

IFIAR 2026 Member Profile – FAOA

1. Jurisdiction	<p>1.1 Insert the name of the jurisdiction in English:</p> <p>Switzerland</p>
2. Member¹	<p>2.1 Insert the name of the Member, both in the local language and in English:</p> <p>Eidgenössische Revisionsaufsichtsbehörde (RAB) Autorité fédérale de surveillance en matière de révision (ASR) Autorità federale di sorveglianza dei revisori (ASR) Federal Audit Oversight Authority (FAOA)</p>
	<p>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:</p> <p>Bundesgasse 18 P.O. Box CH-3001 Bern Switzerland <u>Phone:</u> +41.31.560.22.22; <u>Fax:</u> +41.31.560.22.23 <u>Email:</u> international@rab-asr.ch <u>Website:</u> www.rab-asr.ch</p>
	<p>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:</p> <p>The Federal Act on the Licensing and Oversight of Auditors (AOA; SR 221.302; see here) of 16 December 2005 regulates the licensing and oversight of individuals and firms providing statutory audit services. It aims at assuring the proper performance and quality of audit services (article 1 AOA). The licensing and oversight under the AOA is the responsibility of the FAOA (Art. 28 AOA).</p> <p>The FAOA is responsible for the licensing of all auditors and audit firms carrying out statutory audits and exercises an independent oversight on all audit firms carrying out statutory audits of public interest entities (“audit firms under state oversight”). It is furthermore responsible for</p>

¹ 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.

	<p>administrative assistance in international matters of audit oversight. The FAOA is entitled to conduct inspections, to give legally binding instructions to restore an orderly situation and to impose administrative as well as criminal sanctions.</p> <p>2.4 Please indicate whether the Member has responsibility for the following tasks within the area of Audit Oversight:</p> <p><input checked="" type="checkbox"/> Licensing <input checked="" type="checkbox"/> Registration <input checked="" 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>The Board of Directors (“the Board”) is composed of the following persons:</p> <ul style="list-style-type: none"> • Mrs. Wanda Eriksen-Grundbacher, Chair • Prof. Dr. Franca Contratto., Vice Chair • Mr. Viktor Balli, Member • Dr. Stefano Caldoro, Member • Mr. Stéphane Gard, Member <p>All Board members must be independent from the audit profession (Art. 30 AOA).</p> <p>Link to members of the Board: https://www.rab-asr.ch/#/page/132?lang=de</p> <p>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.</p> <p>The Federal Council (i.e. the Swiss government) appoints the Board. The Board consists of a maximum of five members who are appointed for a term of office of four years. The members of the Board must be persons of expert knowledge and independent from the audit profession (Art. 30 AOA).</p>

	<p>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?</p> <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Does this include a “cooling-off” period for former auditors?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>If yes to either of the above, please describe:</p> <p>Although the AOA does not explicitly provide for a specific cooling-off period for Board members having past relations to the audit profession, international best practices are applied, i.e. a five-year cooling-off period. The current Board complies with this cooling-off period.</p>
<p>4. Independence safeguards</p>	<p>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.</p> <p>All members of the Board (highest governing body) must be independent from the audit profession (Art. 30 para. 1 AOA).</p> <p>Are employees of the Member covered by the same or separate set of independence requirements?</p> <p><input type="checkbox"/> Same set of requirements <input checked="" type="checkbox"/> Different set of requirements</p> <p>If there are separate independence requirements for employees, please describe:</p> <p>The requirements are the same, but they are set in Art. 3 para. 2 of the FAOA Code of Conduct (available here). All employees as well as members of the Board must sign an annual declaration attesting to their compliance with the Code of Conduct.</p> <hr/> <p>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.</p> <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>If yes, please describe: A cooling-off period and recusal process apply to employees of the FAOA as well (Art. 7 FAOA Code of Conduct), in addition to the Board as mentioned above in 3.3.</p>

5. Funding Arrangements	<p>5.1 Describe the main funding arrangements of the Member, including the setting and approval of the budget:</p> <p>As an institution under public law, the FAOA is a legal entity with its own legal personality. It performs the oversight independently, is independent in its organization and management, and keeps its own accounts (Art. 28 AOA).</p> <p>The FAOA is exclusively funded by fees and charges levied off registered individuals and firms (Art. 21 AOA and Art. 37 AOO). In order to finance the oversight costs not covered by fees, the FAOA imposes annual oversight charges on audit firms under state oversight on the basis of costs incurred in the accounting year and which take into consideration the economic significance of the audit firm under state oversight. The Federal Council determines the details, in particular the fee schedules, the assessment of the oversight dues and their allocation on audit firms under state oversight.</p> <p>The budget of the FAOA is not subject to approval by the Swiss Government. The CEO submits a draft budget to the FAOA Board which approves the budget as well as the annual accounts.</p> <p>5.2 Is the funding free from undue influence by the profession?</p> <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please describe with an appropriate level of detail the safeguards in place to prevent undue influence by the profession:</p> <p>As described under 5.1., the audit profession is not involved in the setting of fees and approval of the budget (Art. 21 and 28 AOA).</p>
6. Audit Market	<p>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.</p> <p>Number of audit firms subject to inspections: 19 Number of PIE companies audited (incl. significant subsidiaries as of December 2025): 1362 (includes PIE companies and entities subject to financial market supervision)</p> <p>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.</p>

	<p>Market share in view of market capitalization of listed audited entities (as of 31 December 2024):</p> <ul style="list-style-type: none"> • KPMG: 41.3% • PwC: 27.3% • EY: 27.2% • Others: 4.1%
7. Inspection System	<p>7.1 Does the Member have the responsibility for recurring inspections of audit firms undertaking audits of public interest entities (PIEs)?</p> <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <hr/> <p>7.2 Is this responsibility undertaken directly or through oversight of inspection conducted by another organization?</p> <p><input checked="" type="checkbox"/> Directly <input type="checkbox"/> Through Oversight</p> <p>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).</p> <p>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:</p> <p>Inspections are performed by experienced FAOA employees who all have auditing background:</p> <ul style="list-style-type: none"> ➤ In the Oversight Division – Section Trade, Industry, Services (TIS): <ul style="list-style-type: none"> - 6 inspectors ➤ In the Oversight Division – Section Financial Services (FS): <ul style="list-style-type: none"> - 9 inspectors <p>Per the FAOA Code of Conduct, all FAOA employees must be independent of the profession.</p> <p>For a detailed description of the FAOA inspection strategy, we kindly invite you to consult the “FAOA oversight concept”, which is a paper available in English on the FAOA’s website (Oversight > Oversight Concept >Oversight Concept Division Financial Audit). More information is also provided in 7.3 below.</p> <hr/> <p>7.3 Please describe with an appropriate level of detail the requirements and practices regarding the frequency of inspections:</p> <p>The FAOA subjects audit firms under state oversight to a detailed inspection at least every three years (Art. 16 para. 1 AOA).</p>

The following categories of audit firms fall under the scope of the public oversight of the FAOA:

- Audit firms incorporated under Swiss law providing audit services to public companies (Art. 7 para. 1 AOA); public companies comprise companies having equity securities listed on a Swiss or foreign stock exchange, having outstanding bonds or contributing at least 20 per cent of the assets or of the turnover to the group accounts of such an aforementioned company (significant subsidiaries) (Art. 727 para. 1 no. 1 Swiss Code of Obligations; SR 220; see [here](#));
- Audit firms incorporated under foreign law providing audit services to public companies (Art. 8 AOA);
- Audit firms not meeting any of the above criteria but licensed as “audit firms under state oversight” on a voluntary basis (Art. 7 para. 2 AOA).

If there is suspicion of an infringement of legal duties, the FAOA undertakes appropriate investigations irrespective of the regular inspection scheme (Art. 16 para. 1^{ter} AOA). Due to the strong market position of KPMG, PwC, E&Y, Deloitte and BDO in Switzerland and the market capitalization of the Public Interest Entities audited by them, these five audit firms are inspected by the FAOA on a yearly basis.

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.

- | | |
|--|---|
| <input checked="" type="checkbox"/> Employees of the Member | <input type="checkbox"/> Professional body |
| <input type="checkbox"/> Third Parties | <input type="checkbox"/> Other |

Please explain below:

Inspections are performed by experienced FAOA employees who all have auditing background:

- In the Oversight Division – Section Trade, Industry, Services (TIS):
 - 6 inspectors
- In the Oversight Division – Section Financial Services (FS):
 - 9 inspectors

8. Licensing	<p>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?</p> <p><input checked="" type="checkbox"/> Directly <input type="checkbox"/> Through Oversight</p> <p>If directly, please describe the responsibility, including any changes, with an appropriate level of detail.</p> <p>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.</p> <p>The FAOA is in charge of the licensing of auditors, audit experts (both can be either individuals or audit firms) and audit firms under state oversight (Art. 3 para. 1 and Art. 15 AOA).</p> <p>Individuals are licensed for an unlimited period and audit firms for a period of five years (Art. 3 para. 2 AOA). Audit firms under state oversight are licensed for an unlimited period of time (Art. 7 para. 3 AOA). The FAOA also has the competence to withdraw the license (Art. 17 AOA) and to delete entries relating to licenses from the register (Art. 22 AOO).</p>
9. Registration	<p>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?</p> <p><input checked="" type="checkbox"/> Directly <input type="checkbox"/> Through Oversight</p> <p>If directly, please describe the responsibility, including any changes, with an appropriate level of detail.</p> <p>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.</p> <p>The FAOA runs a public and internet-based register listing all licensed individuals and audit firms (see here) (Art. 15 para. 2. AOA and Art. 17-27 AOO).</p>
10. Audits and/or Ethics Standard Setting	<p>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?</p> <p><input checked="" type="checkbox"/> Directly <input type="checkbox"/> Through Oversight</p>

	<p>If directly, please describe the responsibility, including any changes, with an appropriate level of detail.</p> <p>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.</p> <p>The FAOA has the competence to approve, amend or derogate existing auditing standards or to adopt its own standards. This competence is however limited to standards applying to financial audits of Public Interest Entities (Art 16a para. 2 AOA).</p>
11. Permanent Education / Continuous Training of Auditors	<p>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?</p> <p><input type="checkbox"/> Directly <input type="checkbox"/> Through Oversight</p> <p>If directly, please describe the responsibility, including any changes, with an appropriate level of detail.</p> <p>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.</p> <p>The FAOA does not have the responsibility to educate Auditors.</p>
12. Enforcement	<p>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)?</p> <p><input checked="" type="checkbox"/> Directly <input type="checkbox"/> Through Referral</p> <p>If directly, please describe the responsibility and procedures applied (including investigations, disciplinary actions or sanctions), as well as the reporting process for disciplinary action.</p> <p>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.</p> <p>The FAOA is entitled to initiate formal investigations (depending on the severity of the infringement, it could be a disciplinary/administrative or a criminal proceeding) and to impose mandatory action or sanctions on</p>

	<p>individuals and audit firms (Art. 17 and Art. 39-40 AOA, Art. 45 AOO, and Art. 15 of the Ordinance of the FAOA on the Oversight of Audit Firms; OO-FAOA; SR 221.302.33; see here).</p>
<p>13. Other Responsibilities in Audit Oversight or Audit Regulation</p>	<p>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:</p> <p>N/A</p>
<p>14. Main Other Responsibilities of the Member <u>outside</u> the area of Audit Oversight or Audit Regulation</p>	<p>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:</p> <p>The FAOA is not responsible for tasks outside the area of audit oversight. The FAOA's only mandate is Audit Oversight. This comprises, however, both financial and regulatory audits.</p>
<p>15. Member Update for public information (if any)</p>	<p>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?</p> <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>If yes, please describe these changes with an appropriate level of detail:</p> <ul style="list-style-type: none"> - On December 10, 2025, the FAOA and the Swiss Financial Market Supervisory Authority FINMA signed a memorandum of understanding (MoU) on cooperation and information exchange in the context of financial market supervision. The MoU replaces the Exchange of Letters (EoL) from 2015 and specifies in particular the exchange of information on financial institutions fraught with risk as well as the procedure in the event of a crisis. - On September 19, 2025, the FAOA adopted amendments to the FAOA Supervisory Ordinance (ASV-RAB) and Circulars 1/2008, 1/2009, and 1/2010 on December 15, 2025 due to the introduction of ISQM-CH 1 and 2 as well as ISA-CH 220, 315, and 600 (Revised).