

## IFIAR 2025 Member Profile – APAB

<b>1. Jurisdiction</b>	<b>1.1 Insert the name of the jurisdiction in English:</b>  AUSTRIA
<b>2. Member<sup>1</sup></b>	<b>2.1 Insert the name of the Member, both in the local language and in English:</b>  Abschlussprüferaufsichtsbehörde (APAB) Austrian Audit Oversight Authority (APAB)
	<b>2.2 Include relevant contact information, including postal address, telephone number(s), a general email address (if any) and a link to the Member’s website:</b>  Brucknerstraße 8/6 1040 Vienna Austria Tel.: <a href="tel:+4315031218">+43 1 503 12 18</a> Email: <a href="mailto:behoerde@apab.gv.at">behoerde@apab.gv.at</a> Website: <a href="https://www.apab.gv.at">https://www.apab.gv.at</a>
	<b>2.3 Include the basis for establishment of the Member, as well as the legislation or regulations which provide the Member the authority/mandate with respect to audit regulation. Please describe with an appropriate level of detail the mission and responsibilities of the Member with respect to audit regulation:</b>  Regulation (EU) No 537/2014 Abschlussprüfer-Aufsichtsgesetz (APAG) <p>The APAB is an autonomous administrative authority, acting free from instructions, yet under legal supervision of the Austrian Minister of Finance.</p> <p>Its responsibilities with respect to audit regulation include (according to § 4 APAG):</p> <ul style="list-style-type: none"> <li>• Quality assurance reviews for non-PIE statutory auditors and audit firms</li> <li>• Inspections according to Art 26 of the Regulation (EU) No 537/2014 with PIE auditors and audit firms</li> <li>• Registration of statutory auditors and audit firms</li> <li>• Investigations of auditors, audit firms or PIEs</li> </ul>

<sup>1</sup> In the case where there are two or more regulators from the same jurisdiction that have been approved according to Section 2.3 of the IFIAR Charter, they together are considered as one Member. In that case, regulators are requested to include information for both organizations in the Member Profile.

	<ul style="list-style-type: none"> <li>• Imposition of sanctions in case of breaches of the Austrian Audit Oversight Act or Regulation (EU) No 537/2014</li> <li>• Approval of professional principles, standards for internal quality assurance and auditing standards</li> <li>• Control of the continuing education of statutory auditors</li> <li>• Supervision of market quality and competition in the audit market for PIEs according to Art 27 of the Regulation (EU) No 537/2014</li> </ul> <p><b>2.4 Please indicate whether the Member has responsibility for the following tasks within the area of Audit Oversight:</b></p> <p><input checked="" type="checkbox"/> <b>Licensing</b></p> <p><input checked="" type="checkbox"/> <b>Registration</b></p> <p><input checked="" type="checkbox"/> <b>Audit and/or Ethics Standard Setting</b></p> <p><input checked="" type="checkbox"/> <b>Permanent Education / Continuous Training of Auditors</b></p> <p><input checked="" type="checkbox"/> <b>Inspection</b></p> <p><input checked="" type="checkbox"/> <b>Enforcement</b></p> <p><input type="checkbox"/> <b>Other:</b> _____</p>
<p><b>3. Governing Body Composition and members</b></p>	<p><b>3.1 Describe with an appropriate level of detail the current composition of the Member’s governing body, including, where possible, the names, the organization they represent (if any) and brief backgrounds of the governing body members, or provide a link to a page on your website where this information is provided.</b></p> <p>The APAB governing body consists of the managing board and the supervisory board.</p> <ul style="list-style-type: none"> <li>• 2 managing board members, appointed by the Austrian Federal Government for a period of 5 years. Both board members are independent of any other audit profession.</li> <li>• 4 supervisory board members – the chairwoman and 2 further members appointed by the Minister of Finance, 1 member appointed by the Minister of Labour and Economy.</li> </ul> <p><u>APAB managing board members:</u></p> <ul style="list-style-type: none"> <li>· Peter Hofbauer, Speaker of the Board, CPA (Austria)</li> <li>· Michael Komarek, Member of the Board, CPA (Austria)</li> </ul> <p><u>APAB supervisory board members:</u></p> <ul style="list-style-type: none"> <li>· Dr. Nadine Wiedermann-Ondrej (Chairwoman)</li> <li>· Mag. Christine Sumper-Billinger (Vice-Chairwoman)</li> <li>· Prof. DI Mag. Friedrich Rödler, CPA (Austria)</li> <li>· Mag. Georg Konetzky</li> </ul> <p><b>3.2 What are the eligibility criteria / requirements and composition requirements for the members of the governing body? E.g. Does</b></p>

	<p><b>national legislation require representatives on the governing body from certain organizations, or with specific experience, etc.</b></p> <p>Members of the managing board must not be active or have been active during the past three years in the audit profession but have fundamental knowledge in a relevant field such as auditing, accounting or law. At least one of the members of the managing board must be a certified public accountant (§ 6/3 APAG).</p> <p>Members of the supervisory board must not be active or have been active during the past three years in the audit profession and must work or have worked in a relevant field such as accounting, finance or jurisprudence (§ 9/2 APAG).</p> <p><b>3.3 Is there a restriction or recusal process that is applicable to members of the governing body of the Member who are current or former auditors/practitioners?</b></p> <p><input checked="" type="checkbox"/> Yes                      <input type="checkbox"/> No</p> <p><b>Does this include a “cooling-off” period for former auditors?</b></p> <p><input checked="" type="checkbox"/> Yes                      <input type="checkbox"/> No</p> <p><b>If yes to either of the above, please describe:</b></p> <p>Members of the governing bodies must respect a cooling-off period of 3 years of any audit profession. The federal minister of finance must dismiss a member of the governing bodies if there is an important reason, in particular, if it subsequently occurs that a requirement for appointment was not given.</p>
<p><b>4. Independence safeguards</b></p>	<p><b>4.1 Please describe the national independence requirements for the governing body and its members, and legal or regulatory requirements/provisions in place that safeguard their independence from the audit profession.</b></p> <p>Members of the governing body (managing- and supervisory board) must not be active in the audit profession or have been active during the past three years in the audit profession.</p> <p>The federal minister of finance must dismiss a member of the governing bodies if there is an important reason, in particular, if it subsequently occurs that a requirement for appointment was not given.</p> <p><b>Are employees of the Member covered by the same or separate set of independence requirements?</b></p>

	<p><input type="checkbox"/> Same set of requirements    <input checked="" type="checkbox"/> Different set of requirements</p> <p><b>If there are separate independence requirements for employees, please describe:</b></p> <p>Employees of the APAB appointed as inspectors must meet the requirements of Article 26 par. 5 Regulation (EU) No 537/2014.</p> <p>Accordingly, a person appointed as an inspector must not be practising, employed or otherwise associated with a statutory auditor or an audit firm.</p> <p>A person must not act as an inspector in an inspection of a statutory auditor or an audit firm until at least three years have elapsed since that person ceased to be a partner or employee of that statutory auditor or of that audit firm or to be otherwise associated with that statutory auditor or audit firm.</p> <p>Inspectors must declare that there are no conflicts of interest between them and the statutory auditor or the audit firm to be inspected.</p> <hr/> <p><b>4.2 Are there any additional safeguards in place that provide for the Member's overall independence from the audit profession? E.g. through the appointment process, specific Board actions, etc.</b></p> <p><input checked="" type="checkbox"/> Yes                      <input type="checkbox"/> No</p> <p><b>If yes, please describe:</b></p> <p>Pursuant to § 7/4 APAG the APAB issued compliance regulations, which have been approved by the supervisory board of the governing body.</p> <p>Members of the managing board of the governing body and employees of the APAB must</p> <ul style="list-style-type: none"> <li>- disclose any relevant personal transactions or transactions of related parties with audit firms subject to § 1/4 or § 2 point 3 APAG,</li> <li>- any transactions with securities issued by audit firms subject to § 1/4 or § 2 point 4 APAG to the appointed Compliance-officer of the APAB within 14 days,</li> <li>- annually submit a statement of compliance to the Compliance-officer and must declare that there are no conflicts of interest between them and the supervised audit firms,</li> <li>- must not disclose any compliance-relevant information (applies to the term of employment as well as post-termination).</li> </ul>
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<b>5. Funding Arrangements</b>	<p><b>5.1 Describe the main funding arrangements of the Member, including the setting and approval of the budget:</b></p> <p>The managing board must determine the annual budget until August 31 of the current financial year, which must be approved by the supervisory board until October 31.</p> <p>Statutory auditors and audit firms contribute to the funding of the APAB based on the amount of PIE audits carried out during the past year and the amount of fees generated out of these PIE audits.</p> <p>In addition, the auditor’s national professional associations and the Republic of Austria contribute to the funding of the APAB with a fixed sum per annum defined in the APAG.</p>											
	<p><b>5.2 Is the funding free from undue influence by the profession?</b></p> <p><input checked="" type="checkbox"/> Yes                      <input type="checkbox"/> No</p> <p><b>Please describe with an appropriate level of detail the safeguards in place to prevent undue influence by the profession:</b></p> <p>The APAB is an independent authority working free from instructions of any kind (except legal supervision of the Minister of Finance). All activities carried out in the public interest are financed by public funds, only the system of external quality assurance controls is transparently funded by the profession.</p>											
<b>6. Audit Market</b>	<p><b>6.1 Provide the number of audit firms subject to inspections. Include an indication of the number of public interest audits (PIEs) and other audits that fall under the Member’s oversight or mandate.</b></p> <p>In 2024, 15 audit firms were subject to inspections with a total of 258 audits of public interest (PIE audits).</p>											
	<p><b>6.2 Please describe the sizes (in terms of revenue / number of listed entity clients / number of partners and audit staff / etc. – whichever measure is commonly used and available in your jurisdiction) and market shares of each of the largest audit firms in the Member’s jurisdiction.</b></p> <p>Based on the number of PIE audits carried out (2024):</p> <table data-bbox="550 1765 970 1912"> <tr> <td>1.</td> <td>KPMG</td> <td>32,56%</td> </tr> <tr> <td>2.</td> <td>Ernst &amp; Young</td> <td>18,99%</td> </tr> <tr> <td>3.</td> <td>PwC</td> <td>13,18%</td> </tr> <tr> <td>4.</td> <td>Deloitte</td> <td>15,12%</td> </tr> </table>	1.	KPMG	32,56%	2.	Ernst & Young	18,99%	3.	PwC	13,18%	4.	Deloitte
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<b>7. Inspection System</b>	<p><b>7.1 Does the Member have the responsibility for recurring inspections of audit firms undertaking audits of public interest entities (PIEs)?</b></p> <p><input checked="" type="checkbox"/> Yes                      <input type="checkbox"/> No</p>
	<p><b>7.2 Is this responsibility undertaken directly or through oversight of inspection conducted by another organization?</b></p> <p><input checked="" type="checkbox"/> Directly                      <input type="checkbox"/> Through Oversight</p> <p><b>If directly, please describe the responsibility, including the follow-up and reporting process, and the regulatory measures available to be taken as a result of inspections (if described in Question 12 Enforcement, please reference that section for details on such measures).</b></p> <p><b>If through oversight of another organization, please describe with an appropriate level of detail the other organization, its relation to the Member, its role, and the arrangements for oversight by the Member:</b></p> <p>The APAB consists of the governing body, the head of administration and two working groups:</p> <p>Group A is the department for "Inspections and Investigations" with inspectors employed on a full-time basis. They must have an appropriate professional education and relevant experience in statutory audit and financial reporting combined with specific training on quality assurance reviews.</p> <p>Group B ("Legal Affairs, International Affairs and Quality Assurance") consists of legal counsels in charge for enforcement and execution of peer-to-peer quality reviews at non-PIE audit firms.</p> <p>The APAB must inform the auditor/audit firm at least one week prior to the inspection. At the end of every inspection the inspector must prepare a report which shall contain the main conclusion and recommendations of the quality assurance review. The findings and conclusions on which recommendations are based shall be communicated to and discussed with the inspected auditor/audit firm before finalising the report.</p>
	<p><b>7.3 Please describe with an appropriate level of detail the requirements and practices regarding the frequency of inspections:</b></p> <p>Depending on the characteristics of the PIE clients of an auditor or audit firm, inspections will be carried out (minimum) every 3 or 6 years. The APAB may vary the frequency of inspections at any point in time based on a risk analysis.</p>

	<p><b>7.4 Does the Member have its own inspection staff, use reviewers from the professional body or sub-contract to third parties, independent contractors, etc. for the conduct of inspections? Please tick the boxes that apply: (multiple responses allowed) Note that there is no need to tick a box if non-employee reviewers are used very occasionally and are not a core staffing approach.</b></p> <p> <input checked="" type="checkbox"/> <b>Employees of the Member</b> <span style="margin-left: 200px;"><input type="checkbox"/> <b>Professional body</b></span> </p> <p> <input type="checkbox"/> <b>Third Parties</b> <span style="margin-left: 200px;"><input checked="" type="checkbox"/> <b>Other</b></span> </p> <p><b>Please explain below:</b></p> <p>Solely employees of the APAB appointed as inspectors carry out inspections of audit firms undertaking audits of PIEs, with the exception of one mandated audit-expert.</p> <p>Inspections of audit firms undertaking audits of non-PIEs are conducted through peer-to-peer review by quality assurance reviewers certificated and appointed by the APAB. Reviewers must have appropriate professional education and relevant experience in statutory audit and financial reporting combined with specific training on quality assurance reviews (§ 26 APAG).</p> <p>The selection of a reviewer must be in accordance with an objective procedure designed to ensure that there is no conflict of interest between the reviewers and the statutory auditor or audit firm under review (§§ 29 et seqq. APAG).</p> <p>The quality assurance review is the subject of a report, which must contain the main conclusions of the review.</p> <p>The final decision-making as to granting or withholding approval remains the responsibility of the APAB.</p>
<p><b>8. Licensing</b></p>	<p><b>8.1 If the Member has the responsibility for <u>Licensing</u>, please indicate whether this responsibility is undertaken directly or through oversight of Licensing conducted by another organization?</b></p> <p> <input checked="" type="checkbox"/> <b>Directly</b> <span style="margin-left: 150px;"><input type="checkbox"/> <b>Through Oversight</b></span> </p> <p><b>If directly, please describe the responsibility, including any changes, with an appropriate level of detail.</b></p> <p><b>If through oversight, please indicate the name of the other organization and its composition. Also, give a description of the powers of the other organization and procedure applied, as well as the role of the Member in these procedures.</b></p>

	<p>The licensing of statutory auditors and audit firms is conducted in a two-step procedure:</p> <ol style="list-style-type: none"> <li>1. The Austrian Chamber of Public Accountants and Tax Advisors (KSW) is responsible for the approval to practice as public accountant (CPA).</li> <li>2. Additional prerequisite for practicing as a statutory auditor or audit firm is the approval of the APAB.</li> </ol>
<b>9. Registration</b>	<p><b>9.1 If the Member has the responsibility for <u>Registration</u>, please indicate whether this responsibility is undertaken directly or through oversight of Registration conducted by another organization?</b></p> <p><input checked="" type="checkbox"/> <b>Directly</b>                      <input type="checkbox"/> <b>Through Oversight</b></p> <p><b>If directly, please describe the responsibility, including any changes, with an appropriate level of detail.</b></p> <p><b>If through oversight, please indicate the name of the other organization and its composition (i.e. whether practitioners from the audit profession are involved in decision-making). Also, give a description of the powers of the other organization and procedure applied, as well as the role of the Member in these procedures.</b></p> <p>The APAB maintains the public register of statutory auditors and audit firms. The digital register is accessible online (<a href="http://www.apab.gv.at/register">http://www.apab.gv.at/register</a>).</p> <p>Statutory auditors and audit firms must provide all necessary information and documents to the APAB to be listed in the register (§§ 52 et seq. APAG).</p>
<b>10. Audits and/or Ethics Standard Setting</b>	<p><b>10.1 If the Member has the responsibility for <u>Audit and/or Ethics Standard Setting</u>, please indicate whether this responsibility is undertaken directly or through oversight of Audit and/or Ethics Standard Setting conducted by another organization?</b></p> <p><input type="checkbox"/> <b>Directly</b>                      <input checked="" type="checkbox"/> <b>Through Oversight</b></p> <p><b>If directly, please describe the responsibility, including any changes, with an appropriate level of detail.</b></p> <p><b>If through oversight, please indicate the name of the other organization and its composition (i.e. whether practitioners from the audit profession are involved in decision-making). Also, give a description of the powers of the other organization and procedures applied, as well as the role of the Member in these procedures.</b></p>



	<p>Audit/Ethics Standard Setting is carried out by the auditor’s professional associations; however, the APAB needs to agree to the professional standards (§ 57 APAG).</p>
<p><b>11. Permanent Education / Continuous Training of Auditors</b></p>	<p><b>11.1 If the Member has the responsibility for <u>Permanent Education / Continuous Training of Auditors</u>, please indicate whether this responsibility is undertaken directly or through oversight of Permanent Education / Continuous Training of Auditors conducted by another organization?</b></p> <p><input type="checkbox"/> Directly                      <input checked="" type="checkbox"/> Through Oversight</p> <p><b>If directly, please describe the responsibility, including any changes, with an appropriate level of detail.</b></p> <p><b>If through oversight, please indicate the name of the other organization and its composition (i.e. whether practitioners from the audit profession are involved in decision-making). Also, give a description of the powers of the other organization and procedures applied, as well as the role of the Member in these procedures.</b></p> <p>The Permanent Education of Auditors is carried out by the auditor’s professional associations. Statutory auditors must provide the necessary proofs of their permanent education to the APAB (§ 56 APAG).</p> <p>In 2017, the APAB published a guideline concerning the scope of the continuing education of statutory auditors, this was reissued in 2024 as an ordinance.</p>
<p><b>12. Enforcement</b></p>	<p><b>12.1 If the Member has the responsibility for <u>Enforcement</u>, please indicate whether this responsibility is undertaken directly or through referral to other organization(s)?</b></p> <p><input checked="" type="checkbox"/> Directly                      <input type="checkbox"/> Through Referral</p> <p><b>If directly, please describe the responsibility and procedures applied (including investigations, disciplinary actions or sanctions), as well as the reporting process for disciplinary action.</b></p> <p><b>If through referral, please indicate the name of the other organization and its composition (i.e. whether practitioners from the audit profession are involved in decision-making). Also, give a description of the enforcement powers of the other organization and procedures applied, as well as the role of the Member in these procedures.</b></p> <p>The APAB is the administrative penal authority and therefore entitled to carry out investigations and impose sanctions in case of the breach of the APAG or the Regulation (EU) No 537/2014.</p> <p>Sanctioning powers include (§ 62 APAG):</p>

	<ul style="list-style-type: none"> <li>• A notice requiring the auditor or audit firm responsible for the breach to cease the conduct and to abstain from any repetition of that conduct</li> <li>• A public statement, published on the APAB's website, that indicates the nature of the breach</li> <li>• A temporary prohibition, of up to three years' duration, banning the statutory auditor, the audit firm or the key audit partner from carrying out statutory audits and/or signing audit reports</li> <li>• A declaration that the audit report does not meet the legal requirements</li> <li>• A temporary prohibition, of up to three years' duration, banning a member of an audit firm or a member of an administrative or management body of a PIE from exercising functions in audit firms or PIEs</li> <li>• The imposition of administrative pecuniary sanctions between EUR 400 and EUR 350.000</li> </ul> <p>The Austrian Federal Administrative Court decides on appeals against decisions of the APAB.</p>
<b>13. Other Responsibilities in Audit Oversight or Audit Regulation</b>	<p><b>13.1 If the Member has the responsibility for <u>other tasks within the area of Audit Oversight or Audit Regulation</u>, please describe with an appropriate level of detail:</b></p> <p>The APAB is monitoring the quality and competition in the national market for audit services for PIEs according to Art 27 of the Regulation Nr. 537/2014</p>
<b>14. Main Other Responsibilities of the Member <u>outside</u> the area of Audit Oversight or Audit Regulation</b>	<p><b>14.1 Please describe with an appropriate level of detail, the responsibility of the Member for <u>tasks outside the area of audit oversight or audit regulation</u> such as supervision of financial reporting or securities regulation:</b></p> <p style="text-align: center;">N/A</p>
<b>15. Member Update for public information (if any)</b>	<p><b>15.1 Are there any major news, activities, events or updates (on audit matters, the Member's organization, the governing legislation or the authority/responsibilities) that you wish to keep the public informed of since completing last year's Member Profile?</b></p> <p><input type="checkbox"/> Yes                      <input checked="" type="checkbox"/> No</p> <p><b>If yes, please describe these changes with an appropriate level of detail:</b></p>