlying trust concerns risk compounding existing cultural weaknesses.

The good news: France leads global averages in AI adoption for compliance training which is an area that relies less on deep employee trust:

- 52% of French organizations currently use AI in training
- Versus 42% globally

Especially amidst a quickly changing regulatory landscape affecting AI governance, the broader challenge for French organizations will be ensuring AI strengthens compliance culture rather than replacing the human conditions that make compliance effective in the first place. That starts with ensuring transparency: employees who do not understand how AI is being used in a speak-up process are more likely to distrust it. Communicating clearly what the AI does and does not do, and who ultimately reviews and acts on a report is not a technical requirement; it is a cultural one that will ultimately conserve and strengthen employee trust across the organization.

"Trust-sensitive areas such as reporting systems still depend heavily on transparency, human oversight, confidentiality and employee confidence."

Final thoughts

Overall, the French compliance landscape remains relatively strong.

Organizations have invested significantly in governance frameworks, ethics programs, anti-corruption controls, compliance training, third-party oversight and broader compliance infrastructure.

But the market is now entering a different phase of maturity.

The next challenge is no longer simply building more controls. It is ensuring those controls consistently influence behaviors, decisions and operational practices across the business, ultimately strengthening the cultural dimensions of compliance programs.

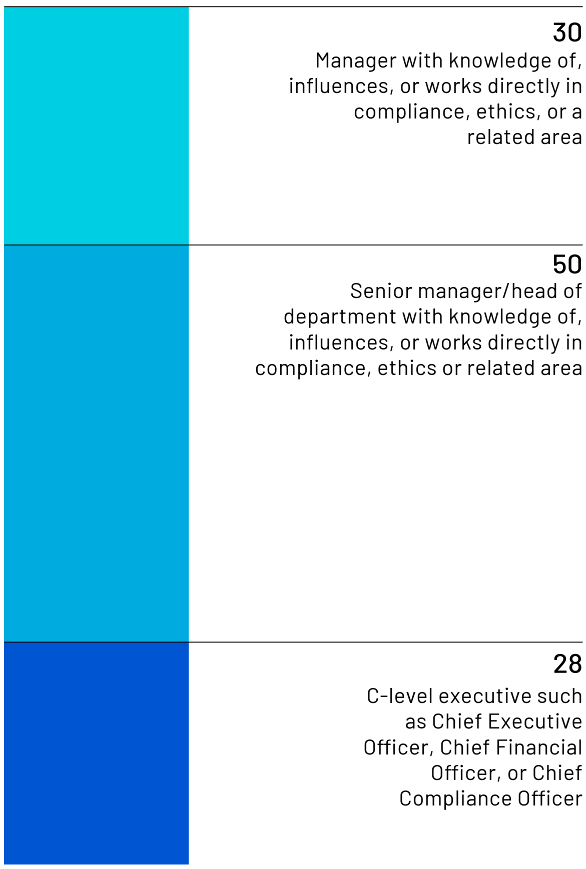
This means organizations must strengthen leadership consistency under pressure, improve managerial handling of employee concerns, reinforce employee trust in reporting systems and ensure compliance remains embedded operationally even during periods of commercial pressure or organizational change.

The organizations performing best are not necessarily the ones with the largest programs. They are the ones where leadership behavior visibly aligns with company policies, accountability is consistently reinforced, employee trust remains strong, and escalation processes become normal parts of decision-making rather than isolated compliance exercises. Over the next several years, that combination is what is likely to define compliance maturity in France.

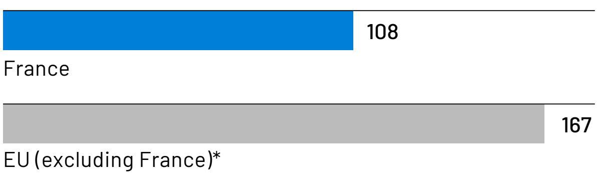
Survey methodology

NAVEX and alan. agency, a leading B2B marketing and branding agency, surveyed 1,179 executives at businesses across a range of industries globally, including healthcare and social assistance, manufacturing, scientific and technical services, retail trade, utilities and more. France-specific findings are derived from the 108 respondents based in France, representing a subset of the total survey participants. EU excluding France-specific findings are derived from the 167 respondents based across other EU countries. The fieldwork by iResearch Consulting Group took place between 5 January and 5 February 2026.

JOB ROLES

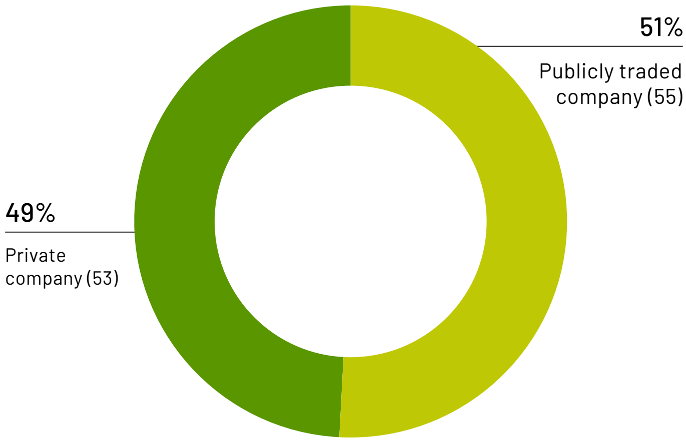


LOCATION



*This sample includes respondents from Austria (8), Belgium (1), Denmark (5), Finland (2), Germany (103), Greece (2), Italy (5), Netherlands (3), Poland (2), Portugal (4), Romania (1), Spain (24), Sweden (7).

OWNERSHIP



NUMBER OF COMPLIANCE OUTCOMES EXPERIENCED IN THE LAST TWO YEARS*

*This report treats one compliance issue as the midpoint (i.e., broadly average performance) which means zero issues represents better-than-average outcomes and two or more represents worse-than-average. This threshold also produces balanced group sizes to ensure a statistically stable comparison. The relevant compliance issues included: data privacy or cybersecurity breaches, difficulty meeting regulatory obligations, substantiated employee litigation, adverse media coverage on ethics or compliance, third-party ethics or compliance failures, reputational damage due to executive misconduct, or legal or regulatory action taken by a governing body.

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NAVEX is a governance, risk and compliance software provider that brings reporting, training, policy management, regulatory change and risk oversight together in one system. Shaped by more than 35 years of GRC expertise, the NAVEX One platform combines efficient, automated workflows with renowned benchmarking and industry-pioneering data intelligence to help teams identify patterns, manage regulatory obligations and strengthen risk oversight.

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