

GLOBAL SUMMARY | 2026

Risk in Focus

This Board Briefing is based on the Global Summary
Risk in Focus 2026 report, available at theiia.org/RiskInFocus



Internal Audit
FOUNDATION

About Risk in Focus

Know Your Risks. Plan Strategically.

01

An annual initiative to identify the world's five highest risks

02

Based on survey results, roundtables, and interviews with chief audit executives and directors

03

Research facilitated by the Internal Audit Foundation and partners*



*Europe Risk in Focus reports are produced by the European Confederation of Institutes of Internal Auditing (ECIIA)



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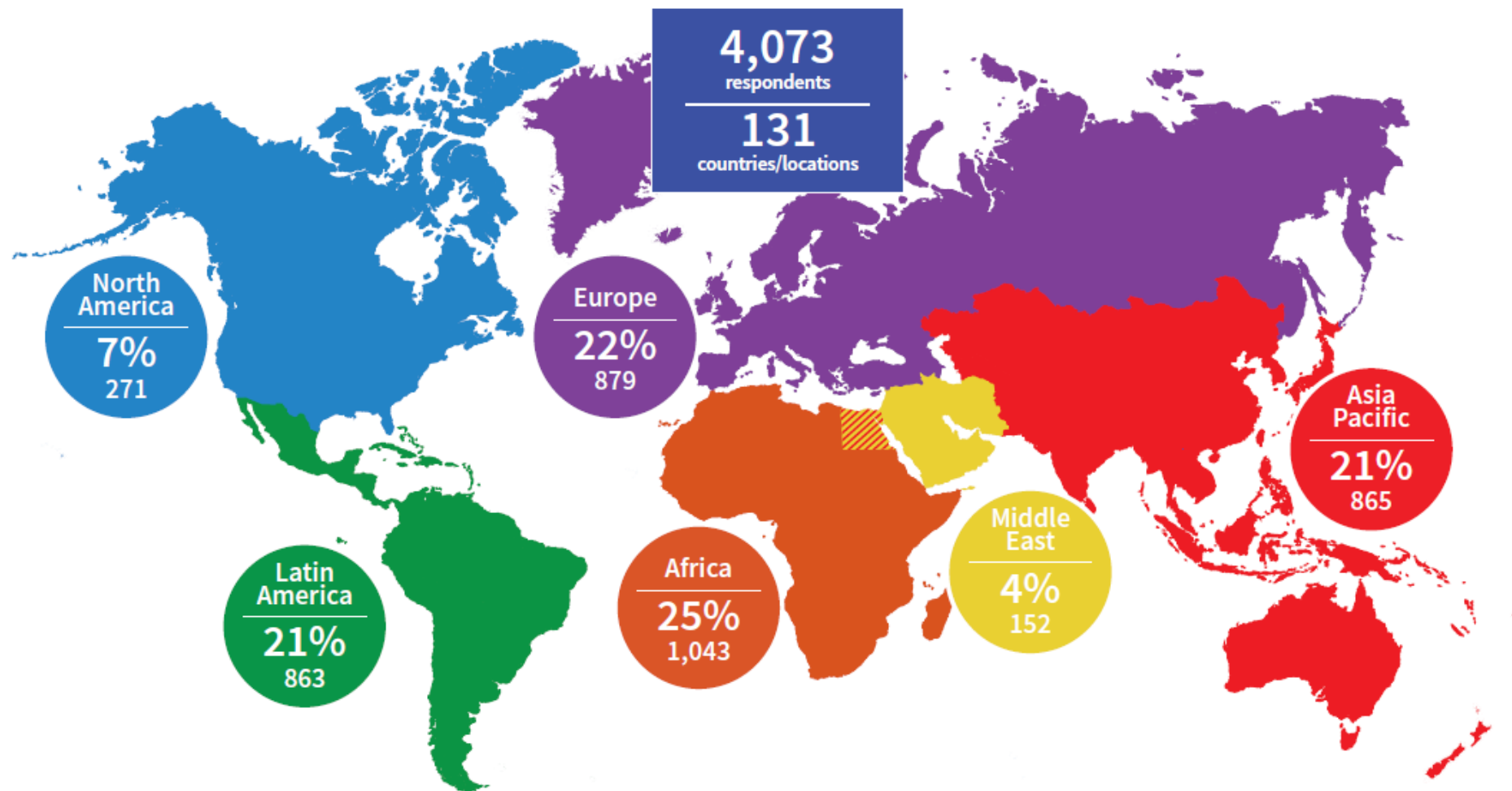


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Global Survey Participation

Response rate per region



- **4,073** responses from chief audit executives and directors
- **131** countries/locations represented
- Survey conducted **April 28 to June 6, 2025**

Global Risk Environment

Trends and relationships between risks



Survey Questions and Risk Areas

The survey focused on 16 risk areas and 2 key questions



Key Questions:

- What are the Top 5 risks your organization faces?
- What are the Top 5 areas on which internal audit spends the most time and effort?

Risk Areas in the Survey			
1	Business continuity	9	Governance/corporate reporting
2	Climate change	10	Health/safety
3	Communications/reputation	11	Human capital
4	Cybersecurity	12	Market changes/competition
5	Digital disruption (including AI)	13	Mergers/acquisitions
6	Financial liquidity	14	Organizational culture
7	Fraud	15	Regulatory change
8	Geopolitical uncertainty	16	Supply chain (including third parties)

Global – Highest Risks

Survey question: What are the Top 5 risks your organization currently faces?



- **Cybersecurity** is the highest ranked risk worldwide by a large margin (73%).
- A technology risk also held second place – **digital disruption** (48%).
- Nearly half (47%) say **business resilience** is one of their highest risks.
- **Geopolitical uncertainty** was almost a Top 5 risk (38%).

Global vs. Regions – Highest Risks

Survey question: What are the Top 5 risks your organization currently faces?

Risk area	Average of the regions	Africa	Asia Pacific	Europe	Latin America	Middle East	North America
Cybersecurity	73%	62%	62%	82%	76%	72%	86%
Digital disruption (including AI)	48%	44%	39%	47%	54%	50%	53%
Business resilience	47%	49%	58%	39%	35%	58%	46%
Human capital	43%	35%	56%	48%	40%	38%	42%
Regulatory change	41%	34%	38%	45%	49%	28%	51%
Geopolitical/macroeconomic uncertainty	38%	27%	35%	45%	45%	29%	45%
Financial/liquidity	31%	43%	19%	27%	32%	38%	27%
Market changes/competition	31%	19%	49%	32%	24%	29%	34%
Governance/corporate reporting	24%	33%	23%	20%	16%	38%	15%
Organizational culture	24%	29%	21%	19%	28%	26%	20%
Supply chain (including third parties)	24%	17%	28%	29%	15%	23%	30%
Fraud	23%	43%	20%	16%	32%	19%	11%
Communications/reputation	19%	25%	19%	12%	19%	19%	18%
Climate change/environment	18%	24%	17%	23%	25%	13%	7%
Health/safety	10%	11%	11%	12%	6%	11%	8%
Mergers/acquisitions	5%	3%	6%	5%	5%	6%	7%

■ Highest risks per region

■ If there is a tie for the fifth highest percentage, the tied percentages are highlighted in a lighter color

Note 1: The global average is calculated by summing the average from each region and dividing by the number of regions.

Note 2: Risk in Focus survey conducted online from April 28 to June 6, 2025, by the Internal Audit Foundation and partners. $n = 4,073$ for global.

- **Cybersecurity** and **digital disruption** were high risk for all regions.
- **Geopolitical uncertainty** and **regulatory change** risks were high in Europe, Latin America, and North America.
- **Business resilience** risk was rated relatively low in Europe and Latin America.

Global – Risk Level Trend

Survey question: What are the Top 5 risks your organization currently faces?

2023	2024	2025	Change from 2024 to 2025	Change	Risk area
73%	71%	73%		+2	Cybersecurity
34%	39%	48%		+9	Digital disruption (including AI)
47%	54%	47%		-7	Business resilience
51%	49%	43%		-6	Human capital
39%	37%	41%		+4	Regulatory change
30%	28%	38%		+10	Geopolitical/macroeconomic uncertainty
32%	32%	31%		-1	Financial/liquidity
32%	32%	31%		-1	Market changes/competition
27%	26%	24%		-2	Governance/corporate reporting
26%	25%	24%		-1	Organizational culture
26%	22%	24%		+2	Supply chain (including third parties)
24%	27%	23%		-4	Fraud
21%	21%	19%		-2	Communications/reputation
19%	21%	18%		-3	Climate change/environment
11%	11%	10%		-1	Health/safety
6%	6%	5%		-1	Mergers/acquisitions

Increased risk level compared to prior year Decreased risk level compared to prior year

Note 1: Risk in Focus survey conducted online from April 28 to June 6, 2025, by the Internal Audit Foundation and partners. $n = 4,073$ for global.

Note 2: The orange and blue bars show the difference in risk level ratings from 2024 to 2025. The column labeled "change" shows the percentage point difference between 2024 and 2025. The areas are listed from the highest to lowest risk level rating for 2025. The years indicate the year the survey was conducted.

- At a global level, **geopolitical uncertainty** had the highest gain in risk ratings over the prior year (+10), driven by high ratings from North America, Latin America, and Europe.
- **Digital disruption** risk had the next largest increase (+9).
- **Regulatory change** had the third highest increase in risk (+4), likely connected to **geopolitical uncertainty**.

Global – Highest Risks per Industry (Part 1)

Survey question: What are the Top 5 risks your organization currently faces?

Risk area	Average of the industries	Financial services	Public sector (government)	Manufacturing	Mining/energy/water	Agriculture/forestry/fishing	Wholesale and retail	Administrative/support services	Professional/technical
Cybersecurity	73%	82%	70%	65%	67%	62%	57%	61%	75%
Business resilience	48%	49%	42%	47%	54%	43%	49%	28%	47%
Digital disruption (including AI)	47%	60%	51%	41%	36%	32%	38%	57%	60%
Human capital	43%	43%	51%	40%	38%	40%	35%	40%	40%
Regulatory change	41%	48%	39%	33%	40%	37%	34%	31%	41%
Geopolitical/macroeconomic uncertainty	38%	39%	25%	51%	37%	51%	48%	36%	39%
Market changes/competition	31%	31%	10%	47%	31%	17%	47%	20%	30%
Financial/liquidity	31%	34%	29%	24%	28%	18%	32%	22%	29%
Supply chain (including third parties)	24%	17%	12%	33%	35%	31%	44%	20%	23%
Fraud	23%	26%	28%	17%	17%	31%	23%	52%	18%
Governance/corporate reporting	24%	19%	36%	24%	19%	17%	29%	37%	25%
Organizational culture	24%	19%	38%	20%	21%	26%	23%	25%	29%
Communications/reputation	19%	13%	33%	12%	15%	12%	15%	34%	17%
Climate change/environment	18%	13%	20%	25%	30%	50%	12%	28%	12%
Health/safety	10%	3%	11%	15%	26%	15%	5%	4%	12%
Mergers/acquisitions	5%	5%	4%	7%	6%	13%	7%	3%	5%

■ Highest risks per industry

■ If there is a tie for the fifth highest percentage, the tied percentages are highlighted in a lighter color

Note 1: Risk in Focus survey conducted online from April 28 to June 6, 2025, by the Internal Audit Foundation and partners. $n = 4,073$ for global.

Note 2: The global average is calculated by summing each industry's results per region and dividing by the number of regions.

- Across almost all industries at a global level, risk is high for **cybersecurity** and **business resilience**.
- **Geopolitical uncertainty** risks were high for about half of industries, including manufacturing, mining/energy, agriculture, wholesale/retail, and charities.
- **Climate change** risk is high for agriculture.

Global – Highest Risks per Industry (Part 2)

Survey question: What are the Top 5 risks your organization currently faces?

Risk area	Average of the industries	Education	Transport/storage	Health/social work	Construction	Accommodation/food services	Information/communication	Arts/entertainment/recreation	Real estate	Charities
Cybersecurity	73%	69%	76%	81%	60%	77%	82%	77%	65%	72%
Business resilience	48%	45%	64%	40%	40%	59%	56%	53%	80%	60%
Digital disruption (including AI)	47%	46%	37%	46%	23%	37%	68%	36%	35%	18%
Human capital	43%	41%	40%	43%	51%	47%	34%	29%	40%	54%
Regulatory change	41%	42%	31%	40%	40%	16%	40%	48%	29%	30%
Geopolitical/macroeconomic uncertainty	38%	32%	42%	37%	39%	28%	37%	33%	24%	42%
Market changes/competition	31%	26%	30%	19%	47%	40%	39%	31%	32%	16%
Financial/liquidity	31%	39%	30%	43%	35%	21%	25%	34%	40%	46%
Supply chain (including third parties)	24%	17%	39%	31%	34%	25%	20%	12%	13%	16%
Fraud	23%	24%	25%	20%	31%	12%	21%	21%	2%	32%
Governance/corporate reporting	24%	35%	19%	21%	16%	23%	23%	26%	19%	25%
Organizational culture	24%	31%	19%	24%	16%	41%	19%	27%	35%	27%
Communications/reputation	19%	24%	13%	21%	20%	18%	21%	42%	41%	36%
Climate change/environment	18%	7%	15%	13%	29%	19%	4%	17%	30%	12%
Health/safety	10%	9%	16%	18%	14%	17%	3%	5%	13%	11%
Mergers/acquisitions	5%	4%	4%	5%	8%	20%	10%	10%	3%	3%

■ Highest risks per industry

■ If there is a tie for the fifth highest percentage, the tied percentages are highlighted in a lighter color

Note 1: Risk in Focus survey conducted online from April 28 to June 6, 2025, by the Internal Audit Foundation and partners. n = 4,073 for global.

Note 2: The global average is calculated by summing each industry's results per region and dividing by the number of regions.

- **Digital disruption** risk is lower for mining/energy, agriculture, wholesale/retail, transport/storage, construction, and more.
- **Supply chain** risk is high for wholesale/retail and transport/storage.
- Industry differences are important to consider at a global level and within regions. See region reports for details.

Global Audit Priorities

Maintaining essential coverage while
addressing rising risks

Global – Highest Audit Priorities

Survey question: What are the Top 5 audit areas on which internal audit spends the most time and effort?



- **Cybersecurity** is the highest audit priority globally by a substantial margin (69%).
- More than half say **governance** and **business resilience** are high priority (55%/53%).
- The next highest areas for audit priority are **regulatory change** and **financial/liquidity** (46%/44%).

Global vs. Regions – Highest Audit Priorities

Survey question: What are the Top 5 audit areas on which internal audit spends the most time and effort?

Audit area	Average of the regions	Africa	Asia Pacific	Europe	Latin America	Middle East	North America
Cybersecurity	69%	60%	63%	72%	69%	69%	83%
Governance/corporate reporting	55%	51%	55%	58%	48%	64%	53%
Business resilience	53%	54%	57%	50%	40%	59%	60%
Regulatory change	46%	37%	58%	49%	53%	30%	50%
Financial/liquidity	44%	47%	30%	43%	51%	47%	44%
Fraud	40%	49%	42%	37%	51%	30%	30%
Supply chain (including third parties)	33%	31%	32%	39%	24%	35%	37%
Digital disruption (including AI)	32%	30%	25%	29%	30%	36%	43%
Human capital	29%	32%	36%	27%	27%	35%	15%
Organizational culture	23%	26%	23%	21%	29%	19%	19%
Communications/reputation	18%	23%	18%	14%	21%	19%	14%
Market changes/competition	15%	13%	19%	13%	16%	14%	13%
Health/safety	15%	13%	17%	17%	12%	14%	15%
Geopolitical/macroeconomic uncertainty	11%	12%	8%	8%	16%	13%	10%
Climate change/environment	10%	14%	10%	16%	9%	8%	4%
Mergers/acquisitions	5%	3%	4%	5%	6%	4%	7%

■ Highest audit priorities per region

■ If there is a tie for the fifth highest percentage, the tied percentages are highlighted in a lighter color

Note 1: The global average is calculated by summing the average from each region and dividing by the number of regions.

Note 2: Risk in Focus survey conducted online from April 28 to June 6, 2025, by the Internal Audit Foundation and partners. $n = 4,073$ for global.

- With few exceptions, the five highest areas for audit time and effort are consistent across regions.
- **Fraud** priority is higher for Africa, Asia Pacific, and Latin America.
- **Digital disruption** is one of the highest audit priorities for Middle East (with North America also high).

Global – Audit Priority Trend

Survey question: What are the Top 5 audit areas on which internal audit spends the most time and effort?

2023	2024	2025	Change from 2024 to 2025	Change	Risk area
68%	69%	69%		0	Cybersecurity
55%	56%	55%		-1	Governance/corporate reporting
54%	55%	53%		-2	Business resilience
46%	46%	46%		0	Regulatory change
45%	45%	44%		-1	Financial/liquidity
42%	41%	40%		-1	Fraud
34%	31%	33%		+2	Supply chain (including third parties)
22%	25%	32%		+7	Digital disruption (including AI)
30%	31%	29%		-2	Human capital
24%	23%	23%		0	Organizational culture
20%	20%	18%		-2	Communications/reputation
16%	16%	15%		-1	Market changes/competition
17%	16%	15%		-1	Health/safety
9%	8%	11%		+3	Geopolitical/macroeconomic uncertainty
11%	12%	10%		-2	Climate change/environment
6%	6%	5%		-1	Mergers/acquisitions

■ Increased audit priority compared to prior year
 ■ Decreased audit priority compared to prior year

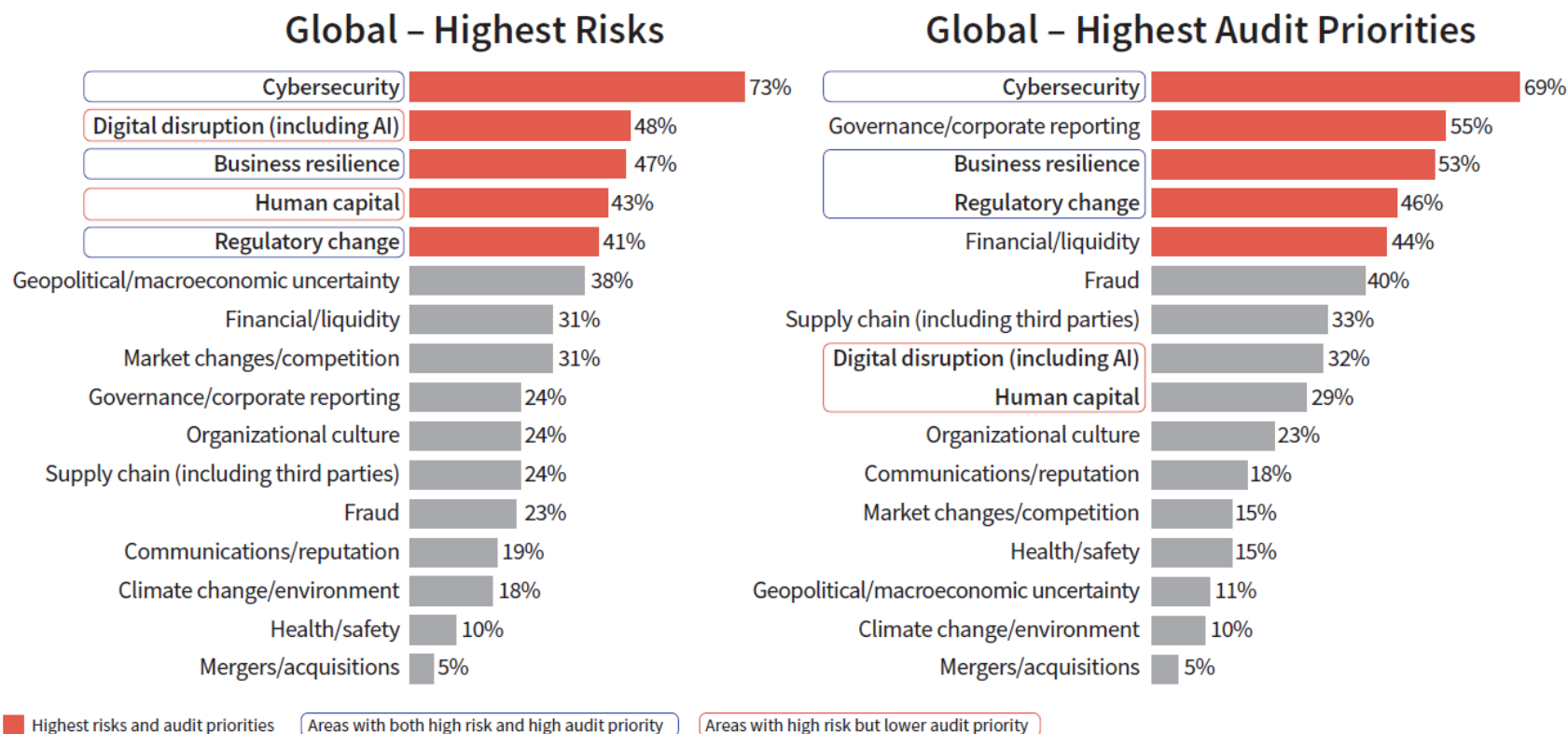
Note 1: Risk in Focus survey conducted online from April 28 to June 6, 2025, by the Internal Audit Foundation and partners. $n = 4,073$ for global.

Note 2: The orange and blue bars show the difference in audit priority ratings from 2024 to 2025. The column labeled "change" shows the percentage point difference between 2024 and 2025. The areas are listed from the highest to lowest audit priority rating for 2025. The years indicate the year the survey was conducted.

- At a global level, **digital disruption** audit priority rose by 7 percentage points, making it the largest increase of all areas.
- The next highest shifts were for **geopolitical uncertainty** (+3) and **supply chain** (+2).

Global – Risk vs. Audit Priorities

Highest risks compared to highest priorities for internal audit time and effort



Note: Risk in Focus survey conducted online from April 28 to June 6, 2025, by the Internal Audit Foundation and partners. n = 4,073 for global.

- At a global level, **cybersecurity, business resilience, and regulatory change** had a close match between risk and audit priority.
- **Areas with high risk and lower audit priority:**
 - Digital disruption (+16)
 - Human capital (+14)
 - Geopolitical uncertainty (+27)



Balancing Risk and Audit Priority

Direct and indirect responses to geopolitical uncertainty

- **Geopolitical uncertainty** is a rapidly developing risk area.
- **Roundtable participants noted** that geopolitical uncertainty is not a typical audit area with identifiable processes and controls, so it is difficult to audit directly.
- **To address geopolitical risks**, internal auditors should consider geopolitical uncertainty during activities in related audit areas, especially:
 - Business resilience
 - Regulatory changes
 - Financial/liquidity risk
 - Market changes/competition
 - Supply chain (including third parties)

Global – Highest Audit Priorities per Industry (Part 1)

Survey question: What are the Top 5 audit areas on which internal audit spends the most time and effort?

Risk area	Average of the industries	Financial services	Public sector (government)	Manufacturing	Mining/energy/water	Agriculture/forestry/fishing	Wholesale and retail	Administrative/support services	Professional/technical
Cybersecurity	69%	79%	63%	64%	68%	50%	57%	54%	66%
Governance/corporate reporting	55%	54%	60%	49%	58%	40%	67%	53%	56%
Business resilience	53%	58%	47%	51%	59%	56%	54%	34%	45%
Regulatory change	46%	58%	45%	39%	29%	44%	42%	57%	46%
Financial/liquidity	44%	51%	36%	39%	41%	44%	42%	31%	46%
Fraud	40%	37%	42%	47%	37%	68%	49%	54%	36%
Supply chain (including third parties)	33%	26%	22%	50%	52%	20%	51%	23%	30%
Digital disruption (including AI)	32%	40%	38%	25%	25%	31%	23%	18%	33%
Human capital	29%	25%	32%	28%	25%	26%	18%	32%	35%
Organizational culture	23%	16%	30%	20%	17%	30%	19%	45%	26%
Communications/reputation	18%	16%	29%	11%	14%	9%	18%	36%	26%
Health/safety	15%	3%	20%	23%	32%	10%	16%	8%	11%
Market changes/competition	15%	17%	5%	22%	12%	14%	16%	12%	17%
Geopolitical/macroeconomic uncertainty	11%	10%	16%	12%	8%	21%	11%	26%	17%
Climate change/environment	10%	7%	11%	14%	19%	24%	6%	13%	6%
Mergers/acquisitions	5%	4%	3%	7%	7%	14%	7%	4%	4%

■ Highest audit priorities per industry

■ If there is a tie for the fifth highest percentage, the tied percentages are highlighted in a lighter color

Note 1: Risk in Focus survey conducted online from April 28 to June 6, 2025, by the Internal Audit Foundation and partners. *n* = 4,073 for global.

Note 2: The global average is calculated by summing each industry's results per region and dividing by the number of regions.

- At a global level across almost all industries, audit priority is high for **cyber-security, governance, and business resilience**.
- **Regulatory change** priority is high for less than half of industries at a global level.
- **Financial/liquidity** effort is higher than average for financial services, education, transport/storage, charities, and others.

Global – Highest Audit Priorities per Industry (Part 2)

Survey question: What are the Top 5 audit areas on which internal audit spends the most time and effort?

Risk area	Average of the industries	Education	Transport/storage	Health/social work	Construction	Accommodation/food services	Information/communication	Arts/entertainment/recreation	Real estate	Charities
Cybersecurity	69%	68%	73%	72%	53%	72%	84%	68%	76%	68%
Governance/corporate reporting	55%	59%	56%	50%	43%	48%	40%	54%	50%	63%
Business resilience	53%	44%	53%	51%	41%	55%	56%	70%	60%	51%
Regulatory change	46%	43%	33%	41%	38%	28%	38%	38%	38%	38%
Financial/liquidity	44%	53%	50%	45%	37%	34%	36%	41%	38%	60%
Fraud	40%	31%	46%	35%	41%	42%	28%	38%	44%	65%
Supply chain (including third parties)	33%	19%	46%	42%	42%	53%	36%	27%	22%	25%
Digital disruption (including AI)	32%	32%	33%	29%	18%	18%	51%	41%	14%	17%
Human capital	29%	30%	27%	38%	39%	27%	30%	22%	23%	34%
Organizational culture	23%	35%	18%	26%	29%	43%	22%	23%	44%	34%
Communications/reputation	18%	21%	14%	19%	27%	18%	11%	26%	43%	18%
Health/safety	15%	18%	17%	28%	15%	18%	8%	7%	21%	12%
Market changes/competition	15%	13%	10%	12%	28%	11%	30%	19%	3%	6%
Geopolitical/macroeconomic uncertainty	11%	13%	12%	7%	23%	3%	11%	6%	13%	6%
Climate change/environment	10%	7%	9%	6%	19%	4%	7%	17%	11%	3%
Mergers/acquisitions	5%	6%	4%	2%	10%	23%	11%	5%	0%	2%

■ Highest audit priorities per industry
■ If there is a tie for the fifth highest percentage, the tied percentages are highlighted in a lighter color

Note 1: Risk in Focus survey conducted online from April 28 to June 6, 2025, by the Internal Audit Foundation and partners. $n = 4,073$ for global.

Note 2: The global average is calculated by summing each industry's results per region and dividing by the number of regions.

- Audit priority ratings for **fraud** varied widely across industries, ranging from 28% to 68%.
- Similarly, audit priority for **supply chain** ranged broadly, from 19% to 53%.
- Industry differences are important to consider at a global level and within regions. See region reports for details.

Global Strategies for Rapidly Rising Risks

A closer look at geopolitical uncertainty and
digital disruption (including AI)



Geopolitical Uncertainty

Audit strategies and leading practices

1. **Monitor geopolitical risks.**

Update risk assessments and matrices.

2. **Communicate more.** Increase meetings with executive management and risk leaders.

3. **Offer advisory services.**

Provide advisory services that assess, inform, and prepare.

4. **Practice risk scenarios.** Use risk scenario exercises to help plan for changing risks.

5. **Assess supply chain reliability and risk.**

Assess the adequacy of supply chain risk management.

6. **Review business continuity plans.** Provide assurance for short-term and long-term resilience.

7. **Prepare for market disruption.**

Anticipate disruption in global trade and adjust audit priorities.

8. **Anticipate government funding cuts.**

Prepare for impacts on operations.



Digital Disruption (Including AI)

Audit strategies and leading practices

- 1. Implement wisely.** Advocate for strong governance processes for selecting and implementing AI products.
- 2. Anticipate new threats.** Closely monitor digital disruption and AI effects on cybersecurity and fraud.
- 3. Watch for bias.** Identify independent validation processes to ensure AI models are working as intended and without bias.
- 4. Be vigilant.** Watch for hidden risks related to AI-converted systems becoming “out of sight and out of mind.”
- 5. Upskill staff.** Seek ways for internal auditors to use AI to increase efficiency and effectiveness.
- 6. Be transparent.** Acknowledge internal audit’s limits for auditing AI and other technologies.



Auditing Resources from The IIA

Resources to help internal auditors with emerging risks

Developing a Risk-Based Internal Audit Plan

- This [Global Practice Guide](#) describes how to create and maintain a risk-based audit plan.

Cybersecurity Topical Requirement

- This new [Topical Requirement](#) from The IIA provides guidance to follow when auditing cybersecurity.

Auditing IT Governance and IT Management

- This [Global Technology Audit Guide](#) (GTAG) from The IIA helps internal auditors:
 - Identify gaps in IT governance.
 - Evaluate alignment with organizational objectives.
 - Provide recommendations to bolster IT oversight and resilience.

Download the Global Summary and Regional Reports



Download the Global Summary, Regional Reports, and Board Briefings from the Risk in Focus Knowledge Center:



theiia.org/RiskInFocus

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Global Headquarters
The Institute of Internal Auditors
1035 Greenwood Blvd., Suite 401
Lake Mary, Florida, 32746 USA

Phone: +1-407-937-1111
Fax: +1-407-937-1101
Web: theiia.org/Foundation

Global Research Team

- **Research lead**
 - Deborah Poulalion, Senior Manager, Research and Insights, The IIA
- **Project manager**
 - Candace Sacher
- **Writers**
 - Robert Perez, Arthur Piper, Deborah Poulalion
- **Graphic designers**
 - Sergio Analco, Cathy Watanabe



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