



COMMITTEE OF
EUROPEAN
AUDITING
OVERSIGHT
BODIES

Report on the 2025 CEAOB

Enforcement Questionnaire



Introduction

The following report is a summary of the responses¹ to the questionnaire of the Enforcement Subgroup of the Committee of European Auditing Oversight Bodies (CEAOB), which addresses investigations and sanctioning by competent authorities and delegated authorities in the calendar year 2024. The responses of the questionnaire are used for public reporting purposes in compliance with the CEAOB's work plan 2025 and the CEAOB Enforcement sub-group's work plan 2025. For ease of reference some responses have been edited and redesigned in order to create clarity and comparability.

About the survey

On 3rd of March 2025, the CEAOB Enforcement subgroup (ENF SG) launched a survey about statistics of sanctions and administrative measures for the year 2024. The questionnaire was addressed to EU Competent Authorities in Auditor Oversight, based on Article 23 of the EU Audit Regulation No 537/2014 of the European Parliament and of the Council of 16 April 2014 on specific requirements regarding statutory audit of public-interest entities and repealing Commission Decision 2005/909/EC and Article 30f (1) Directive 2006/43/EC of the European Parliament and of the Council of 17 May 2006 on statutory audits of annual accounts and consolidated accounts, amending Council Directives 78/660/EEC and 83/349/EEC and repealing Council Directive 84/253/EEC. According to the mentioned provisions, the competent authorities in Member States shall have all the supervisory and investigatory powers that are necessary for the exercise of their functions, including powers to carry out on-site inspections of statutory auditors or audit firms, to request experts to carry out verifications or investigations and to take the administrative measures, and impose the sanctions referred to in Article 30a of Directive 2006/43/EC.

The questionnaire focused on statistics and additional information concerning sanctions and administrative measures imposed, including withdrawal of approval, a temporary prohibition, a declaration that audit report does not meet legal requirements and, pecuniary sanctions. Respondents were also asked about the level of pecuniary sanctions imposed and information related to the implementation of the Corporate Sustainability Reporting.

¹ In addition to the information from the responses to the questionnaire, there is some general information from other sources as mentioned in the following report.

Legal grounds

This report is based on Member States duty to cooperate in line with Article 33 of EU Audit Directive 2006/43/EC and CEAOB's mission to facilitate the exchange of information, expertise and best practices in line with Article 30(7) and 30(11) of the EU Audit Regulation 537/2014.

Terms and definitions

The terms used in the report reflect the terms and definitions used in EU Audit Directive 2006/43/EC and the EU Audit Regulation 537/2014. This report covers PIE and non-PIE auditors and audit firms respectively.

EU Audit Directive (AD)

Directive 2006/43/EC of the European Parliament and of the Council of 17 May 2006 on statutory audits of annual accounts and consolidated accounts, amending Council Directives 78/660/EEC and 83/349/EEC and repealing Council Directive 84/253/EEC.

EU Audit Regulation (AR)

Regulation (EU) No 537/2014 of the European Parliament and of the Council of 16 April 2014 on specific requirements regarding statutory audit of public-interest entities and repealing Commission Decision 2005/909/EC.

ARD

Audit Regulation and Directive (as described above).

National Competent Authorities (NCA)

The authorities designated by law that are in charge of the regulation and/or oversight of statutory auditors and audit firms or of specific aspects thereof.

Public-interest entities (PIE)

- a) entities governed by the law of a Member State whose transferable securities are admitted to trading on a regulated market of any Member State within the meaning of point 14 of Article 4(1) of Directive 2004/39/EC;
- b) credit institutions as defined in point 1 of Article 3(1) of Directive 2013/36/EU of the European Parliament and of the Council (17), other than those referred to in Article 2 of that Directive;
- c) insurance undertakings within the meaning of Article 2(1) of Directive 91/674/EEC; or
- d) entities designated by Member States as public-interest entities, for instance undertakings that are of significant public relevance because of the nature of their business, their size or the number of their employees.

non-PIEs

Entities, which are not recognized or designated as PIE.

Other administrative measures and sanctions

According to the questionnaire, the term 'Other administrative measures and sanctions' referred to sanctions imposed for other engagements, other non-audit activities and services provided by auditors and audit firms (e.g. sanctions imposed following any negligence for payment of statutory audit fees, failure to provide requested information for oversight purposes, breach of duty of cooperation, violation of educational requirements, failures in non-audit reports etc).

Chair's Foreword



I am deeply honoured to have the opportunity to lead the Enforcement subgroup from November 2021. As part of the great community of the Committee of European Auditing Oversight Bodies, we continue to pursue our pillar objectives, such as sharing knowledge of the evolving audit environment and practical experience of independent audit regulatory activity within the subgroup.

Each year we also strive to develop stronger information sharing and cooperation in the area of investigations and enforcement. As representatives of independent audit quality oversight bodies in European states, we recognise the differences in market oversight that divide us, but we are invariably united by the same goal, regardless of jurisdiction and market size, which is of course the continuous improvement of audit quality. Improving the audit quality can depend on a number of factors. One such factor is the identification by independent national competent authorities of irregularities in the course of the audit service provided. This is why the provisions of the Audit Directive and Audit Regulation to improve audit quality, reduce conflicts of interest, and ensure that auditors maintain professional skepticism are so important from a market-wide perspective. Where a statutory auditor or audit firm breaches the applicable provisions or standards, the national competent authorities have the power to impose sanctions aimed at preventing them from carrying out inappropriate statutory audits in the future and thereby improving audit quality.

With this in mind, over the years we have increased the exchange of information and presented statistics to the report's recipients/ readers.

Although the report is primarily concerned with the area of the application of the law, the point of interest of various years is also the area of legislation. In particular, due to the changing regulatory environment in the European Union the area of sustainability reporting was analysed in the 2023 Report and in this report.

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Responses

30 responses were received - 27 from EU Member States and 3 from an EEA states. The national competent authorities (NCAs) are listed in table below.

Notes

The statistics in part A do not comprise of decisions where no action was taken i.e. where the competent authority concluded that sanctioning was not necessary when the case was closed. In part B one authority listed sanctions imposed due to breach of anti-money laundering regulations.

Administrative measures and sanctions

The responses reflect the statistics of decisions on administrative measures and sanctions based on own legislation in the relevant jurisdiction by the competent authority in line with the ARD. Further, the respondents were asked to include the administrative measures and sanctions which a delegated authority or body has imposed in line with the ARD based on delegation of tasks (Art. 24 of the AR).

Jurisdiction and name of the competent authority which is responsible for investigations and sanctioning

 Austria	Abschlussprüferaufsichtsbehörde (APAB) EN. Austrian Audit Oversight Authority (APAB)
 Belgium	College van toezicht op de bedrijfsrevisoren (CTR) Collège de supervision des réviseurs d'entreprises (CSR) EN. Belgian Audit Oversight Board (BAOB)
 Bulgaria	Комисия за публичен надзор над регистрираните одитори EN. Commission for Public Oversight of Statutory Auditors
 Cyprus	ΑΡΧΗ ΔΗΜΟΣΙΑΣ ΕΠΟΠΤΕΙΑΣ ΕΛΕΓΚΤΙΚΟΥ ΕΠΑΓΓΕΛΜΑΤΟΣ, ΑΔΕΕΛΕΠ EN. Cyprus Public Audit Oversight Board (CyPAOB)
 Croatia	Ministarstvo financija (MF) EN. Ministry of Finance (MoF)
 Czechia	Rada pro veřejný dohled nad auditem / Komora auditorů České republiky EN. Public Audit Oversight Board (PAOB) / Chamber of auditors of the Czech Republic
 Denmark	Erhvervsstyrelsen (ERST) EN. Danish Business Authority (DBA)
 Estonia	Audiiortegevuse järelvalve nõukogu (AJN) EN. Auditing Activities Oversight Board
 Finland	Patentti- ja rekisterihallitus (PRH) EN. Finnish Patent and Registration Office (PRH)
 France	Haute autorité de l'audit (H2A) EN. High Audit Authority
 Germany	Abschlussprüferaufsichtsstelle (APAS) beim Bundesamt für Wirtschaft und Ausfuhrkontrolle EN. Auditor Oversight Body (AOB) at the Federal Office for Economic Affairs and Export Control
 Greece	Επιτροπή Λογιστικής Τυποποίησης και Ελέγχων (Ε.Λ.Τ.Ε.) EN. Hellenic Accounting and Auditing Standards Oversight Board (HAASOB)
 Hungary	Könyvvizsgálói Közfelügyeleti Hatóság (KKH) / Magyar Könyvvizsgálói Kamara (MKVK) EN. Auditors' Public Oversight Authority (APOA)/ Chamber of Hungarian Auditors
 Ireland	Irish Auditing and Accounting Supervisory Authority (IAASA)
 Iceland	Endurskoðendaráð /The Public Auditors' Oversight Board

<p>Italy</p> 	<p>Commissione Nazionale per le Società e la Borsa (CONSOB) e Ministero dell'Economia e delle Finanze (MEF) EN. Italian Securities and Exchange Commission (CONSOB) and The Ministry of the Economy and Finance (MEF)</p>
<p>Latvia</p> 	<p>Latvijas Republikas Finanšu ministrija (FM) / Latvijas Zvērinātu revidentu asociācija (LZRA) EN. Ministry of Finance of the Republic of Latvia (MoF)/ Latvian Association of Sworn Auditors (LASA)</p>
<p>Liechtenstein</p> 	<p>Financial Market Authority (FMA)</p>
<p>Lithuania</p> 	<p>Audito, apskaitos, turto vertinimo ir nemokumo valdymo tarnyba prie Lietuvos Respublikos finansų ministerijos (AVNT) EN. Authority of Audit, Accounting, Property Valuation and Insolvency Management under the Ministry of Finance of the Republic of Lithuania (AVNT)</p>
<p>Luxembourg</p> 	<p>Commission de Surveillance du Secteur Financier (CSSF)</p>
<p>Malta</p> 	<p>Accountancy Board (AB)</p>
<p>The Netherlands</p> 	<p>Stichting Autoriteit Financiële Markten EN. Dutch Authority for the Financial Markets (AFM)</p>
<p>Norway</p> 	<p>Finanstilsynet EN. Financial Supervisory Authority of Norway (FSA)</p>
<p>Poland</p> 	<p>Polska Agencja Nadzoru Audytowego (PANA) / Polska Izba Biegłych Rewidentów (PIBR) EN. Polish Agency for Audit Oversight / Polish Chamber of Statutory Auditors</p>
<p>Portugal</p> 	<p>Comissão do Mercado de Valores Mobiliários – CMVM EN. Portuguese Securities Market Commission</p>
<p>Romania</p> 	<p>Autoritatea pentru Supravegherea Publica a Activitatii de Audit Statutar (ASPAAS) EN. Authority for Public Oversight of the Statutory Audit Activity</p>
<p>Slovakia</p> 	<p>Úrad pre dohľad nad výkonom auditu (UDVA) / Slovenská komora audítorov (SKAU) EN. Auditing Oversight Authority/Slovak Chamber of Auditors</p>
<p>Slovenia</p> 	<p>Agencija za javni nadzor nad revidiranjem (ANR) EN. Agency for Public Oversight of Auditing (APOA)</p>
<p>Spain</p> 	<p>Instituto de Contabilidad y Auditoría de Cuentas (ICAC) EN. Accounting and Auditing Institute</p>
<p>Sweden</p> 	<p>Revisorsinspektionen EN. Swedish Inspectorate of Auditors</p>

Audit firms and statutory auditors market concentration levels

Total number of audit firms in 2024 - **22138**

Total number of statutory auditors in 2024 - **181463**

Audit firms engaged in audit of PIEs in 2024 - **937**

In 2025 Enforcement Questionnaire the respondents were asked about market concentration levels in their jurisdictions along with the total number of audit firms and statutory auditors. The data collected for this report on the number of audit firms and statutory auditors is illustrative, it may enable the reader to compare in one report the number of sanctions with the size of the market. The data should be read with caution as they do not take into account the specificities associated with the professional activities of statutory auditors or professional inactivity.

Taking into account that similar data is collected by the CEAOB Market Monitoring Subgroup, the data collected can be compared to some extent. Market monitoring on developments in the EU market for statutory audit services to public-interest entities pursuant to Article 27 of AR is the subject of European Commission to the European Parliament, the Council, the European Central Bank and the European Systemic Risk Board reports involving CEAOB Market Monitoring Subgroup.²

² REPORT FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN CENTRAL BANK AND THE EUROPEAN SYSTEMIC RISK BOARD on developments in the EU market for statutory audit services to public-interest entities pursuant to Article 27 of Regulation (EU) No 537/2014

<https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52021DC0029>

REPORT FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN CENTRAL BANK AND THE EUROPEAN SYSTEMIC RISK BOARD Joint Report on developments in the EU market for statutory audit services to public-interest entities from 2019 to 2021

<https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52024DC0102>

The largest number of audit firms – France (6995), Germany (3020), Spain (1358), Poland (1193), Hungary (1161).

In 2024 the total number of audit firms was **22138**. The 5 states listed above have the largest number of audit the firms accounting for 62% of the total market. The above states collectively imposed more than half of the sanctions on audit firms and statutory auditors (852 out of 1519).

The largest number of statutory auditors – Italy (116 723), Germany (14 711), France (11 548), Poland (4 854), Norway (4 493).

In 2024 the total number of statutory auditors was **181463³**, the 5 states with the largest number of statutory auditors account for 84% of the total market. The above states collectively imposed more than 1/4 of the sanctions on audit firms and statutory auditors (416 out of 1519). A large number of auditors does not always translate into a large number of audit firms per state.

The largest number of audit firms engaged in audit of PIEs – Romania (217), France (211), Spain (66), Germany (53), Poland (48).

In 2024 the total number audit firms engaged in audit of PIEs was **937**, the 5 states with the largest number of audit firms engaged in audit of PIEs account for 63% of the total market (595 out of 937). The above states collectively imposed more than half of the sanctions imposed on audit firms and statutory auditors engaged in audit of PIEs (126 out of 193).

The table below presents the total number of audit firms (also engaged in audit of PIEs) and statutory auditors in respondents' states. In case of high number of statutory auditors in Italy it may be that the certified public accountant or accounting firm has been recognised as an auditor or audit firm by the relevant chamber.

³ In Italy the total number of statutory auditors in charge of audit was 31.062 as at 12/31/2024.

	<i>Total number of audit firms</i>	<i>Total number of statutory auditors</i>	<i>Audit firms engaged in audit of PIEs</i>
Austria	791 ⁴	1761	15
Belgium	699	847	11
Bulgaria	89	715	39
Croatia	186	579	24
Cyprus	782	1113	15
Czechia	304	1021	23
Denmark	1087	2974	7
Estonia	116	340	4
Finland	67	1290	9
France	6995	11548	211
Germany	3020	14711	53
Greece	67	1399	24
Hungary	1161	3267	12
Iceland	33	309	6
Ireland	877	1612	7
Italy	766 ⁵	116723	15
Latvia	104	180	12
Liechtenstein	37	21	6
Lithuania	148	316	13
Luxembourg	51	413	12
Malta	139	162	18
Norway	435	4493	7
Poland	1193	4854	48
Portugal	196	1150	20
Romania	704	377	217
Slovakia	217	656	22
Slovenia	49	167	15
Spain	1358	3573	66
Sweden	244	3009	9
the Netherlands	223	1883	6
Total	22138	181463	937

⁴ In Austria the number of audit firms charged of audit engagement is 278 out of 791 audit firms.

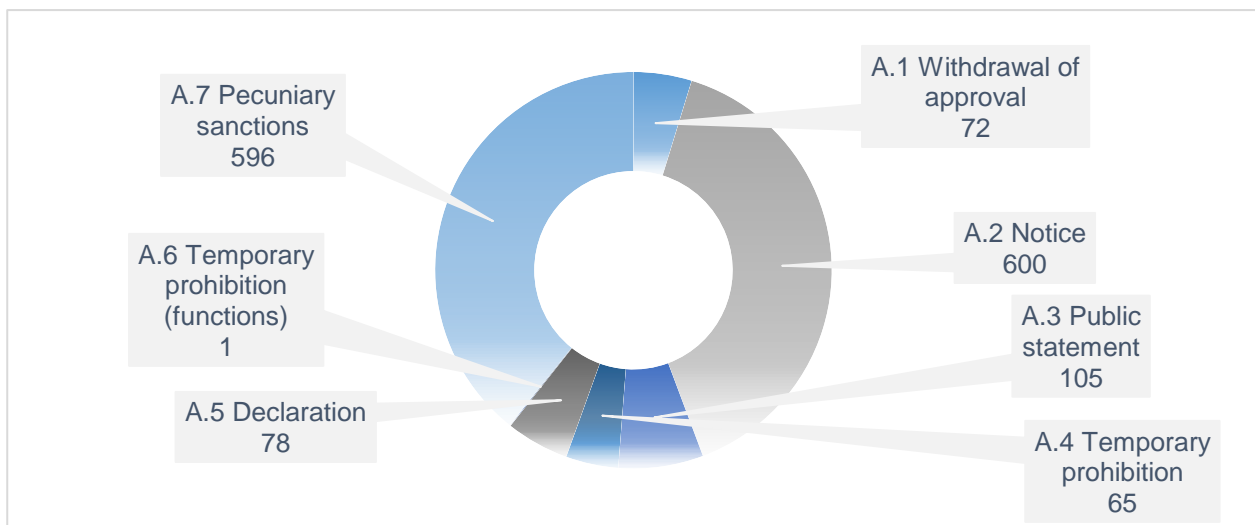
⁵ In Italy the number of audit firms charged of audit engagement is 433 out of 766 audit firms.

A. Statistics 2024 - Administrative measures and sanctions

To implement the activities of the CEAOB Enforcement Subgroup planned for 2025, the Subgroup collected statistics on administrative measures and sanctions (hereinafter referred to as "sanctions") for the purpose of informing stakeholders, including EU and EEA policy makers, international standard-setters, academics, company directors, public authorities, and the general public.

1517 – the total number of administrative measures and sanctions in 2024 in **30 states**

The data collected for 2024 shows that the most frequently chosen administrative measures and sanctions for non-compliance with ARD obligations (related to the audit of PIE, non-PIE and others audit activities) were **notices**, which were imposed by **16 states**, with a **total number of 600**. In the second place of the administrative measures and sanctions were **pecuniary sanctions**, which were imposed by **21 states**, with a **total number of 596**.



193 of all administrative measures and sanctions imposed in 2024 were applicable to the PIEs indicated in ARD. It should be noted at this point that in all jurisdictions, the supervision of the proper audit of public interest entities is carried out only by NCA. The administrative measures and sanctions imposed in relation to auditing PIEs, were identified in the following states: Austria (4), Bulgaria (6), Croatia (9), Cyprus (1), Czechia (4), Denmark (4), Finland (1), France (1), Germany

(81), Greece (1), Hungary (18), Italy (5), Latvia (1), Lithuania (1), Malta (2), Norway (7), Poland (19)⁶, Portugal (2), Romania (4), Slovakia (1), Spain (21).

	<i>PIEs</i>	<i>Non-PIEs</i>	<i>Others</i>	<i>Total</i>
2024	193	967	357	1517
2023	195	730	184	1109
2022	195	808	307	1310
2021	190	788	341	1319
2020	137	510	251	898

The table above shows that the total number of all administrative measures and sanctions imposed in EU and EEA countries has increased significantly and in 2024 is the highest in the last five years. The same level of PIE audit administrative measures and sanctions can be observed over the last 4 years. The number of administrative measures and sanctions was only slightly lower in 2020, but here it is important to bear in mind the impact of the pandemic on the entire economic area. There has been an increase in administrative measures and sanctions imposed in relation to the audit of non-PIEs audit and others in 2024.

⁶ Sanctions imposed in Poland presented in part A are the sanctions that become final in 2024 and were not indicated in previous reports.

A.1 Withdrawal of approval

Member States included in their national legislation the possibility of withdrawal of approval of a statutory auditor or an audit firm (Art. 30 (3) of AD). Approval of a statutory auditor or an audit firm shall be withdrawn if the good repute of that person or firm has been seriously compromised (art. 5 (1) of AD)

Withdrawal of approval in 2024 has been imposed on statutory auditors or audit firms in relation to the audit of PIEs, non-PIEs and “Others” in **14** states (Belgium, Croatia, Hungary, Denmark, Estonia, Finland, France, Ireland, Italy, Luxembourg, Poland, Portugal, Norway, Sweden), with a total of **72** sanctions. The total number of administrative measures and sanctions imposed in 2024 is similar to that in 2023, with a decrease in the number of administrative measures and sanctions imposed in relation to PIE audits and an increase in the number of ‘Others’ sanctions.

	<i>PIEs</i>	<i>Non-PIEs</i>	<i>Others</i>	<i>Total</i>
2024	2	49	21	72
2023	10	57	7	74
2022	3	50	8	61
2021	1	37	4	42
2020	4	20	15	39

Two administrative measures and sanctions related to audits of PIEs imposed in **2 states**: Poland (1) and Norway (1)

The withdrawal of approval in relation to engagement in PIE audit in 2024 remains below 5, as it does in 2020-2022.

In their questionnaire responses, some respondents provided information indicating the type of audited entity in relation to which an audit misconduct was revealed or if sanction was imposed on statutory auditor or on audit firm, such as:

- audit of cooperative banks - audit firm (1) in Poland,
- audit of listed company - statutory auditors (1) in Norway.

Forty-nine administrative measures and sanctions related to audit of non-PIEs imposed in **11 states**: Belgium (2), Croatia (2), Denmark (2), Estonia (3), Finland (2), France (8), Hungary (25), Ireland (1), Luxembourg (1), Norway (2), Sweden (1).

Withdrawal of approval in relation to engagement in the non-PIEs audit gradually increased since 2020 till 2023, but in 2024 the level of administrative measures and sanctions imposed slightly decreased, as the statistics collected show.

In their questionnaire responses, some respondents provided information indicating for what kind of breaches the sanctions were imposed, such as:

- deficiencies identified due to quality assurance reviews (25) in Hungary,
- fraudulent audit reports (1) and severe lack of quality assurance system and unsubstantiated audit report (1) in Belgium.

In their questionnaire responses, some respondents provided information indicating if sanction was imposed on statutory auditor or on audit firm, such as:

- statutory auditors – Belgium (2), Croatia (1), Finland (2), Hungary (25), Norway (1),
- audit firm – Croatia (1), Norway (1), Poland (1).

Twenty-one administrative measures and sanctions imposed in relation to the Others audit activities in **6 states: Croatia (3), Hungary (2), Ireland (1), Italy (4), Poland (8), Portugal (3).**

Withdrawal of approval in relation to others administrative measures and sanctions imposed has been tripled in 2024 in comparison to 2023. In 2021-2023 the level of these sanctions was twice as low as in 2024.

In their questionnaire responses, some respondents provided information indicating for what kind of breaches the sanctions were imposed on statutory auditors, such as:

- lack of mandatory continuing education in-service training by the Chamber of Statutory Auditors (7) in Poland,
- violation of educational requirements (3) in Croatia,
- breaches of reporting obligations (3) in Portugal.

A.2 Notice

Notice requiring the natural or legal person responsible for the breach to cease the conduct and to abstain from any repetition of that conduct Art. 30 a (1 a) AD. Sanctions indicated in part B (warnings, reprimands, severe reprimands) unlike in previous reports are not indicated in part A.2 Notice and only presented in part B.

Notice in 2024 was imposed on statutory auditors or audit firms related to audit of PIEs, non-PIEs and “Others” in **16** states (Belgium, Bulgaria, Croatia, Cyprus, Czechia, Denmark, Finland, Germany, Hungary, Iceland, Luxembourg, Malta, Norway, Poland, Romania, Slovenia), with a total of **600** sanctions. The number of notices imposed is not regular, with numbers varying from year to year. There is a significant increase in 2024 compared to the previous few years. The number in 2024 was mainly influenced by sanctions imposed by Hungary (112) and Romania (200).

	<i>PIEs</i>	<i>Non-PIEs</i>	<i>Others</i>	<i>Total</i>
2024	69	311	220	600
2023	57	188	31	276
2022	76	294	59	429
2021	55	203	249	507
2020	60	213	80	353

Sixty-nine administrative measures and sanctions related to audit of PIEs imposed in **11 states**: Bulgaria (3), Croatia (4), Cyprus (1), Denmark (1), Finland (1), Germany (49), Hungary (3), Malta (2), Norway (3), Poland (1), Romania (1).

There has been an increase in the number of Notice imposed in relation to the audit of PIEs since 2023.

In their questionnaire responses, some respondents provided information indicating the type of audited entity for which audit irregularities were disclosed, or the type of breaches sanctioned, such as:

- audit engagement of a listed entity (3) in Bulgaria,
- deficiencies identified due to quality assurance reviews of issuers of securities admitted to trading on a regulated market (2) and deficiencies identified due to quality assurance reviews of credit institution (1) in Hungary,
- internal quality control system of the audit firm (1) in Poland.

In their questionnaire responses, some respondents provided information indicating if sanction was imposed on statutory auditor or on audit firm, such as:

- statutory auditors – Bulgaria (3), Croatia (2), Hungary (3),

— audit firm – Croatia (2), Finland (1), Malta (2), Norway (3), Poland (1).

Three hundred and eleven administrative measures and sanctions

related to audit of non-PIEs imposed in **15 states**: Belgium (1), Bulgaria (1), Croatia (21), Cyprus (22), Czechia (15), Denmark (9), Finland (31), Germany (40), Hungary (108), Iceland (1), Luxembourg (12), Malta (4), Norway (26), Poland (14), Slovenia (6).

Notice administrative measures and sanctions imposed in concerning with audit of non-PIEs have increased in 2024 compared to 2023. The level of these sanctions imposed in connection with audit of non-PIE is almost the same as in 2022. Despite the similar number of administrative measures and sanctions imposed, it should be noted that 23 sanctions of a similar nature, i.e. reprimands, calls to order, admonitions, warnings (now included in part B), were also included in 2022 report.

In their questionnaire responses, some respondents provided information indicating the type of breaches sanctioned, such as:

- deficiencies identified due to quality assurance reviews (108) in Hungary,
- Code of Ethics violations (4) in Malta,
- lack of professional skepticism, insufficient risk assessment and insufficient understanding of related party (1) in Belgium.

In their questionnaire responses, some respondents provided information indicating if sanction was imposed on statutory auditor or on audit firm, such as:

- statutory auditors – Belgium (1), Croatia (14), Czechia (1), Denmark (9), Finland (31), Hungary (8), Malta (3), Norway (1), Poland (3), Slovenia (4),
- audit firm – Croatia (7), Cyprus (23), Czechia (14), Hungary (100), Iceland (1), Malta (1), Norway (25), Poland (11), Slovenia (2).

Two hundred and twenty administrative measures and sanctions

imposed in relation to the Others audit activities in **7 states**: Bulgaria (8), Czechia (1), Finland (6), Hungary (1), Iceland (3), Poland (2), Romania (199).

The number of Notice administrative measures and sanctions imposed for 'Other' breaches than those related to the audit of PIEs and non-PIEs increased in 2024, after two years of significant

reductions, and approached the 2021 level. The predominant state that imposed a notice sanction in relation to others in 2024 was Romania (199).

In their questionnaire responses, some respondents provided information indicating the type of breaches sanctioned, such as:

- non-compliance with the requirements for reporting activities (195) and non-compliance with national statutory audit regulations (4) in Romania,
- lack of declaration from the auditor to NCA for an issued modified audit opinion on PIE engagement (7) or for such of entity with close links (1) in Bulgaria,
- lack of mandatory continuing education in-service training by the Chamber of Statutory Auditors (2) in Poland.

In their questionnaire responses, some respondents provided information indicating if sanction was imposed on statutory auditor or on audit firm, such as:

- statutory auditors – Czechia (1), Finland (6), Iceland (3), Poland (2), Romania (4),
- audit firm – Romania (195).

A.3 Public statement

A public statement which indicates the person responsible and the nature of the breach, published on the website of the competent authority (Art. 30 a (1 b) AD).

Public statement in 2024 was imposed on statutory auditors or audit firms related to audit of PIEs, non-PIEs and “Others” in **10** states (Belgium, Croatia, Czechia, Germany, Ireland, Latvia, Poland, Romania, Slovakia, Spain), with a total of **105** sanctions.

	<i>PIEs</i>	<i>Non-PIEs</i>	<i>Others</i>	<i>Total</i>
2024	17	56	32	105
2023	23	64	60	147
2022	20	88	143	251
2021	16	79	39	134
2020	10	34	37	81

Seventeen administrative measures and sanctions related to audits of PIEs imposed on in **5 states**: Croatia (3), Germany (1), Latvia (1), Poland (2), Spain (10).

The number of public statements on the audit of PIEs has decreased from 2023 to a similar level as in 2021.

In their questionnaire responses, some respondents provided information indicating the type of breaches sanctioned, such as:

- the failure to comply with auditing standards where there is a material effect on the outcome of the work performed and, therefore, on the audit report (8) and the failure to comply with the provisions with regard to the duty of independence, provided that there has been criminal or fraudulent intent or particularly serious negligence (2) in Spain.

In their questionnaire responses, some respondents provided information indicating if sanction was imposed on statutory auditor or on audit firm, such as:

- statutory auditors – Croatia (1), Poland (1), Spain (5),
- audit firm – Croatia (2), Latvia (1), Poland (1), Spain (5).

Fifty-six administrative measures and sanctions related to audits of non-PIEs imposed in **7 states**: Belgium (3), Croatia (16), Czechia (6), Germany (12), Poland (11), Romania (1), Spain (7).

The number of public statement sanctions imposed in relation to the audit of the non-PIEs has decreased below the 2021 level, although the number of Member States sanctioned is the same in 2024 as in 2021.

In their questionnaire responses, some respondents provided information indicating the type of breaches sanctioned, such as:

- the failure to comply with auditing standards where there is a material effect on the outcome of the work performed and, therefore, on the audit report (2) and the failure to comply with the provisions with regard to the duty of independence, provided that there has been criminal or fraudulent intent or particularly serious negligence (1) in Spain,
- audit of entity listed on a secondary market (1) in Romania.

Some respondents, in their questionnaire responses, provided information indicating if sanction was imposed on statutory auditor or on audit firm, such as:

- statutory auditors – Belgium (3), Croatia (10), Czechia (3), Spain (5),
- audit firm – Croatia (6), Czechia (3), Spain (2).

Thirty-two administrative measures and sanctions imposed in relation to the Others audit activities in **4 states:** Ireland (1), Poland (1), Slovakia (1), Spain (29).

The number of public statement administrative measures and sanctions imposed in relation to other activities in 2024, has been significantly decreased below the 2021 level. As in 2021, most of the sanctions imposed in relation to other activities in 2024 were imposed by Spain.

In their questionnaire responses, some respondents provided information indicating the type of breaches sanctioned, such as:

- the failure to send the Accounting and Auditing Institute any and all periodic or circumstantial information required by statute or in regulations (17), the failure to comply with the provisions with regard to the observance of continuing education development (12) in Spain,
- violation of recommended education on audit documentation (1) in Slovakia.

In their questionnaire responses, some respondents provided information indicating if sanction was imposed on statutory auditor or on audit firm, such as:

- statutory auditors – Poland (1), Spain (18),
- audit firm – Slovakia (1), Spain (11).

A.4 Temporary prohibition from carrying out statutory audits and/or signing

A temporary prohibition, of up to 3 years' duration, banning the statutory auditor, the audit firm or the key audit partner from carrying out statutory audits and/or signing audit reports (Art. 30 a (1 c) AD).

Temporary prohibition from carrying out statutory audits and/or signing audit is a significant sanction imposed on auditors or audit firms when they fail to meet regulatory standards. In 2024, none of these temporary sanctions were imposed in the context of the audit of PIEs, but the number of these sanctions imposed in connection with the audit of non-PIEs and 'Others' increased. In 2024 it was imposed on non-PIEs and "Others" in **13** states (Austria, Cyprus, Czechia, Denmark, Estonia, France, Germany, Hungary, Iceland, Ireland, Luxembourg, Poland, the Netherlands), with a total of 65 sanctions.

	<i>PIEs</i>	<i>Non-PIEs</i>	<i>Others</i>	<i>Total</i>
2024	0	55	10	65
2023	10	33	7	50
2022	4	30	7	41
2021	15	35	0	50
2020	3	15	13	30

No sanctions related to audits of PIEs imposed

Fifty-five sanctions related to audits of non-PIEs imposed in **12 states:**

Austria (3), Cyprus (5), Czechia (5), Denmark (2), Estonia (1), France (6), Germany (2), Hungary (25), Ireland (1), Luxembourg (1), Poland (2), the Netherlands (2).

In their questionnaire responses, some respondents provided information indicating the type of breaches sanctioned, such as:

- board members of an audit firm have been sanctioned due to carrying out statutory audits without a valid license for conducting audits (3) in Austria,
- not appointing an Anti-money laundering compliance officer (5) in Cyprus.

In their questionnaire responses, some respondents provided information indicating if sanction was imposed on statutory auditor or on audit firm, such as:

- statutory auditors – Austria (3), Czechia (4), Denmark (2), Hungary (25), Poland (2), the Netherlands (2)⁷,
- audit firm – Cyprus (5), Czechia (1).

Ten administrative measures and sanctions imposed in relation to the Others audit activities in 4 states: Iceland (3), Ireland (1), Poland (4), Spain (2).

In their questionnaire responses, some respondents provided information indicating the type of breaches sanctioned, such as:

- professional self-government of statutory auditors for lack of mandatory continuing education in-service training by the Chamber of Statutory Auditors (4) in Poland,
- the failure to comply with the provisions with regard to the observance of continuing education development (2) in Spain.

In their questionnaire responses, some respondents provided information indicating if sanction was imposed on statutory auditors – Iceland (3), Poland (4), Spain (2).

⁷ In the Netherlands the AFM can file a disciplinary case against statutory auditors at the independent Disciplinary Court for Auditors, which can impose sanctions on external auditors. Everyone including the AFM can file such a case). The AFM is not the body that actually imposes the sanction. The temporary prohibitions are a results of cases filed by the AFM.

A.5 Declaration that audit report does not meet requirements

A declaration that the audit report does not meet the requirements of Art. 28 of AD, or where applicable Art. 10 of AR (Art. 30 a (1 d) AD).

A declaration that an audit report does not meet requirements is a formal statement issued by a regulatory body indicating that the audit report fails to comply with the relevant standards and regulations. Such sanction in 2024 was imposed on auditors or audit firms related to audit of PIEs, non-PIEs and “Others” in 9 states (Belgium, Croatia, Hungary, Germany, Iceland, Lithuania, Malta, Poland, Spain), with a total of **78** sanctions.

	<i>PIEs</i>	<i>Non-PIEs</i>	<i>Others</i>	<i>Total</i>
2024	26	52	0	78
2023	16	66	13	95
2022	16	47	0	63
2021	5	24	0	29
2020	26	0	0	26

Based on the data received from respondents, there has been a decrease in the total number of declarations that audit report does not meet requirements in 2024. The number of these administrative measures and sanctions imposed in connection with the audit of PIEs increased and returned to the level from 2020. Germany and Poland are among the states where we can observe the imposition of these sanctions in connections with PIEs audit each year from 2021.

Twenty-six administrative measures and sanctions related to audits of PIEs imposed in **5 states**: Germany (12), Hungary (2), Lithuania (1), Poland (8), Spain (3).

In their questionnaire responses, some respondents provided information indicating the type of audited entity for which audit irregularities were disclosed or the type of breaches sanctioned, such as:

- audit of financial brokerage firm (1) in Lithuania,
- the failure to comply with auditing standards where there is a material effect on the outcome of the work performed and, therefore, on the audit report (3) in Spain.

In their questionnaire responses, some respondents provided information indicating if sanction was imposed on statutory auditor or on audit firm, such as:

- statutory auditors – Hungary (1), Poland (7),
- audit firm – Hungary (1), Lithuania (1), Poland (1), Spain (3).

Fifty-two administrative measures and sanctions related to audits of non-PIEs imposed in **8 states**: Belgium (1), Croatia (2), Hungary (3), Iceland (3), Lithuania (2), Malta (2), Poland (33), Spain (6).

In their questionnaire responses, some respondents provided information indicating the type of breaches sanctioned, such as fraudulent audit reports (1) in Belgium.

In their questionnaire responses, some respondents provided information indicating if sanction was imposed on statutory auditor or on audit firm, such as:

- statutory auditors – Belgium (1), Croatia (1), Hungary (3), Malta (2), Poland (26), Spain (1),
- audit firm – Croatia (1), Iceland (3), Poland (7), Spain (5).

No administrative measures and sanctions imposed in relation to the Others audit activities.

A.6 Temporary prohibition from exercising functions in audit firms or PIEs

A temporary prohibition, for a certain duration, banning a member of an audit firm or a member of an administrative or management body of a PIE-entity from exercising functions in audit firms or PIEs (Art. 30 a (1 e) AD).

	<i>PIEs</i>	<i>Non-PIEs</i>	<i>Others</i>	<i>Total</i>
2024	0	1	0	1
2023	2	2	0	4
2022	15	19	0	34
2021	1	1	0	1
2020	0	4	0	4

In 2024, as in 2023, 2021 and 2020, the level of total imposed administrative measures and sanctions of temporary prohibition from exercising functions in audit firms or in a PIEs was similar, the total number of all administrative measures and sanctions imposed in this category being less than 5 in all states. In 2022, the number of these sanctions was the highest. Such sanction related to the audit of non-PIEs was imposed in 2024 by Luxembourg.

No administrative measures and sanctions related to audits of PIEs imposed.

One administrative measures and sanctions related to audits of non-PIEs imposed in **1 state**: Luxembourg (1).

No administrative measures and sanctions imposed in relation to the Others audit activities.

A.7 Pecuniary sanctions

The imposition of administrative pecuniary administrative measures and sanctions on natural and legal persons (Art. 30 a (1 f) AD).

Pecuniary administrative measures and sanctions under the AD are financial penalties imposed on statutory auditors or audit firms for non-compliance with ARD and national audit regulations.

The level of pecuniary administrative measures and sanctions varies by country, as each Member State sets its own maximum fines based on national regulations. However, we need to remember that under the Article 30 of the AR, pecuniary sanctions for auditors of PIEs must be effective, proportionate, and dissuasive.

Moving on to an analysis of the data received from respondents in terms of the total number of pecuniary administrative measures and sanctions imposed in 2024, it can be seen that the level of these sanctions has increased by approximately 28% compared to 2023 (from 463 to 596).

	<i>PIEs</i>	<i>Non-PIEs</i>	<i>Others</i>	<i>Total</i>
2024	79	443	74	596
2023	77	320	66	463
2022	61	267	93	421
2021	97	409	49	555
2020	34	224	106	364

Seventy-nine administrative measures and sanctions imposed related to audits of PIEs in **16 states**: Austria (4), Bulgaria (3), Croatia (2), Czechia (4), Denmark (3), France (1), Germany (19), Greece (1), Hungary (13), Italy (5), Norway (3), Poland (7), Portugal (2), Romania (3), Slovakia (1) and Spain (8).

Number of pecuniary administrative measures and sanctions for the audit of PIEs imposed in 2024 are similar compared to 2023.

In their questionnaire responses, some respondents provided information indicating the type of audited entity for which audit irregularities were disclosed or the type of breaches disclosed, such as:

- deficiencies identified due to quality assurance reviews in case of six audit firms (6), one credit institution, and six issuers of securities admitted to trading on a regulated market (7) in Hungary,
- non-compliance with ISA, deficiencies of audit file and non-performance of quality control review, six issuers of securities admitted to trading on a regulated market, one insurance company in Czechia.

- audit of one non-bank financial institution, one national company, one financial investment services company (3) in Romania,
- audit of one credit institutions and companies audits (2) in Poland,
- audit of cooperative banks, companies, audit of municipalities (7) in Poland.

In their questionnaire responses, some respondents provided information indicating if sanction was imposed on statutory auditor or on audit firm, such as:

- statutory auditors – Austria (4), Bulgaria (3), Denmark (3), Greece (1), Hungary (7), Italy (3), Poland (7), Spain (4),
- audit firm – Czechia (4), Hungary (6), Italy (2), Norway (3), Portugal (2), Romania (3), Slovakia (1), Spain (4).

Four hundred forty-three administrative measures and sanctions

related to audits of non-PIEs imposed in **21 states**: Austria (40), Belgium (3), Bulgaria (2), Croatia (2), Czechia (31), Denmark (38), Estonia (6), France (10), Germany (31), Greece (1), Hungary (166), Ireland (1), Italy (3), Luxembourg (7), Norway (1), Poland (72), Portugal (6), Romania (1), Slovakia (2), Spain (11), Sweden (9).

In 2024 pecuniary administrative measures and sanctions related to audit of non-PIEs were imposed in 21 states. The level of these sanctions in 2024 has increased by 38% compared to 2023. In some Member States these sanctions were imposed mainly by the Chamber of Statutory Auditors (Hungary).

In their questionnaire responses, some respondents provided information indicating the type of breaches disclosed, such as:

- to the fact that the audit was not carried out in accordance with all the requirements of ISAs in Bulgaria (1),
- missing sufficient appropriate audit evidence (2) in Slovakia,
- the failure to comply with auditing standards where there is a material effect on the outcome of the work performed and, therefore, on the audit report (10), the failure to comply with the provisions with regard to the duty of independence, provided that there has been criminal or fraudulent intent or particularly serious negligence (1), the failure to comply with auditing standards where there is a material effect on the outcome of the work performed and, therefore, on the audit report in Spain.

In their questionnaire responses, some respondents provided information indicating if sanction was imposed on statutory auditor or on audit firm, such as:

- statutory auditors – Austria (40), Belgium (3), Bulgaria (2), Czechia (28), Denmark (34), Greece (1), Hungary (108), Ireland (1), Italy (2), Norway (1), Poland (23), Portugal (1), Romania (1), Slovakia (1), Spain (7),
- audit firm – Czechia (3), Denmark (4), Hungary (58), Italy (1), Poland (49), Portugal (5), Slovakia (1), Spain (4).

Seventy-four administrative measures and sanctions imposed in relation to the Others audit activities in **6 states**: Czechia (1), Hungary (23), Ireland (1), Poland (11), Slovakia (1), Spain (37).

Pecuniary administrative measures and sanctions in 2024 were imposed also for breaches not related to the audit of PIEs or non-PIEs, describe as Others in 6 States. These pecuniary sanctions have increased slightly compared to 2023.

In their questionnaire responses, some respondents provided information indicating the type of breaches sanctioned, such as:

- the lack of mandatory continuing education in-service training or no update of data in statutory auditors register by the Chamber of Statutory Auditors (11) in Poland,
- the breach of duty of cooperation (1) in Slovakia.

In their questionnaire responses, some respondents provided information indicating if sanction was imposed on statutory auditor or on audit firm, such as:

- statutory auditors – Czechia (1), Hungary (22), Poland (11), Slovakia (1), Spain (32),
- audit firm – Hungary (1), Portugal (2), Spain (5).

B. Other administrative measures and sanctions (which are not covered by the AR or AD).

Respondents were asked to provide information on any administrative measures or sanctions imposed that are not covered by the AD or AR, and to include details.

Other administrative measures and sanctions ⁸	PIEs	Non-PIEs	Others
Required insurance regarding responsibility for PIE audit not paid	2		
Ordering to eliminate an illegality and/or irregularity		1	
Conditional withdrawal of approval		2	
Reprimands	1	2	
Warnings	3	3	
Temporary suspensions 6 months		2	
Mandatory participation in advanced training		108	
Withdrawal of trustworthiness (good reputation) due to criminal conviction.			1
Assignment to auditor to additionally develop his professional qualifications	2		
Assignment to audit firm to eliminate identified deficiencies		1	
Follow-up visits ⁹		5	
External review of the system of quality management		3	
External cold file review		3	
Hot file restrictions		1	
Prohibition to carry out audits of the audited entity in relation to which the infringement has been committed for a period of 3 years starting when the sanction is final in administrative proceedings	8	11	
Administrative measures for noncompliance with AML (anti money laundering) regulations		22	1
Supervisory letter to audit firm	2		
One pecuniary sanction and one administrative measure covered by Market Abuse Regulation		2	
Pecuniary sanction on a statutory auditor related to failure to provide requested info for oversight purposes			1
TOTAL	18	166	3

⁸ Disclaimer – Member States differently define administrative measures and sanctions. In some jurisdictions other administrative measures and sanctions may be qualified as inspection measures (for example recommendations in inspection report).

Italy informs that MEF in 2024 suspended from the auditors' public register 4.478 statutory auditors and 35 audit firms due to negligence for payments of annual registration fees and MEF in 2024 also cancelled from the auditors' public register 2.256 statutory auditors and 10 audit firms due to negligence for payments of annual registration fees.

⁹ Luxembourg has imposed specific follow-up. That means that these partners will be reviewed again in a timeframe of 18 months.

In 2024 other administrative measures and sanctions that are not covered by the AD or AR were imposed on statutory auditors or audit firms related to audit of PIEs, non-PIEs and “Others” in **14** states (Bulgaria, Croatia, Denmark, France, Hungary, Ireland, Italy, Liechtenstein, Lithuania, Luxembourg, Malta, Spain, Sweden, The Netherlands), with a total of **187** sanctions.

The most frequently applied other administrative measure/sanction (not covered by the AR or AD) was mandatory participation in advanced training imposed by Hungary. The second most common measure applied were administrative measures for noncompliance with AML (anti money laundering) regulations imposed by Sweden.

The total number of “Others” administrative measures and sanctions imposed in 2024 has decreased compared to 2023.

Summary of other administrative measures and sanctions

	<i>PIEs</i>	<i>Non-PIEs</i>	<i>Others</i>	<i>Total</i>
2024	18	166	3	187
2023¹⁰	60	137	17	214
2022	138	252	16	406
2021	15	190	1	206
2020	9	83	20	112
2019	16	172	3	191

Eighteen other administrative measures and sanctions that are not covered by the AD or AR imposed related to audits of PIEs in **5 states**: Bulgaria (2), France (2), Lithuania (2), Spain (8), The Netherlands(4).

Some respondents, in their questionnaire responses, provided information indicating if sanction was imposed on statutory auditor or on audit firm, such as:

- statutory auditors – Bulgaria (2), Lithuania (2), Spain (4),
- audit firm – Spain (4).

¹⁰ Including all other administrative measures and sanctions among others: warnings, reprimands and severe reprimands.

One hundred sixty-four other administrative measures and sanctions that are not covered by the AD or AR related to audits of non-PIEs imposed in **10 states**: Croatia (1), Denmark (2), France (2), Hungary (108), Ireland (2), Lithuania (4), Luxembourg (4), Malta (8), Spain (11), Sweden (22).

Some respondents, in their questionnaire responses, provided information indicating if sanction was imposed on statutory auditor or on audit firm, such as:

- statutory auditors – Hungary (108), Spain (7),
- audit firm – Croatia (1), Lithuania (1), Spain (4).

Two other administrative measures and sanctions that are not covered by the AD or AR imposed in relation to the Others audit activities in **2 states**: Liechtenstein (1) and Italy (1 audit firm).

C. Level of pecuniary sanctions

The respondents were asked to indicate the lowest and the highest pecuniary sanctions imposed in 2024 on natural or legal persons in their jurisdiction. Note that not all pecuniary sanctions were imposed in euros, so in the case of sanctions imposed in another currency, the exchange rate was taken into account and the figures were rounded.

The table below sets out the lowest and the highest pecuniary sanctions (Euros, €), imposed by jurisdictions on auditors (natural persons) and audit firms (legal persons) in relation to PIE audits. If the same amount of pecuniary sanction was indicated in the response (in both cells, lowest and highest), and it was the one and the same sanction, the amount is finally presented only in the highest cell.

Jurisdictions	Auditors (PIE) - Lowest €	Auditors (PIE) - Highest €	Audit firm (PIEs) - Lowest €	Audit firm (PIEs) - Highest €
Austria	0	400	0	0
Bulgaria	250	1.050	0	0
Croatia	0	0	22.000	48.000
Czechia	0	0	800	8.000
Denmark	0	6.700	0	0
France	0	0	0	10.000
Germany	2.000	300.000	0	0
Greece	0	10.000	0	0
Hungary	1.251	7.504	2.501	6.253
Italy	30.000	70.000	60.000	195.000
Norway	0	0	100.000	500.000
Poland ¹¹	936	5.850	0	0
Portugal	0	0	20.000	25.000
Romania	0	0	350	73.000
Slovakia	0	0	0	20.000
Spain	7.500	9.750	46.001	232.826

From the feedback received from respondents, pecuniary sanctions for breaches related to the audit

¹¹ Two sanctions imposed and indicated in the Enforcement Report for statistical year 2023, after reconsideration and including the findings of the mediation process - became final and legally binding in 2024. The total amount of the pecuniary sanction for both of these sanctions was 4.132.872 Euro.

of PIEs were imposed on auditors in 9 states and on audit firms in 10 states in 2024 (out of total number of 16 states).

The highest pecuniary sanction in 2024 on a statutory auditor related to audit of PIEs was imposed by the NCA in Germany (300.000 €). The indicated pecuniary sanction for PIE engagements in Germany was imposed for severe violation of duties of a managing director of an audit firm due to a lack of assurance that the represented audit firm does not breach professional duties with regard to specific audit engagements (issuance of substantively incorrect audit opinions and insufficient audit reports, insufficient audit performance regarding several material audit matters over several consecutive years).

The analysis of the data received from respondents shows that the second highest pecuniary sanction on a statutory auditor related to audit of PIEs was imposed by the NCA from Italy (70.000 €). The indicated pecuniary sanction was related to breaches of auditing standards, professional skepticism and ethical requirements.

The third highest amount of pecuniary sanction on a statutory auditor was imposed by the NCA from Greece (10.000 €). The sanction indicated by Greece was related to breach of IFRS 5 - *Non-current Assets Held for Sale and Discontinued Operations*.

The highest pecuniary sanction in 2024 on an audit firm related to audit of PIEs was imposed by the NCA in Norway (500.000 €) for breaches related to the Audit Act; the audit firm failed to obtain sufficient appropriate audit evidence related to revenues on a PIE audit engagement. The second highest pecuniary sanction on an audit firm was imposed by the NCA in Spain (232.826 €). The indicated sanction imposed by Spain on a PIE-audit firm related to breaches of auditing standards where there is a material effect on the outcome of the work performed and, therefore, on the audit report. The third highest pecuniary sanction on an audit firm was imposed by the NCA in Italy (195.000 €), in relation to breaches of auditing standards and professional skepticism.

The table below includes the lowest and the highest pecuniary sanctions in Euros (€) imposed by jurisdictions on audit firms (legal persons) and auditors (natural person), in relation to non-PIE audits. If the same amount of pecuniary sanction was indicated in the response (in both cells, lowest and highest), and it was the one and the same sanction, the amount is finally presented only in the highest cell.

Jurisdictions	Auditors (non-PIE) - Lowest €	Auditors (non-PIE) - Highest €	Audit firm (non-PIEs) - Lowest €	Audit firm (non-PIEs) - Highest €
Austria	400	8.000	0	0
Belgium	15.000	250.000	0	0
Bulgaria	0	700	0	0

Croatia	0	0	3.720	6.200
Czechia	800	10.000	800	4.000
Denmark	4.000	40.200	13.400	13.400
Estonia	0	200	1.325	8.400
France	3.000	30.000	10.000	30.000
Germany	2.000	30.000	0	2.000
Greece	0	10.000	0	10.000
Hungary	375	12.506	375	1.501
Ireland	0	1.750	0	2.500
Italy	0	25.000	0	75.000
Luxembourg	10.000	18.000	0	0
Norway	0	20.000	0	0
Poland	468	4.680	47	17.084
Portugal	0	50.000	10.000	40.000
Romania	0	0	0	73.000
Slovakia	300	3.000	0	880
Spain	3.601	36.000	0	12.000
Sweden	2.300	5.500	9.000	23.000

With reference to pecuniary sanctions imposed in relation to the audit of non-PIEs, 19 states imposed sanctions on auditors and 16 states on audit firms (out of total number of 21 states).

Referring to the pecuniary sanctions imposed on auditors in relation to the audit of non-PIEs, the highest sanction was imposed by the NCA in Belgium (250.000 €) for infringements of the obligation to provide information, the obligations regarding information processing systems, certain obligations regarding AML regulations, the obligations regarding archiving and monitoring, the obligation to comply with the imposed suspension and provisional deprivation, the obligation to cooperate, discretion, integrity and dignity with regard to the supervisor, the annual reporting obligation and the irregular exercise of activities. The Sanctions Committee also noted several infringements by the auditor during his mandate as commissioner of a football club for three financial years. These included infringements of the obligation to have an audit file, failure to perform essential audit activities and infringements of the obligation to comply with an imposed suspension and the obligation to comply with a provisional deprivation.

The second highest sanction was imposed by NCA in Portugal (50.000 €). The NCA in Portugal imposed a fine on a statutory auditor for conducting statutory audits without being duly registered with the regulator. The third highest sanction was imposed on an auditor by the NCA in Denmark (40.200 €). Sanction imposed by Denmark was related to breach of the Executive Order on the Independence of Approved Auditors and Audit Firms.

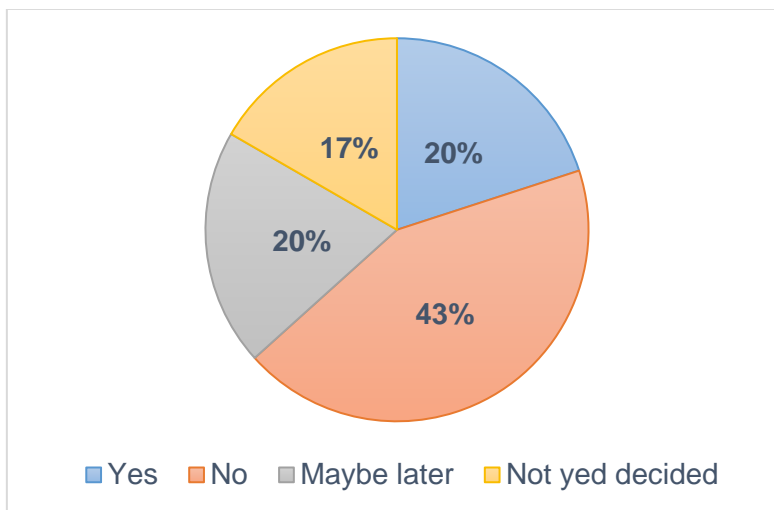
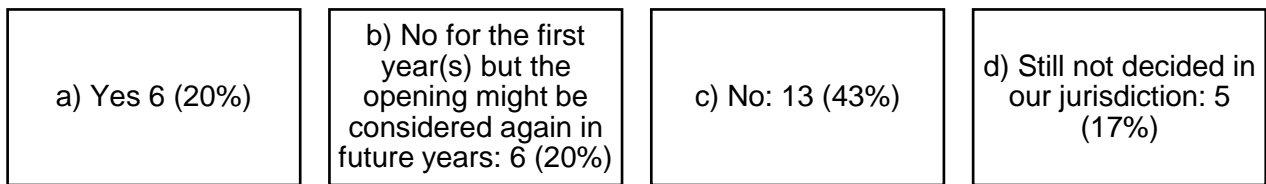
The highest pecuniary sanction on an audit firm was imposed in Italy (75.000 €). This sanction was imposed for breaches of auditing standards and professional skepticism. The second and the third highest sanctions on audit firms were imposed, respectively, in Romania (73.000 €) and in Portugal (40.000 €). The sanction imposed by Romania was related to breaches of professional skepticism and insufficient and inadequate audit evidence on accounting estimates, while the sanction imposed by Portugal was related to breaches of obligations to properly document of the audit evidence obtained and closure of the audit file no later than 60 days after the date of signing the audit report.

D. Corporate Sustainability Reporting

The respondents were asked to provide answers about Corporate Sustainability Reporting. The data includes information available in the first quarter of 2025. This data may have changed since it was collected, for example, in the event of the later entry into force of the regulations.

D.1 Opening the market to independent assurance service providers

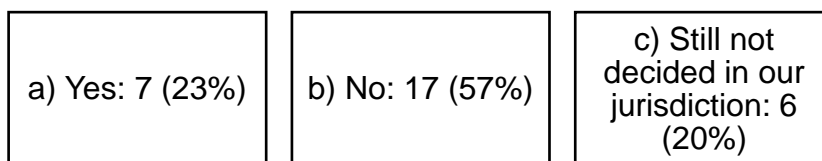
Has your jurisdiction opened the market for independent assurance services providers?



Only minority (6 MS/20%) of the member states have opened their market for independent assurance services providers.¹²

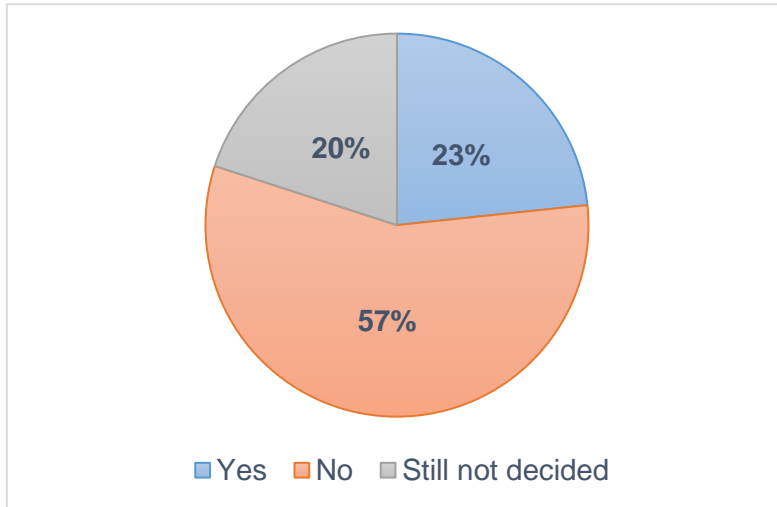
D.2 Oversight of sustainability reporting by NCA

Is your NCA in charge of enforcement vis a vis responsible of oversight of sustainability reporting?



¹² Denmark, Estonia, France, Greece, Lithuania, Spain

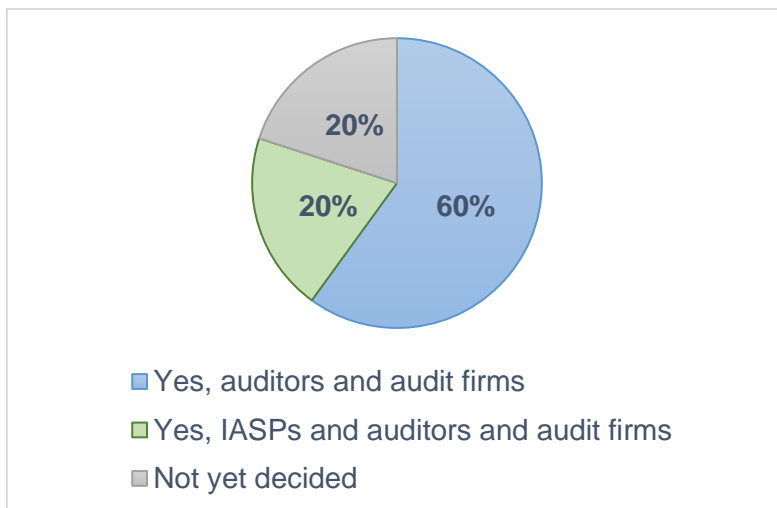
Most NCAs (17/57%) are not responsible for the oversight of sustainability reporting. However, a significant number (7/23%) of the NCAs bear the responsibility.¹³



D.3 Oversight of assurance of sustainability reporting by NCA

Is your NCA in charge of enforcement on practitioners for assurance of sustainability reporting?

<p>a) Yes on auditors/audit firms: 18 (60%)</p>	<p>b) Yes on both Independent assurance services providers and auditors/audit firms: 6 (20%)</p>	<p>c) No: 0</p>	<p>d) Still not decided in our jurisdiction: 6 (20%)</p>
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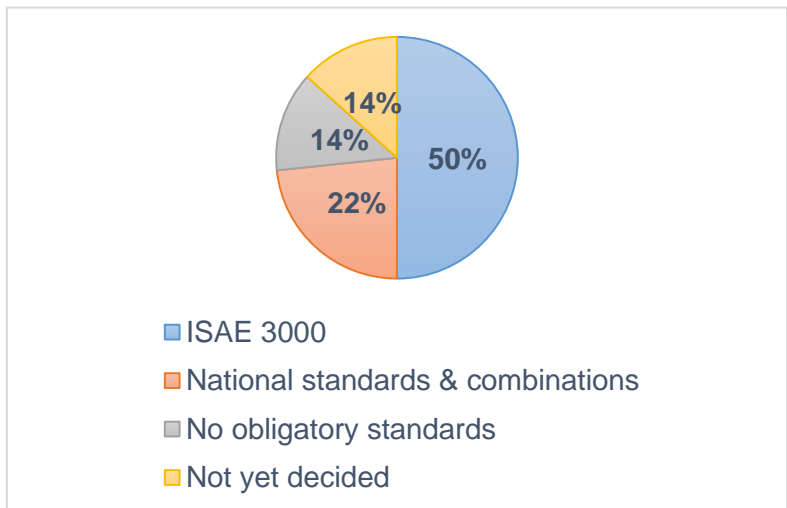
¹³ Denmark, Ireland, Italy, Lithuania, Norway, Romania, the Netherlands; Ireland - "The reply "yes" is based on the understanding that the question is seeking to elicit if the NCA is in charge of enforcement of sustainability reporting for issuers."

Responses show that a clear majority (60%) of NCAs is responsible for the oversight of auditors and audit firms in relation to assurance of sustainability reporting. In addition, in some jurisdictions that opened market to independent assurance service providers, NCAs (20%) also oversee independent assurance services providers.¹⁴

D.4 Applicable standards in assurance of sustainability reporting

What standards, if any, are applied in your jurisdiction in assurance of the sustainability reports in year 2025? Explain.

<p>a) ISAE 3000: 15 (50%)</p>	<p>b) National standards, often combined with ISAE 3000: 7 (22%)</p>	<p>c) No obligatory standards imposed: 4 (14%)</p>	<p>d) Not yet decided in the jurisdiction: 4 (14%)</p>
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ISAE 3000 is the most commonly applied standard (50%).¹⁵ National standards or national standards combined / in line with ISAE 3000 are applied in some countries (22%).¹⁶ In some members states there are no obligatory standards in use (14%).¹⁷ Only in four member states decisions have not yet been made (14%).¹⁸

¹⁴ Answer b - Denmark, Estonia, France, Lithuania, Norway, Spain; Ireland - "yes for PIEs only"; Norway – "If IASPs are permitted in the market of assurance sustainability reporting in Norway"

¹⁵ Bulgaria, Croatia, Cyprus, Czechia, Denmark, Estonia, Germany, Greece, Hungary, Liechtenstein, Latvia, Lithuania, Portugal, Romania, Slovenia

¹⁶ Belgium, Ireland, Italy, Poland, Slovakia, Spain, Sweden

¹⁷ Austria, Finland, France, , Norway – "ISAE 3000 is the most commonly applied standard, however ISAE 3000 is not obligatory"

¹⁸ Iceland, Luxembourg, Malta, the Netherlands

D.5 The role of NCA enforcement function in the near future

In general, the respondents explain in most responses that the NCA has at least the same powers and tasks in relation to oversight of assurance of sustainability reporting as in relation with audit activity.¹⁹ In one member state the NCAs role is more limited.²⁰ In many member states it is too early to say, because the decisions are not yet made.

¹⁹ Belgium, Bulgaria, Croatia, Cyprus, Czechia , Greece, Estonia, Finland, France, Ireland, Italy, Hungary, Latvia, Liechtenstein, Lithuania, Poland, Romania, Slovakia, Slovenia, Spain, Sweden, Norway

²⁰Denmark