

## IFIAR 2024 Member Profile – POA/CMB

<b>1. Jurisdiction</b>	<b>1.1 Insert the name of the jurisdiction in English:</b>  Türkiye
<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>  Kamu Gözetimi, Muhasebe ve Denetim Standartları Kurumu (KGK)  Public Oversight, Accounting and Auditing Standards Authority (POA)  Sermaye Piyasası Kurulu (SPK)  Capital Markets Board of Türkiye (CMB)  <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>  <b>(POA)</b>  Söğütözü Mah. 2177. Sok. No:4 Çankaya 06510 Ankara Türkiye <u>Tel.:</u> +90 (312) 253 55 55 <u>Website:</u> <a href="http://www.kgk.gov.tr">www.kgk.gov.tr</a>  <b>(CMB)</b>  Sermaye Piyasası Kurulu Mustafa Kemal Mahallesi, Dumlupınar Bulvarı (Eskişehir Yolu) No:156 06530 Çankaya/Ankara Türkiye <u>Tel.:</u> +90 (312) 292 90 90 (Main Office)   +90 (212) 334 55 00 (Istanbul Office) <u>Website:</u> <a href="http://www.spk.gov.tr">www.spk.gov.tr</a> , <a href="http://www.cmb.gov.tr">www.cmb.gov.tr</a>

<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.

**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:**

**(POA)**

In order to ensure more effective auditing and public oversight system, “Public Oversight, Accounting and Auditing Standards Authority” has been established in accordance with “Public Oversight, Accounting and Auditing Standards Authority’s Organization and Responsibilities Decree Law” numbered 660, issued on November 2, 2011.

The POA is responsible for achieving an effective public oversight in Türkiye. The POA is also responsible for setting standards that ensure the preparation and auditing of financial statements in compliance with international standards. In order to establish a high quality and reliable financial reporting and auditing environment, the POA has four main functions which are:

- setting accounting standards
- setting auditing standards
- approving and registering auditors and audit firms
- overseeing and inspecting the auditors and the audit firms and applying legal enforcement to them

Other responsibilities of the Authority are listed below:

- determining the working principles and qualifications of independent auditors and audit firms,
- licensing independent auditors and audit firms under public oversight system and monitor their activities within the frame of quality assurance, and to register and declare them in the Authority’s website,
- monitoring and supervising the operations and auditing activities of independent auditors and audit firms in order to ensure they are in compliance with the standards and regulations,
- cooperating with other countries’ relevant bodies on the issues related to the Authority’s responsibilities,
- registering and publicly announcing foreign audit firms and auditors that are authorized to perform independent audit on the basis of reciprocity in Türkiye,
- following international developments and practices that are related to its responsibilities, and collaborating with international organizations that work in the field of accounting and auditing.

**(CMB)**

The Capital Markets Board of Türkiye was established in 1981 as an independent governmental body to regulate capital markets of Türkiye and has the responsibility of regulating the auditing profession in capital markets in addition to other regulatory issues in capital markets.

The New Capital Market Law No. 6362 was published in the Official Gazette number 28513 on December 30, 2012. According to this New Capital Markets Law, the Board's responsibility in the regulation of the auditing profession in capital markets includes authorizing auditing firms and performing oversight and quality control reviews of auditing firms operating in capital markets.

**The legislation which provides the CMB with the authority/mandate with respect to audit regulation is the Capital Market Law No. 6362. The relevant article is as follows:**

ARTICLE 62 – (1) Additional conditions to be requested from independent audit firms authorized by the Public Oversight Accounting and Auditing Standards Authority (POA), that would carry out independent audit activities in accordance with this Law, shall be determined by the Board and the list of independent audit firms meeting these conditions shall be disclosed to the public.

As a result of quality control inspections conducted by the Board on independent audit activities performed under the scope of this Law by independent audit firms taking place on the list, the Board is authorized to delist those that are determined to act in violation of standards and legislation.

The Board shall notify the Public Oversight, Accounting and Audit Standards Authority (POA) of the results of quality control studies and inspections it has conducted.

**2.4 Please indicate whether the Member has responsibility for the following tasks within the area of Audit Oversight:**

**(POA)**

- Licensing**
- Registration**
- Audit and/or Ethics Standard Setting**
- Permanent Education / Continuous Training of Auditors**
- Inspection**
- Enforcement**
- Other:**

	<p>(CMB)</p> <p><input type="checkbox"/> Licensing  <input checked="" type="checkbox"/> Registration  <input type="checkbox"/> Audit and/or Ethics Standard Setting  <input type="checkbox"/> Permanent Education / Continuous Training of Auditors  <input checked="" type="checkbox"/> Inspection  <input checked="" type="checkbox"/> Enforcement  <input type="checkbox"/> Other: _____</p>
<p>3. Governing Body Composition and members</p>	<p>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.</p> <p>(POA)</p> <p><b><u>Public Oversight, Accounting and Auditing Standards Board of Türkiye</u></b></p> <p><b>Chairman</b> <a href="#">Hasan ÖZÇELİK</a>  <b>Acting Chairman and Board Member</b> <a href="#">Hayrettin KURT</a></p> <p>Board Member <a href="#">Muhiddin GÜLAL</a>  Board Member <a href="#">Ahmet PELİT</a>  Board Member <a href="#">Ünal ERYILMAZ</a>  Board Member <a href="#">Mehmet KARAMAN</a>  Board Member <a href="#">Seyit Ahmet IŞKIN</a>  Board Member <a href="#">İhsan Özgür ÇETİN</a>  Board Member <a href="#">Didem Yeter GÜLER</a></p> <p>Vice Chairman:  <a href="#">Murat YÜNLÜ</a>  <a href="#">Mustafa SÖZEN</a></p> <p>The Management Board of the Authority is composed of nine members and appointed by the President. All of the board members independent from the audit profession.</p> <p><b><u>Capital Markets Board of Turkey (CMB)</u></b></p> <p><b>Chairman</b> <a href="#">İbrahim Ömer GÖNÜL</a>  <b>Vice Chairman</b> <a href="#">Yavuz KOÇ</a>  Board Member <a href="#">Enver USCA</a>  Board Member <a href="#">Mutlu AKIN</a>  Board Member <a href="#">Yusuf KAYA</a>  Board Member <a href="#">Bülent Murat HAHOLU</a></p>

	<p>Board Member <a href="#">Yusuf SÜN BÜL</a></p> <p>Executive Vice Chairman(s):  <a href="#">Ender KURTULAN</a>  <a href="#">Uğur YAYLAÖNÜ</a>  <a href="#">Ali ERDURMUŞ</a>  <a href="#">Ali İhsan GÜNGÖR</a></p> <p>According to the CML, the Board shall be composed of seven members who are appointed by the President. All the Board members should be university graduates and have five years' work experience.</p> <p>Currently all of the board members of the CMB are independent from the audit profession.</p> <hr/> <p><b>3.2 What are the eligibility criteria / requirements and composition requirements for the members of the governing body? E.g. Does national legislation require representatives on the governing body from certain organizations, or with specific experience, etc.</b></p> <p><b>(POA)</b></p> <p>According to the Public Oversight, Accounting and Auditing Standards Authority's Organization and Responsibilities Decree Law, The Board shall be composed of nine members. All Board members must be graduates of higher education and in the last three years; should not have been active in the field of independent auditing. In this context, Board members has not been a member of the board of directors in an independent audit firm or should not have been involved in the organization. In addition, it is obligatory that the members of the board do not have a partnership relationship with independent audit firm.</p> <hr/> <p><b>(CMB)</b></p> <p>According to CML, The Board shall be composed of seven members who shall be appointed by the President. All Board members should be university graduates and have five-year work experience Unless permitted by a special law, neither any member of the Board nor the Board Chairman may accept employment in another public or private entity, be involved in commercial business, perform his/her profession independently, or assume a role in any examination or similar tasks or acquire an interest in any undertaking. There is cooling-off period of 2 years for the Board Members and the Chair. There is also a cooling period of 2 years for the CMB employees for the institutions in which they previously engaged in inspections within the last two years.</p>
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	<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><b>(POA)</b></p> <p>Individuals to be appointed as a member must have not engaged in a statutory audit activity, not acted as a directorate board member in a statutory audit firm or have not been employed by a statutory audit firm or have not entered in a partnership relation with a statutory audit firm directly or indirectly in the last 3 years.</p> <hr/> <p><b>(CMB)</b></p> <p>There is no restriction, recusal process and cooling off period for former auditors. However, there is a cooling-off period of 2 years for CMB employees from the institutions in which they previously engaged in inspections within the last two years.</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><b>(POA)</b></p> <p>All board members in the last three years; should not have been active in the field of independent auditing. In this context, Board members has not been a member of the board of directors in an independent audit firm or should not have been involved in the organization. In addition, it is obligatory that the members of the board do not have a partnership relationship with independent audit firm.</p> <p><b>(CMB)</b></p> <p>The Chairman and members of the Board may not hold office in investment firms within two years following their retirement from office. After retiring from office, the Board professional staff may not hold office</p>

	<p>for two years in publicly held corporations and capital market institutions they have examined or inspected within the last two years</p> <p><b>Are employees of the Member covered by the same or separate set of independence requirements?</b></p> <p><input checked="" type="checkbox"/> Same set of requirements    <input type="checkbox"/> Different set of requirements</p> <p><b>If there are separate independence requirements for employees, please describe:</b></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><b>(POA)</b></p> <p>Board members has not been a member of the board of directors in an independent audit firm or should not have been involved in the organization. In addition, it is obligatory that the members of the board do not have an independent partnership relationship with independent audit firm.</p>
<p><b>5. Funding Arrangements</b></p>	<p><b>5.1 Describe the main funding arrangements of the Member, including the setting and approval of the budget:</b></p> <p><b>(POA)</b></p> <p>Funding of the POA is independent from the accounting profession. Income of the Authority is composed of Treasury grants, copyrights of the accounting and auditing standards and other incomes.</p> <p>Annual activity report, financial statements and the budget of the Authority are submitted to the Turkish Grand National Assembly.</p> <p>It is essential that incomes cover expenses of the Authority. Budget of the Authority is prepared and agreed in accordance with the procedures and principles established in the Public Finance Management and Control Law Date 10/12/2003 and No. 5018. However, some treasury grants may be given to the Authority from the general budget.</p> <hr/> <p><b>(CMB)</b></p>

	<p>According to CML, in principle, the revenues of the Board shall meet its expenditures. Thus CMB can be considered to be self-financing institution. In case when the revenues of the Board do not meet its expenditures, the deficit shall be met from Treasury grants to be made from the general budget. However, this has never occurred since the establishment of CMB.</p> <p>According to the CML, 0.3% of the volume of the securities registered with the CMB and at the last working day of three-month periods, five per hundred thousand of the net asset values of investment funds and investment companies with variable capital shall be deposited as a fee to the Board account and similarly these are the main financial source of the budget of the CMB.</p> <p>In addition maximum 10% of the whole revenues except the interest revenues at the end of 2014 adjusted by an index at yearly basis , of the exchanges and other organized markets, central clearing institutions, central securities depositories and the CRA which are regulated and supervised by the Board, may be recorded as revenue to the Board budget by the Board. With respect to institutions that are established after 27.03.2015, starting with the year following their establishment, a proportion of revenues with the exception of interest revenues that will be specified by the Board for each calendar year and not exceeding ten percent of revenues shall be recorded by the Board as revenue to the budget of the Board.</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><b>(POA)</b> As stated above, funding of the POA is independent from the profession. Licensing, approval and registration fees paid by the auditors/audit firms are transferred to treasury. Hence, those fees are not included in the POA's budget.</p> <p><b>(CMB)</b> Funding of the CMB is independent from profession. There is no funding scheme related to the profession.</p>
<p><b>6. Audit Market</b></p>	<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><b>(POA)</b></p>



**Number of Audit Firms Subject to Inspections**

416 audit firms are subject to inspections carried out by the POA. 162 of those firms have been approved to conduct the audits of public interest entities and 254 of them have been approved to conduct the audits of non-public interest entities.

**Number of Audits**

Approximately 14.000 audits fall under the POA’s mandate. Considering the POA's inspections in the last two years, 75 audit firms in 2022 and 72 audit firms in 2023 were inspected.

**(CMB)**

**Number of Audit Firms Subject to Inspections**

112 audit firms are authorized by CMB and all of them are subject to quality control reviews.

**Number of Audits**

648 public companies (532 listed and 116 non listed) fall under CMBs mandate.

Additionally, 2.191 capital market institutions fall under CMBs mandate. Details are as follows:

<b>Number of companies under the scope of capital markets law (CMB)</b>	
BIST companies (Stock Exchange Companies)	532
Non-listed Registered Companies	116
<b>Total (Number of companies registered with the Board/public companies subject to independent audit under scope of capital markets law):</b>	<b>648</b>
Number of Funds	1.413
Number of Pension Funds	376
Number of Investment Trusts (REITs)	52
Intermediaries	120
Portfolio Management Companies	63
Rating Firms	8
Real Estate Appraisal Firms	159
<b><u>TOTAL</u></b>	<b><u>2.839</u></b>

	<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>The sizes and market shares of the largest audit firms regarding the number of PIE and non-PIE audits and total revenue are as follows:</p> <p><b><u>Number of audits (2023)</u></b></p> <ul style="list-style-type: none"> <li>• PricewaterhouseCoopers (%9,93)</li> <li>• Deloitte (%5,66)</li> <li>• Ernst &amp; Young (%8,18)</li> <li>• KPMG (%2,50)</li> </ul> <p><b><u>Total Revenue (Approximately) (2022)</u></b></p> <ul style="list-style-type: none"> <li>• PricewaterhouseCoopers (%13,19)</li> <li>• Deloitte (%9,01)</li> <li>• Ernst &amp; Young (%15,50)</li> <li>• KPMG (%14,19)</li> </ul>
<p><b>7. Inspection System</b></p>	<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> <hr/> <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 11 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><b>(POA)</b></p> <p>The Authority reserves the right of performing or making others to perform an inspection in case of a warning, complaint, notification and other cases considered necessary in addition to the planned inspections.</p> <p>The Authority carries out the inspections with its own staff/experts. If any assistance needed for specific inspection areas, relevant inspection units of the Ministry of Customs and Trade, Ministry of Finance,</p>

Undersecretariat of Treasury, Banking Regulation and Supervision Agency, Capital Markets Board and Energy Market Regulatory Authority shall give assistance to the Authority related to that inspection area.

Inspection activities are carried out in scope of annual inspection plan approved by the Board in every year by receiving opinion of relevant authorities.

**(CMB)**

The quality control reviews and oversight is done solely by CMB considering capital markets.

According to CML, professional staff (CMB staff) shall be authorized for the application of the provisions of this Law and other laws concerning the capital market and the supervision of all kinds of capital market activities including audit services provided for capital markets and transactions. This authority shall be exercised by the professional staff assigned by the Chairman of the Board. The staff assigned with supervision is authorized to request from the related real persons and legal entities information and documents they may deem as relevant to the provisions of CML and other relevant legislation related to capital markets; to examine all the books and documents including the records kept for tax purposes, and all records including that kept electronically and miscellaneous means that contain information, and information systems; to request access to these systems and obtain the copies; to audit their accounts and transactions; to acquire written and verbal information from the relevant persons; to draw up the necessary minutes.

The CMB also carries out non-routine inspections/investigations by the notifications of CMBs corporate finance department and other related departments.

**7.3 Please describe with an appropriate level of detail the requirements and practices regarding the frequency of inspections:**

**(POA)**

Inspections are carried out at least in every 3 years for audit firms which audit public interest entities and in every 6 years for the others. The Authority reserves the right of performing or making others to perform an inspection in case of a warning, complaint, notification and other cases considered necessary in addition to the planned inspections.

Results of inspections performed shall be announced publicly with a report every year.

	<p><b>(CMB)</b></p> <p>CMBs practice regarding the frequency of inspection is shown below.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 60%;">Practices</th> <th>Frequency of Quality Control Inspections</th> </tr> </thead> <tbody> <tr> <td>GPPC Firms</td> <td>Subject to review at least every three years</td> </tr> <tr> <td>Audit Firms with a significant number of audits</td> <td>Subject to review at least every three years</td> </tr> <tr> <td>Other audit firms with clients under scope of CML.</td> <td>Subject to review at least every six years</td> </tr> </tbody> </table> <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 type="checkbox"/> <b>Other</b></span> </p> <p><b>Please explain below:</b></p> <p><b>(POA)</b></p> <p>The Authority carry out the inspections by its own professional personnel but if necessary, it can also be carried out through the relevant audit units of the institutions that have the authority to regulate and supervise certain areas by law.</p> <p><b>(CMB)</b></p> <p>Professional staff of CMB shall be authorised for the implementation of the provisions of Capital Markets Law and other laws concerning the capital market and the supervision of all kinds of capital market activities and transactions. This authority shall be exercised by the professional staff assigned by the Chairman of the Board.</p>	Practices	Frequency of Quality Control Inspections	GPPC Firms	Subject to review at least every three years	Audit Firms with a significant number of audits	Subject to review at least every three years	Other audit firms with clients under scope of CML.	Subject to review at least every six years
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Other audit firms with clients under scope of CML.	Subject to review at least every six years								
<b>8. Licensing</b>	<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>                      <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>The first requirement to be an auditor is to be a member of the profession. If the members of the profession also meet the additional conditions specified in the legislation of the Public Oversight Authority, they can apply to the Authority with the information and documents.</p> <p>Those who are determined by the institution to meet the necessary conditions specified in the legislation are registered and announced in the registry. After the registration process, independent auditor certificate, auditor identity and auditor seal are given to these persons.</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><b>9. Registration</b></p>	<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><b>(POA)</b></p> <p>An audit shall be carried out only by auditors or audit firms, which are approved by the POA. Auditors and audit firms are approved within two categories; those who can carry out audits of public interest entities and those who cannot carry out audits of public interest entities.</p> <p>Each candidate’s file is subject to the Board decision for approval. In order to be approved as an auditor or an audit firm, candidates should meet relevant requirements.</p> <p><b>(CMB)</b></p> <p>Additional conditions to be requested from independent audit firms authorized by the POA, that would carry out independent audit activities</p>

	<p>in accordance with Capital Markets Law, is determined by the CMB Board and the list of independent audit firms meeting these conditions are disclosed to the public.</p>
<p><b>10. Audits and/or Ethics Standard Setting</b></p>	<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 checked="" type="checkbox"/> Directly                      <input 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><b>(POA)</b></p> <p>The POA has direct responsibility of Audit and Ethics standard setting in compliance with international standards. According to Statutory Decree No. 660, Turkish Standards on Auditing (TSAs) cover a broad range of standards including quality control, auditing, review, other assurance and continuing education standards, professional ethic rules and information systems audit standards. Based on its responsibility of setting and issuing TSAs the POA signed a copyright agreement with IFAC.</p> <p>The standard setting process has been conducted in accordance with IFAC’s Policy for Translating Reproducing Standards. Consultation commissions and review committees have been formed for the adaptation of those standards.</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 checked="" type="checkbox"/> Directly                      <input 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><b>(POA)</b></p> <p>As stated in the Article 25 of Independent Audit By-Law; auditors are educated on a continuous basis for the purpose of keeping their theoretical knowledge and professional skills at a sufficient level, complying with professional ethics, following up changes in the professional field, and ensuring their professional development.</p> <p>Continuing education obligation starts as from the registration of auditors and implemented as defined by the POA.</p> <p>Following their registration, auditors must meet the continuing education requirements once in three years.</p> <p>Audit firms should take the measures required for enabling the auditors to complete their continuing education programs.</p> <p>The POA regulates the matters relating to continuing education by obtaining the relevant organizations’ opinions, where necessary.</p> <p>For the purpose of ensuring the audit objectivity and independence and improving the reliance in and the quality of audit, the POA takes required measures for educating auditors and the members of profession or improving their level of education within the framework of this By-law in addition to continuing education.</p> <p>In 2017, the Communique of Continuous Education for Auditors has been issued by POA. According to the legislation, the auditors shall complete 120 credits of education in a three-year period and 60 credits of the education should be in fundamental professional topics (accounting, auditing, ethic rules, finance and corporate governance).</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><b>(POA)</b></p> <p>As a result of inspection, denunciations and complaints or other institutions and organizations as a result of their notification, organizations determined to act in violation of the legislation administrative sanctions apply. Five types of administrative sanctions can be imposed: notice, warning, restriction of audit activity, suspension of license, cancellation of license. It is also possible for the audit firms to impose administrative fines by the board.</p> <p><b>(CMB)</b></p> <p>The CMB also carries out non-routine inspections/investigations by the notifications of CMBs corporate finance department and other related departments as well as investor complaints. Depending on the findings administrative sanctions including warning, administrative fine, suspension of license and cancellation of license can be imposed.</p>
<p><b>13. Other Responsibilities in Audit Oversight or Audit Regulation</b></p>	<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 style="text-align: center;">None</p>
<p><b>14. Main Other Responsibilities of the Member <u>outside</u> the area of Audit Oversight or Audit Regulation</b></p>	<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><b>(POA)</b></p> <p><b><u>Accounting standard setting</u></b></p> <p>One of the important responsibilities of the POA is to set and issue Turkish Accounting Standards and to determine the application scope of those standards. In addition, POA may set special or exceptional standards for different types of entities and sectors and it has the authority to make secondary regulations and take necessary decisions for the implementation of Turkish Accounting Standards. The POA strategically has an objective of setting accounting standards in full compliance with the IFRSs issued by the IASB.</p> <p><b>(CMB)</b></p> <p>The CMB has a broad range of other tasks in the area of financial supervision. CMB has sole responsibility regarding capital markets which are related mainly corporate finance (securities, debt instruments etc.), intermediaries, exchanges, funds, auditing firms, rating agencies, financial reporting and financial crimes in capital markets.</p>



	<p>CMB registers audit firms that conduct independent audit in the scope of capital markets law.</p> <p>Additionally, the CMB supervises financial reports of listed companies and other entities under the scope of CML.</p>
<p><b>15. Member Update for public information (if any)</b></p>	<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>