

ASIA PACIFIC 2026/2027

RISK *in* FOCUS

Hot Topics for Internal Auditors

BOARD BRIEFING

Internal Audit
FOUNDATION



1976-2026



Asian Confederation of
Institutes of Internal Auditors

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)

ASIA PACIFIC 2026/2027

Hot Topics for Internal Auditors

RISK in FOCUS



Asian Confederation of
Institutes of Internal Auditors



Internal Audit
FOUNDATION
1976-2026



Asian Confederation of
Institutes of Internal Auditors

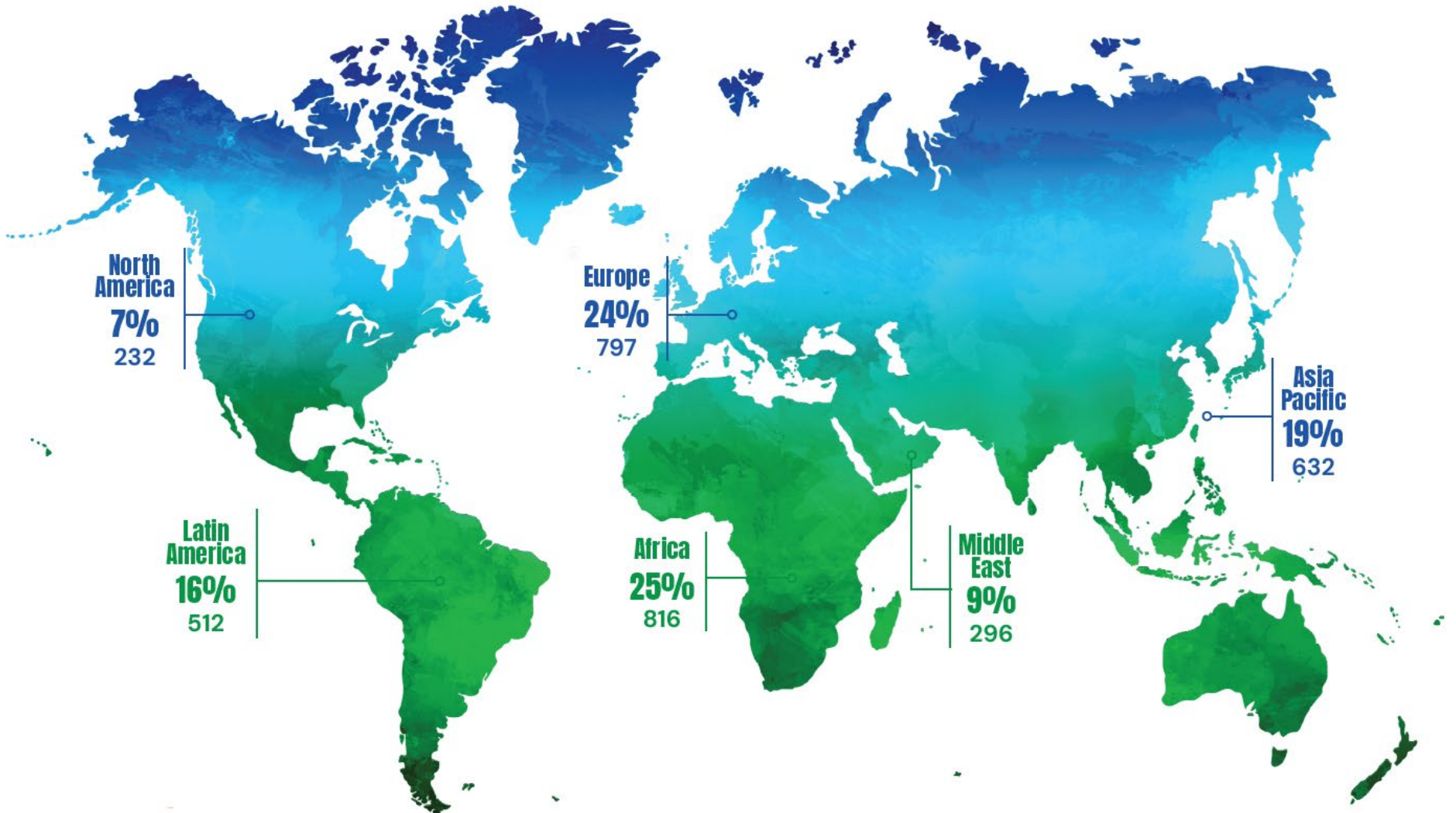


**Download Risk in
Focus reports at:**

theiia.org/RiskInFocus

Global Survey Participation

Response rate per region



- **3,285** responses from chief audit executives and directors
- **132** countries/locations represented
- Survey conducted **March 2 to May 6, 2026**

Asia Pacific Survey Participation

Responses per country/location

East Asia		Southeast Asia		South Asia	
Japan	99	Indonesia	86	India	42
Chinese Taiwan	98	Singapore	38	Bangladesh	10
China	51	Malaysia	37	Pakistan	8
South Korea	39	Philippines	32	Sri Lanka	3
Hong Kong (China)	6	Vietnam	6	Bhutan	1
Mongolia	1	Thailand	2	Total	64
Macau Special Administrative Region (China)	1	Brunei Darussalam	1		
Total	295	Total	202		

Pacific		Central Asia		Russia*	
Fiji	18	Uzbekistan	12	Russia	25
Australia	17	Kazakhstan	9	Total	25
New Zealand	6	Tajikistan	2	*Russian results are provided in a separate report.	
Papua New Guinea	5	Afghanistan	1		
Maldives	1	Total	24		
Total	47				

Asia Pacific's Risk Environment

Geopolitical Shocks and New Technology
Escalate Risks



Survey Questions and Risk Areas

The report focuses on 16 risk areas and 5 topics



Key Topics

1. Top 5 risks
2. Top 5 audit priorities
3. Risk severity rating (1–7)
4. Risk governance maturity
5. Internal audit coverage

Risk Areas in the Survey

1	Business resilience	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 and outsourcing

Asia Pacific – Top 5 Risks

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



5 highest risks

- **Cybersecurity** was chosen by 85% of CAEs in Asia Pacific as one of the five highest risks facing their organizations.
- **Digital disruption** reached an all-time high of 59% to take second place.
- **Geopolitical uncertainty** joins the highest risks, ranking third (52%).
- **Business resilience** and **human capital** stay among the highest risks (43%, 41%).

Asia Pacific – Top 5 Risks Trend

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

2023	2024	2025	2026	Change from 2025 to 2026	Change	Risk areas
66%	64%	62%	72%		+10	Cybersecurity
30%	36%	39%	59%		+20	Digital disruption (including AI)
28%	30%	35%	48%		+13	Geopolitical/macroeconomic uncertainty
61%	62%	58%	43%		-15	Business resilience
59%	57%	56%	41%		-15	Human capital
47%	49%	49%	37%		-12	Market changes/competition
27%	24%	28%	33%		+5	Supply chain and outsourcing
22%	22%	20%	28%		+8	Fraud
21%	19%	19%	28%		+9	Financial/liquidity
35%	32%	38%	24%		-14	Regulatory change
24%	22%	23%	21%		-2	Governance/corporate reporting
22%	26%	17%	20%		+3	Climate change/environment
23%	23%	21%	19%		-2	Organizational culture
18%	21%	19%	13%		-6	Communications/reputation
12%	11%	11%	8%		-3	Health/safety
4%	4%	6%	6%		0	Mergers/acquisitions

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

How to Interpret the Graph

Orange text indicates an increase of 4 percentage points or more compared to the prior year. The orange and blue bars show the difference in ratings from 2025 to 2026. The column labeled "change" shows the percentage point difference from 2025 to 2026.

- Risk levels shifted substantially in many areas.
- **Digital disruption** risk increased the most (+20), along with +10 increase for **cybersecurity**.
- **Geopolitical uncertainty** risk also rose substantially (+13).
- Displaced risks included **business resilience, human capital, market changes, and regulatory change**.

Asia Pacific – Top 5 Risks per Subregion

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

Risk areas	All Asia Pacific	East Asia	Southeast Asia	South Asia	Pacific	Central Asia
Cybersecurity	72%	68%	76%	72%	79%	71%
Digital disruption (including AI)	59%	57%	61%	63%	53%	50%
Geopolitical/macroeconomic uncertainty	48%	43%	55%	70%	26%	38%
Business resilience	43%	42%	44%	44%	49%	46%
Human capital	41%	46%	36%	42%	36%	29%
Market changes/competition	37%	41%	37%	28%	36%	21%
Supply chain and outsourcing	33%	39%	23%	41%	38%	17%
Fraud	28%	24%	30%	27%	38%	54%
Financial/liquidity	28%	25%	30%	19%	23%	63%
Regulatory change	24%	21%	26%	19%	26%	42%
Governance/corporate reporting	21%	27%	14%	13%	23%	17%
Climate change/environment	20%	15%	26%	33%	21%	8%
Organizational culture	19%	23%	15%	16%	15%	17%
Communications/reputation	13%	11%	16%	8%	17%	4%
Health/safety	8%	9%	4%	8%	19%	13%
Mergers/acquisitions	6%	9%	4%	0%	0%	13%

■ 5 highest risks

- **Cybersecurity** is a Top 5 risk in every subregion, with Pacific highest at 79%.
- **Digital disruption** was the second or third highest risk for all subregions.
- **Geopolitical uncertainty** is significantly higher for South Asia (70%).
- **Business resilience** is consistently high across all subregions (ranging between 42% and 49%).

Asia Pacific – Top 5 Audit Priorities

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



- In close alignment with the risk level, 70% of CAEs chose **cybersecurity** as one of the five areas where internal audit spends the most time and effort.
- **Business resilience** stayed high in second place (51%), likely incorporating other risk areas.
- **Fraud, governance, and financial/liquidity** stay in among the highest priorities (above 40%).

Asia Pacific – Top 5 Audit Priorities Trend

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

2023	2024	2025	2026	Change from 2025 to 2026	Change	Audit areas
66%	63%	63%	70%		+7	Cybersecurity
59%	60%	57%	51%		-6	Business resilience
42%	43%	42%	48%		+6	Fraud
54%	55%	56%	45%		-11	Governance/corporate reporting
35%	30%	30%	43%		+13	Financial/liquidity
33%	28%	32%	42%		+10	Supply chain and outsourcing
19%	23%	25%	40%		+15	Digital disruption (including AI)
56%	52%	58%	38%		-20	Regulatory change
33%	33%	36%	27%		-9	Human capital
23%	25%	23%	19%		-4	Organizational culture
23%	25%	19%	18%		-1	Market changes/competition
18%	16%	17%	15%		-2	Health/safety
10%	16%	10%	13%		+3	Climate change/environment
21%	23%	18%	13%		-5	Communications/reputation
6%	6%	7%	12%		+5	Geopolitical/macroeconomic uncertainty
3%	2%	4%	6%		+2	Mergers/acquisitions

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

How to Interpret the Graph

Orange text indicates an increase of 4 percentage points or more compared to the prior year. The orange and blue bars show the difference in ratings from 2025 to 2026. The column labeled "change" shows the percentage point difference from 2025 to 2026.

- Audit priorities increased and decreased in many areas.
- Audit priority increased substantially for **digital disruption** (+15), **financial/liquidity** (+13), and **supply chain** (+10).
- Audit priority decreased the most for **regulatory change** (-20), followed by **governance** (-11) and **human capital** (-9).

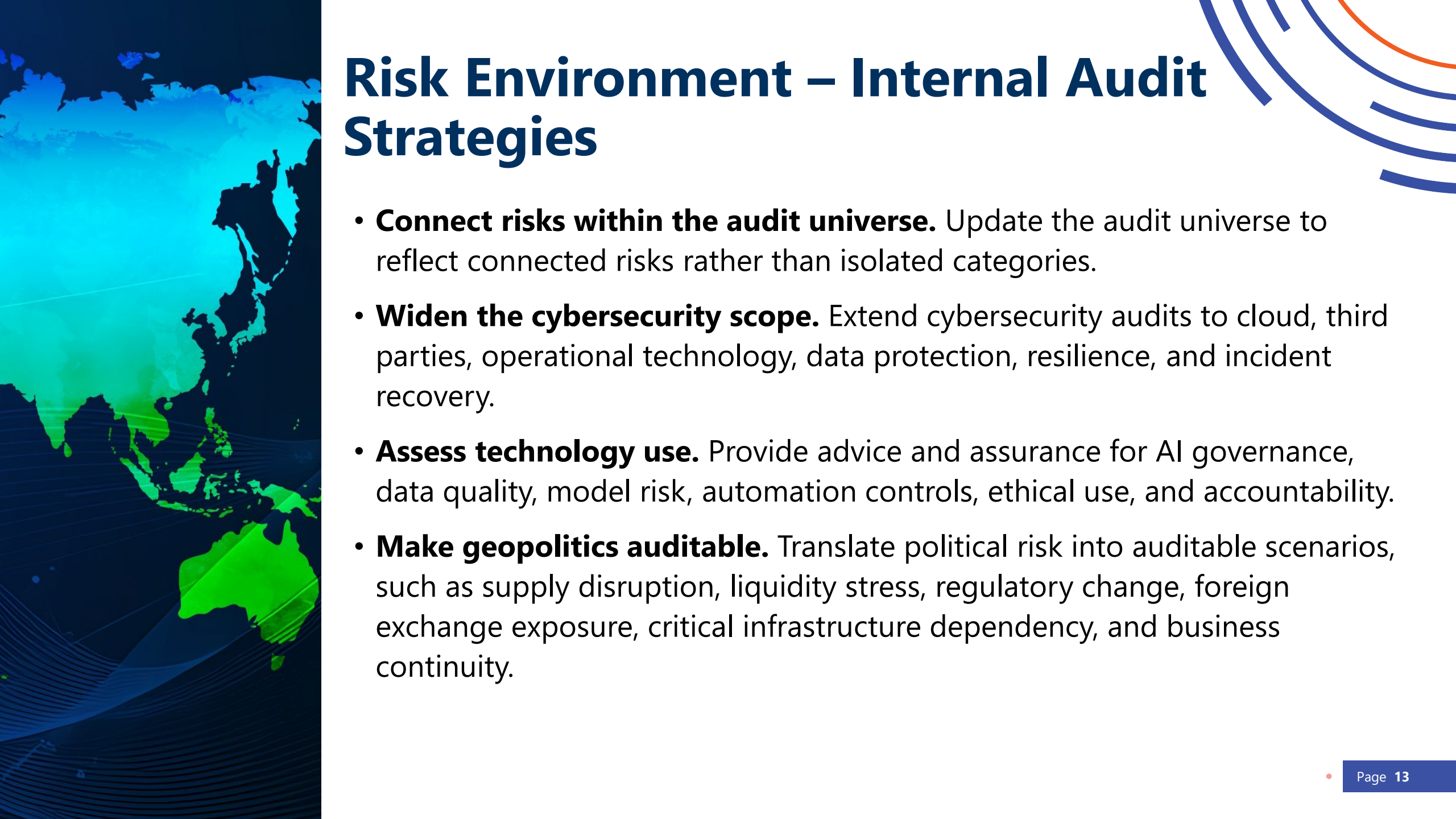
Asia Pacific – Top 5 Audit Priorities per Subregion

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

Audit areas	All Asia Pacific	East Asia	Southeast Asia	South Asia	Pacific	Central Asia
Cybersecurity	70%	66%	71%	80%	68%	88%
Business resilience	51%	46%	58%	55%	55%	46%
Fraud	48%	44%	49%	50%	57%	58%
Governance/corporate reporting	45%	48%	39%	45%	55%	38%
Financial/liquidity	43%	45%	39%	38%	47%	67%
Supply chain and outsourcing	42%	44%	40%	55%	34%	25%
Digital disruption (including AI)	40%	35%	50%	30%	38%	50%
Regulatory change	38%	46%	27%	41%	43%	29%
Human capital	27%	31%	26%	22%	19%	17%
Organizational culture	19%	24%	13%	14%	17%	21%
Market changes/competition	18%	16%	25%	16%	9%	17%
Health/safety	15%	17%	10%	16%	32%	4%
Climate change/environment	13%	11%	15%	16%	9%	13%
Communications/reputation	13%	11%	17%	9%	9%	8%
Geopolitical/macroeconomic uncertainty	12%	10%	17%	13%	2%	17%
Mergers/acquisitions	6%	6%	5%	3%	6%	4%

■ 5 highest audit priorities

- For almost every subregion **cybersecurity, business resilience, and fraud** were one of the five areas where internal audit spends the most time and effort.
- Audit priority for **digital disruption** was substantially higher for Southeast Asia and Central Asia.
- **Geopolitical uncertainty** as a standalone audit priority is rated low for all subregions.



Risk Environment – Internal Audit Strategies

- **Connect risks within the audit universe.** Update the audit universe to reflect connected risks rather than isolated categories.
- **Widen the cybersecurity scope.** Extend cybersecurity audits to cloud, third parties, operational technology, data protection, resilience, and incident recovery.
- **Assess technology use.** Provide advice and assurance for AI governance, data quality, model risk, automation controls, ethical use, and accountability.
- **Make geopolitics auditable.** Translate political risk into auditable scenarios, such as supply disruption, liquidity stress, regulatory change, foreign exchange exposure, critical infrastructure dependency, and business continuity.

Audit Priorities – Internal Audit Strategies

- **Map risk against audit coverage.** Compare high-risk areas with current audit effort to identify any coverage gaps that need to be addressed.
- **Address hard-to-audit risks.** Where risks are difficult to audit directly, translate them into auditable processes, decisions, scenarios, and controls.
- **Reserve space for emerging risks.** Reserve space in the audit plan to address new risks through targeted assurance, readiness assessments, advisory reviews, continuous monitoring, or pilot audits.
- **Document how high risks are covered.** Explicitly document how each high risk is covered, whether through direct audits, embedded scope, continuous monitoring, reliance on second-line functions, or board-level reporting.

Results for Asia Pacific Subregions

Unique Risk Environments Impact
Internal Audit Priorities



East Asia Results



East Asia – Top 5 Risks

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



■ 5 highest risks

East Asia Survey Participation

- Japan – 99
- Chinese Taiwan – 98
- China – 51
- South Korea – 39
- Hong Kong, China – 6
- Mongolia – 1
- Macau Special Administrative Region, China – 1

Total: 295 responses

East Asia – Top 5 Risks per Country/Location

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

Risk areas	All East Asia	Japan	Chinese Taiwan	China	South Korea
Cybersecurity	68%	82%	64%	53%	64%
Digital disruption (including AI)	57%	44%	62%	59%	69%
Human capital	46%	56%	53%	31%	21%
Geopolitical/macroeconomic uncertainty	43%	24%	58%	55%	31%
Business resilience	42%	43%	53%	35%	15%
Market changes/competition	41%	41%	48%	37%	26%
Supply chain and outsourcing	39%	31%	51%	39%	33%
Governance/corporate reporting	27%	46%	9%	16%	38%
Financial/liquidity	25%	18%	18%	55%	23%
Fraud	24%	15%	9%	61%	33%
Organizational culture	23%	31%	14%	12%	36%
Regulatory change	21%	25%	18%	12%	33%
Climate change/environment	15%	9%	24%	6%	21%
Communications/reputation	11%	8%	7%	16%	23%
Health/safety	9%	12%	4%	4%	21%
Mergers/acquisitions	9%	12%	5%	10%	13%

5 highest risks Note: Ties for fifth place are highlighted in a lighter shade.

- **Cybersecurity** and **digital disruption** are high in every location.
- **Human capital and business resilience** are high for Japan and Chinese Taiwan.
- **Geopolitical uncertainty** is highest for Chinese Taiwan and China.
- China has elevated risk for **financial/liquidity** and **fraud**.
- South Korea has higher risk for **governance** and **organizational culture**.

East Asia – Top 5 Risks Trend

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

2024	2025	2026	Change from 2025 to 2026	Change	Risk areas
58%	59%	68%		+9	Cybersecurity
28%	32%	57%		+25	Digital disruption (including AI)
61%	60%	46%		-14	Human capital
31%	34%	43%		+9	Geopolitical/macroeconomic uncertainty
65%	57%	42%		-15	Business resilience
59%	58%	41%		-17	Market changes/competition
24%	26%	39%		+13	Supply chain and outsourcing
26%	26%	27%		+1	Governance/corporate reporting
15%	17%	25%		+8	Financial/liquidity
16%	18%	24%		+6	Fraud
24%	24%	23%		-1	Organizational culture
32%	39%	21%		-18	Regulatory change
26%	14%	15%		+1	Climate change/environment
21%	19%	11%		-8	Communications/reputation
10%	10%	9%		-1	Health/safety
4%	6%	9%		+3	Mergers/acquisitions

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

How to Interpret the Graph

Orange text indicates an increase of 4 percentage points or more compared to the prior year. The orange and blue bars show the difference in ratings from 2025 to 2026. The column labeled "change" shows the percentage point difference from 2025 to 2026.

- **Digital disruption** risk increased substantially more than any other area (+25).
- **Supply chain** had the second highest increase (+13), followed by **geopolitical uncertainty** (+9) and **cybersecurity** (+9).
- Risk ratings decreased for **regulatory change, market changes, business resilience, and human capital**.

East Asia – Top 5 Audit Priorities Trend

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

2024	2025	2026	Change from 2025 to 2026	Change	Audit areas
60%	60%	66%		+6	Cybersecurity
54%	56%	48%		-8	Governance/corporate reporting
57%	53%	46%		-7	Business resilience
60%	66%	46%		-20	Regulatory change
26%	28%	45%		+17	Financial/liquidity
23%	28%	44%		+16	Supply chain and outsourcing
40%	41%	44%		+3	Fraud
21%	23%	35%		+12	Digital disruption (including AI)
37%	42%	31%		-11	Human capital
29%	27%	24%		-3	Organizational culture
14%	15%	17%		+2	Health/safety
29%	22%	16%		-6	Market changes/competition
24%	18%	11%		-7	Communications/reputation
16%	8%	11%		+3	Climate change/environment
7%	7%	10%		+3	Geopolitical/macroeconomic uncertainty
2%	3%	6%		+3	Mergers/acquisitions

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

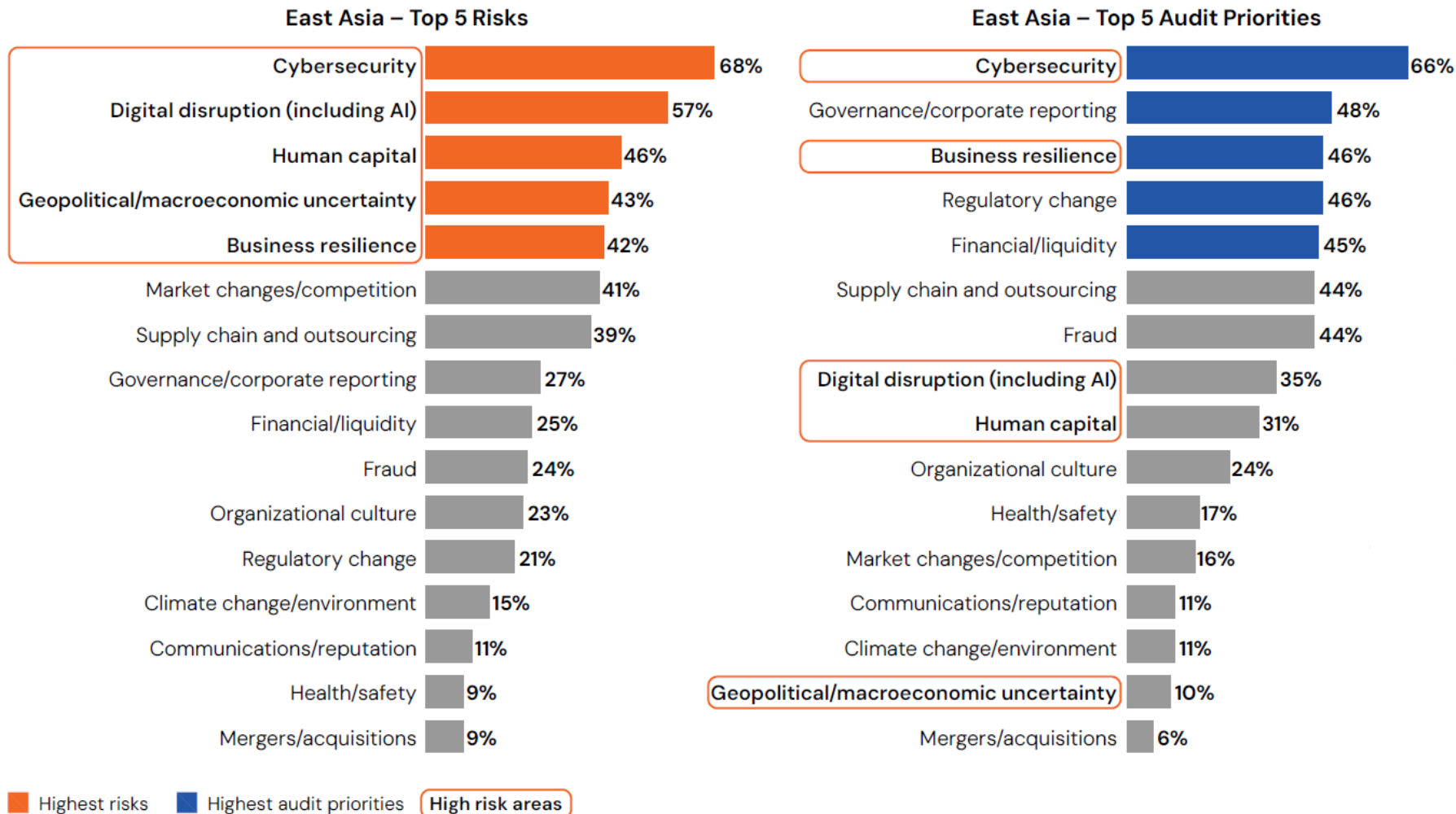
How to Interpret the Graph

Orange text indicates an increase of 4 percentage points or more compared to the prior year. The orange and blue bars show the difference in ratings from 2025 to 2026. The column labeled “change” shows the percentage point difference from 2025 to 2026.

- Audit priority increased substantially for **financial/liquidity, supply chain, and digital disruption**.
- Audit priority was displaced the most for **regulatory change**, followed by **human capital, governance, business resilience, communications, and market changes**.

East Asia – Top 5 Risks vs. Audit Priorities

Survey questions: What are the Top 5 risks your organization currently faces? What are the Top 5 audit areas on which internal audit spends the most time and effort? (Choose 5.)



- Among high risks, **cybersecurity** and **business resilience** had the most alignment for risk and audit priority.
- Least aligned were **digital disruption**, **human capital**, and **geopolitical uncertainty**.

Southeast Asia Results



Southeast Asia – Top 5 Risks

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

Southeast Asia – Top 5 Risks



5 highest risks

Southeast Asia Survey Participation

- Indonesia – 86
- Singapore – 38
- Malaysia – 37
- Philippines – 32
- Vietnam – 6
- Thailand – 2
- Brunei Darussalam – 1

Total: 202 responses

Southeast Asia – Top 5 Risks per Country

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

Risk areas	All Southeast Asia	Indonesia	Singapore	Malaysia	Philippines
Cybersecurity	76%	70%	89%	81%	69%
Digital disruption (including AI)	61%	52%	84%	57%	63%
Geopolitical/macroeconomic uncertainty	55%	50%	74%	46%	50%
Business resilience	44%	37%	45%	54%	53%
Market changes/competition	37%	35%	45%	32%	41%
Human capital	36%	27%	39%	43%	59%
Financial/liquidity	30%	34%	18%	35%	28%
Fraud	30%	41%	11%	35%	22%
Regulatory change	26%	35%	8%	19%	28%
Climate change/environment	26%	36%	13%	11%	34%
Supply chain and outsourcing	23%	19%	21%	24%	31%
Communications/reputation	16%	20%	26%	8%	6%
Organizational culture	15%	16%	13%	19%	9%
Governance/corporate reporting	14%	17%	8%	24%	6%
Health/safety	4%	6%	3%	5%	0%
Mergers/acquisitions	4%	6%	3%	5%	0%

5 highest risks

- Countries in Southeast Asia are aligned on the 4 of the 5 highest risks: **cybersecurity, digital disruption, geopolitical uncertainty, and business resilience.**
- Indonesia is higher for **fraud** risk.
- Singapore is higher for **market changes.**
- Malaysia and the Philippines are higher for **human capital.**

Southeast Asia – Top 5 Risks Trend

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

2024	2025	2026	Change from 2025 to 2026	Change	Risk areas
72%	67%	76%		+9	Cybersecurity
47%	52%	61%		+9	Digital disruption (including AI)
28%	37%	55%		+18	Geopolitical/macroeconomic uncertainty
60%	62%	44%		-18	Business resilience
37%	30%	37%		+7	Market changes/competition
51%	49%	36%		-13	Human capital
25%	20%	30%		+10	Financial/liquidity
33%	26%	30%		+4	Fraud
35%	35%	26%		-9	Regulatory change
24%	22%	26%		+4	Climate change/environment
22%	33%	23%		-10	Supply chain and outsourcing
18%	18%	16%		-2	Communications/reputation
19%	10%	15%		+5	Organizational culture
15%	22%	14%		-8	Governance/corporate reporting
12%	11%	4%		-7	Health/safety
3%	6%	4%		-2	Mergers/acquisitions

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

How to Interpret the Graph

Orange text indicates an increase of 4 percentage points or more compared to the prior year. The orange and blue bars show the difference in ratings from 2025 to 2026. The column labeled "change" shows the percentage point difference from 2025 to 2026.

- **Geopolitical uncertainty** risk increased more than any other area (+18).
- **Financial/liquidity** had the second highest increase (+10), followed by **cybersecurity** (+9) and **digital disruption** (+9).
- Risk ratings decreased most for **business resilience, human capital, supply chain, and regulatory change**.

Southeast Asia – Top 5 Audit Priorities Trend

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

2024	2025	2026	Change from 2025 to 2026	Change	Audit areas
67%	67%	71%		+4	Cybersecurity
64%	66%	58%		-8	Business resilience
27%	32%	50%		+18	Digital disruption (including AI)
50%	42%	49%		+7	Fraud
35%	42%	40%		-2	Supply chain and outsourcing
38%	35%	39%		+4	Financial/liquidity
53%	50%	39%		-11	Governance/corporate reporting
43%	41%	27%		-14	Regulatory change
27%	26%	26%		0	Human capital
19%	13%	25%		+12	Market changes/competition
20%	23%	17%		-6	Communications/reputation
5%	10%	17%		+7	Geopolitical/macroeconomic uncertainty
16%	16%	15%		-1	Climate change/environment
18%	14%	13%		-1	Organizational culture
15%	17%	10%		-7	Health/safety
3%	3%	5%		+2	Mergers/acquisitions

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

How to Interpret the Graph

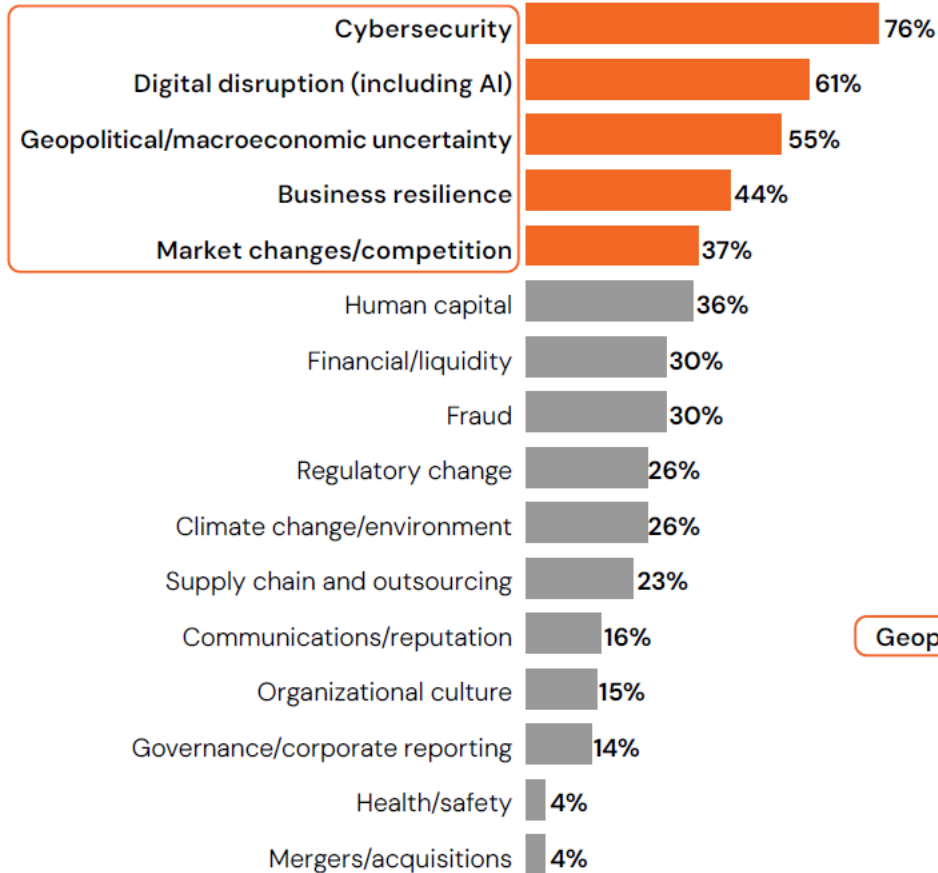
Orange text indicates an increase of 4 percentage points or more compared to the prior year. The orange and blue bars show the difference in ratings from 2025 to 2026. The column labeled "change" shows the percentage point difference from 2025 to 2026.

- Audit priority increased the most for **digital disruption** (+18), followed by **market changes** (+12), and **geopolitical uncertainty** (+7).
- Audit priority was displaced the most for **regulatory change** (-14), followed by **human capital**, **governance**, **business resilience**, **communications**, and **market changes**.

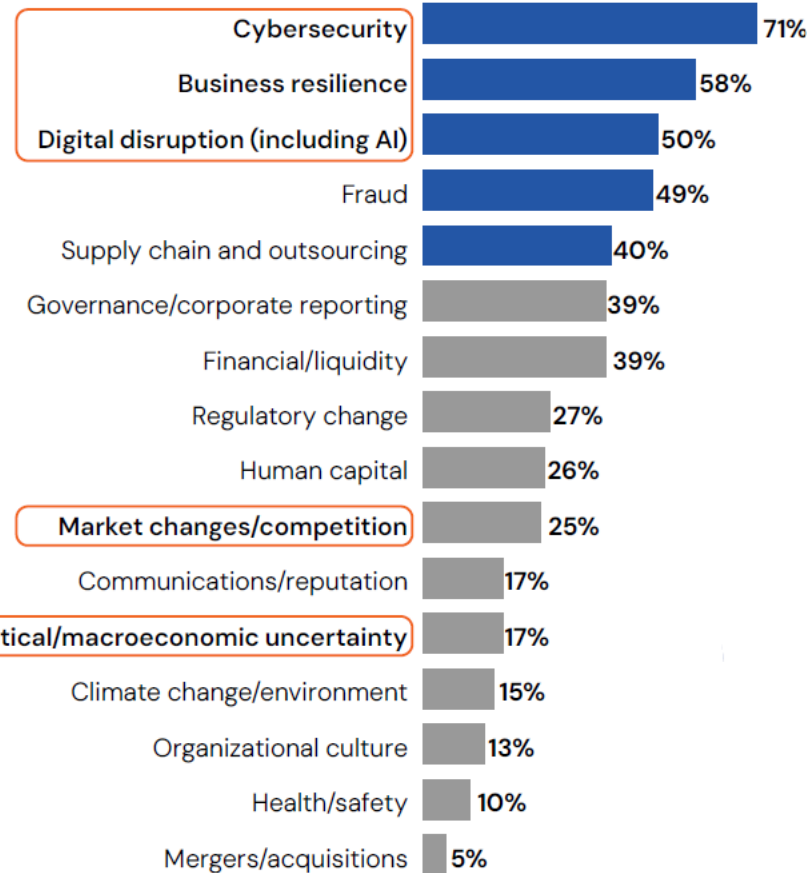
Southeast Asia – Top 5 Risks vs. Audit Priorities

Survey questions: What are the Top 5 risks your organization currently faces? What are the Top 5 audit areas on which internal audit spends the most time and effort? (Choose 5.)

Southeast Asia – Top 5 Risks



Southeast Asia – Top 5 Audit Priorities



■ Highest risks ■ Highest audit priorities ■ High risk areas

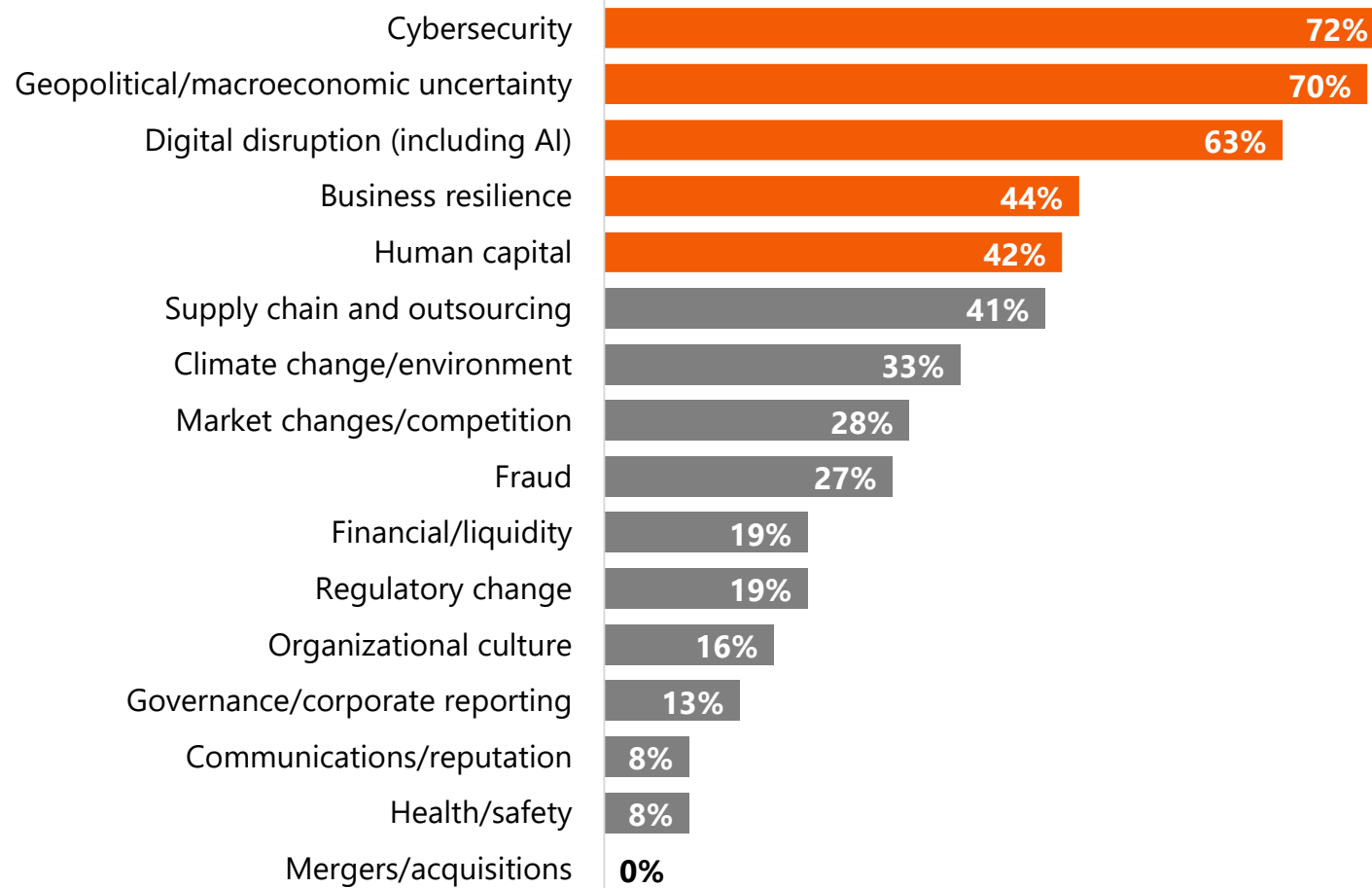
- Among high risks, **cybersecurity**, **business resilience**, and **digital disruption** had the most alignment for risk and audit priority.
- Least aligned were **market changes**, and **geopolitical uncertainty**.

South Asia Results



South Asia – Top 5 Risks

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



■ 5 highest risks

South Asia Survey Participation

- India – 42
- Bangladesh – 10
- Pakistan – 8
- Sri Lanka – 3
- Bhutan – 1

Total: 64 responses

South Asia – Top 5 Risks Trend

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

2024	2025	2026	Change from 2025 to 2026	Change	Risk areas
69%	75%	72%		-3	Cybersecurity
41%	47%	70%		+23	Geopolitical/macroeconomic uncertainty
48%	56%	63%		+7	Digital disruption (including AI)
55%	49%	44%		-5	Business resilience
59%	41%	42%		+1	Human capital
17%	27%	41%		+14	Supply chain and outsourcing
17%	29%	33%		+4	Climate change/environment
34%	36%	28%		-8	Market changes/competition
31%	29%	27%		-2	Fraud
31%	20%	19%		-1	Financial/liquidity
38%	37%	19%		-18	Regulatory change
14%	15%	16%		+1	Organizational culture
21%	13%	13%		0	Governance/corporate reporting
17%	12%	8%		-4	Communications/reputation
7%	8%	8%		0	Health/safety
0%	5%	0%		-5	Mergers/acquisitions

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

How to Interpret the Graph

Orange text indicates an increase of 4 percentage points or more compared to the prior year. The orange and blue bars show the difference in ratings from 2025 to 2026. The column labeled "change" shows the percentage point difference from 2025 to 2026.

- **Geopolitical uncertainty** risk increased substantially more than any other area (+23).
- **Supply chain** had the second highest increase (+14), followed by **digital disruption** (+7).
- Risk ratings decreased substantially for **regulatory change** (-18), followed by **market changes** (-8).

South Asia – Top 5 Audit Priorities Trend

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

2024	2025	2026	Change from 2025 to 2026	Change	Audit areas
72%	71%	80%		+9	Cybersecurity
72%	59%	55%		-4	Business resilience
28%	45%	55%		+10	Supply chain and outsourcing
52%	57%	50%		-7	Fraud
55%	56%	45%		-11	Governance/corporate reporting
45%	49%	41%		-8	Regulatory change
31%	29%	38%		+9	Financial/liquidity
28%	29%	30%		+1	Digital disruption (including AI)
31%	21%	22%		+1	Human capital
14%	8%	16%		+8	Climate change/environment
17%	19%	16%		-3	Health/safety
14%	15%	16%		+1	Market changes/competition
17%	11%	14%		+3	Organizational culture
10%	8%	13%		+5	Geopolitical/macroeconomic uncertainty
14%	9%	9%		0	Communications/reputation
0%	7%	3%		-4	Mergers/acquisitions

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

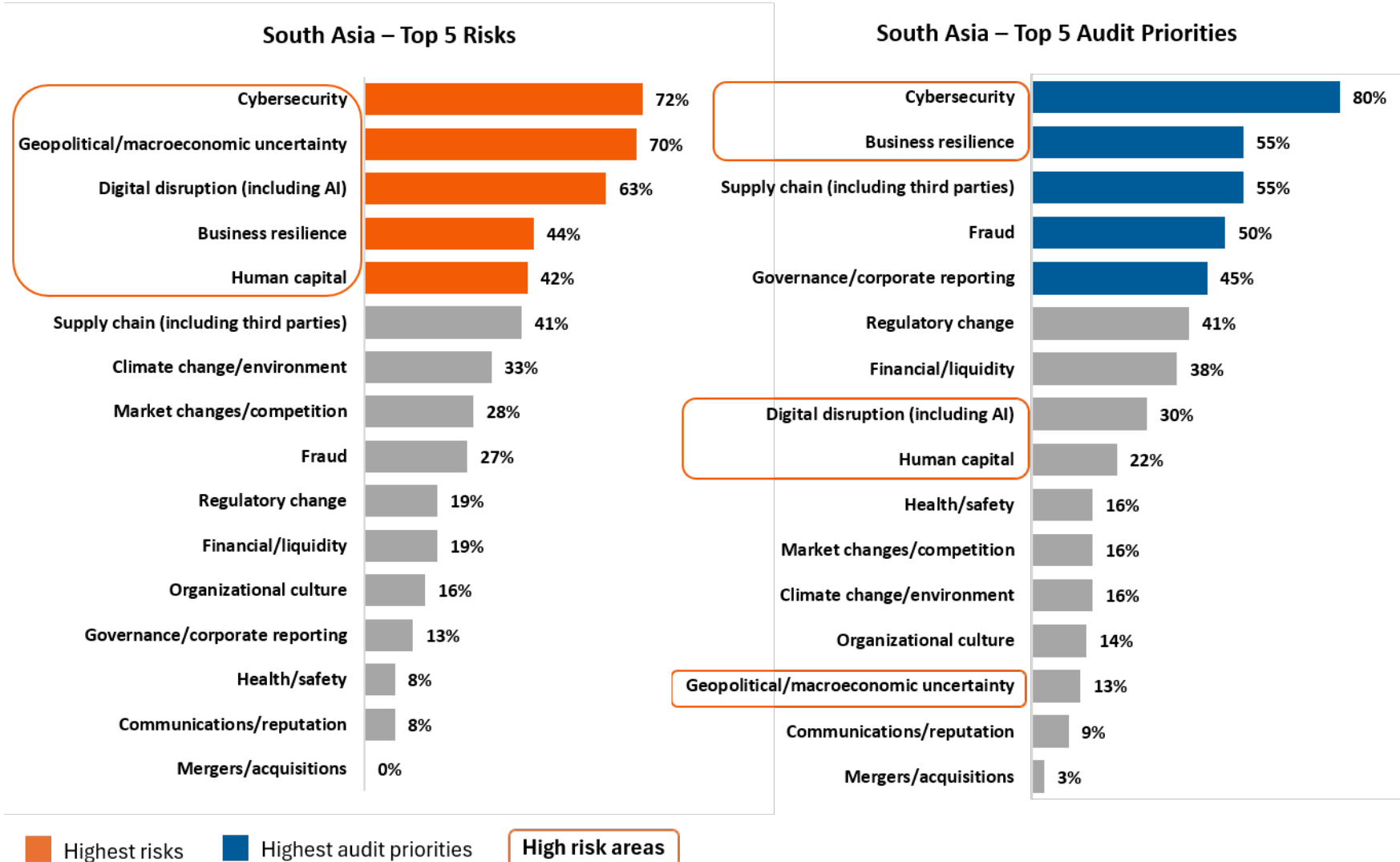
How to Interpret the Graph

Orange text indicates an increase of 4 percentage points or more compared to the prior year. The orange and blue bars show the difference in ratings from 2025 to 2026. The column labeled "change" shows the percentage point difference from 2025 to 2026.

- Audit priority increased the most for **supply chain** (+10), **cybersecurity** (+9), **financial/liquidity** (+9), and **climate change** (+8).
- Audit priority was displaced the most for **governance** (-11), **regulatory change** (-8), and **fraud** (-7).

South Asia – Top 5 Risks vs. Audit Priorities

Survey questions: What are the Top 5 risks your organization currently faces? What are the Top 5 audit areas on which internal audit spends the most time and effort? (Choose 5.)



- Among high risks, **cybersecurity** and **business resilience** had the most alignment for risk and audit priority.
- Least aligned were **digital disruption**, **human capital**, and **geopolitical uncertainty**.

Pacific Results



Pacific – Top 5 Risks

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



■ 5 highest risks

Pacific Survey Participation

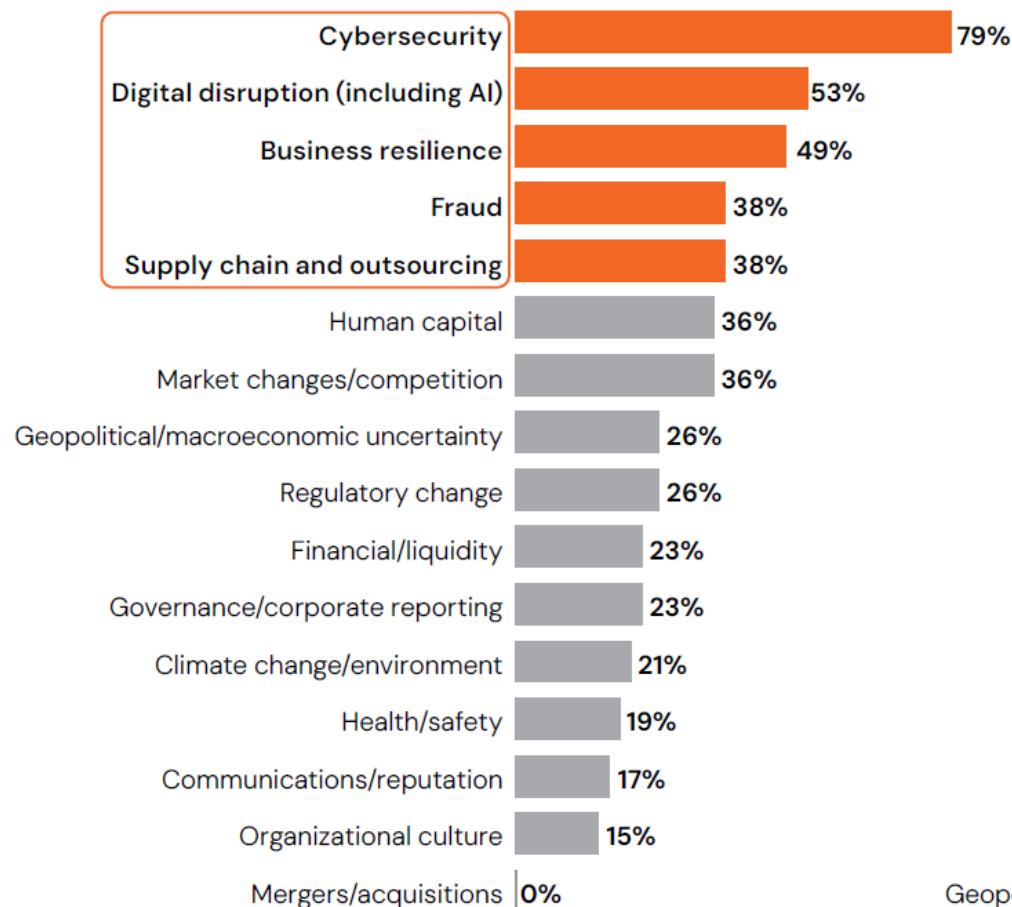
- Fiji – 18
- Australia – 17
- New Zealand – 6
- Papua New Guinea – 5
- Maldives - 1

Total: 47 responses

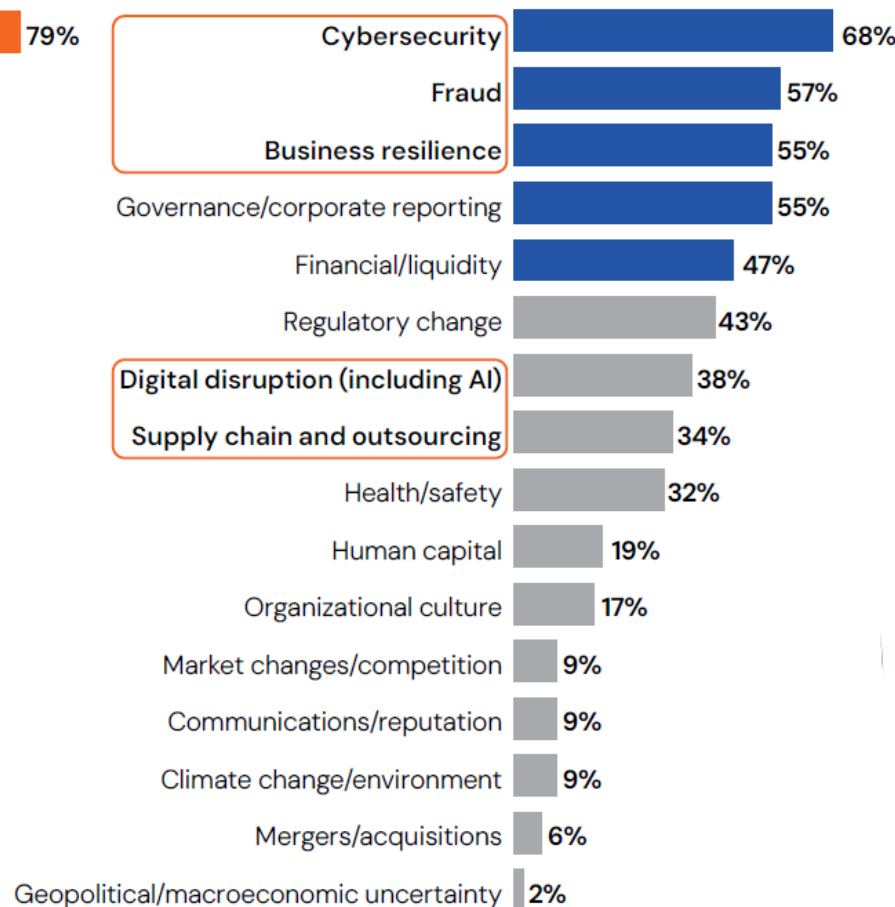
Pacific – Top 5 Risks vs. Audit Priorities

Survey questions: What are the Top 5 risks your organization currently faces? What are the Top 5 audit areas on which internal audit spends the most time and effort? (Choose 5.)

Pacific – Top 5 Risks



Pacific – Top 5 Audit Priorities



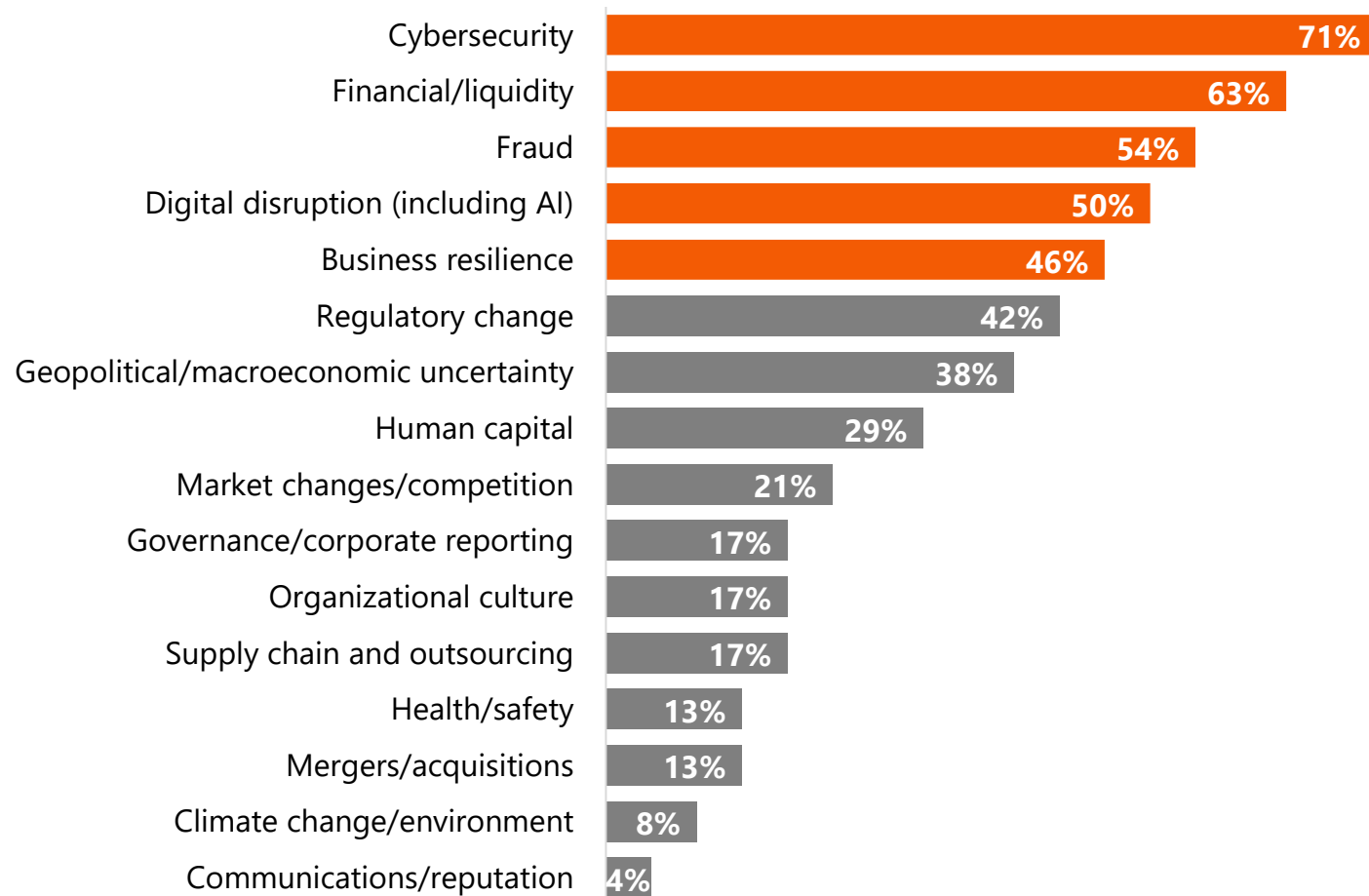
- Among high risks, **cybersecurity**, **fraud**, and **business resilience** had the most alignment for risk and audit priority.
- Least aligned were **digital disruption** and **supply chain**.

Central Asia Results



Central Asia – Top 5 Risks

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



■ 5 highest risks

Central Asia Survey Participation

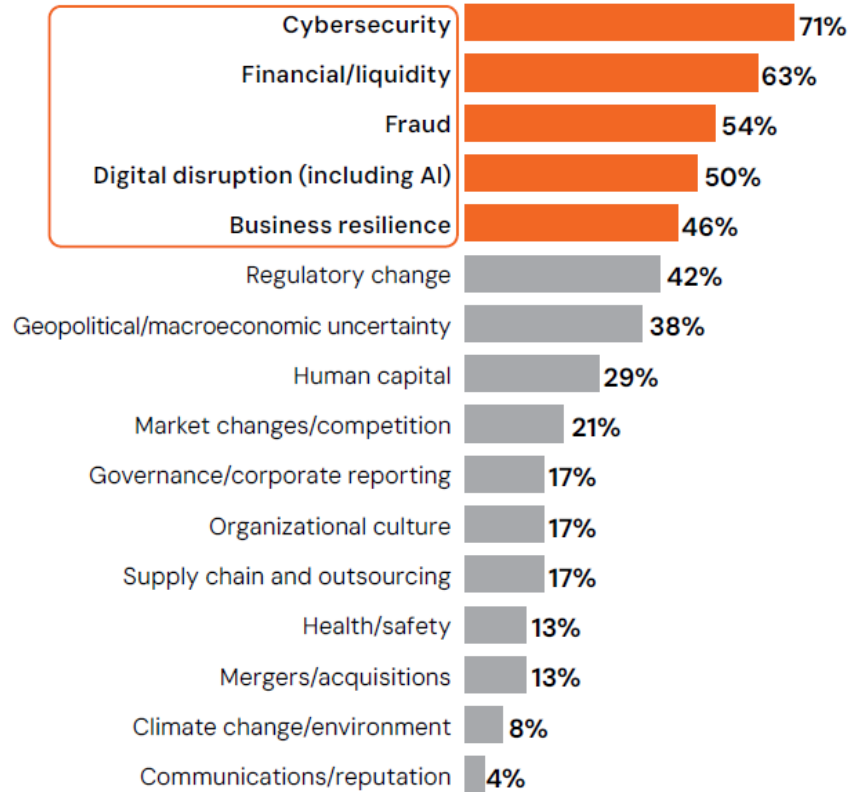
- Uzbekistan – 12
- Kazakhstan – 9
- Tajikistan – 2
- Afghanistan – 1

Total: 24 responses

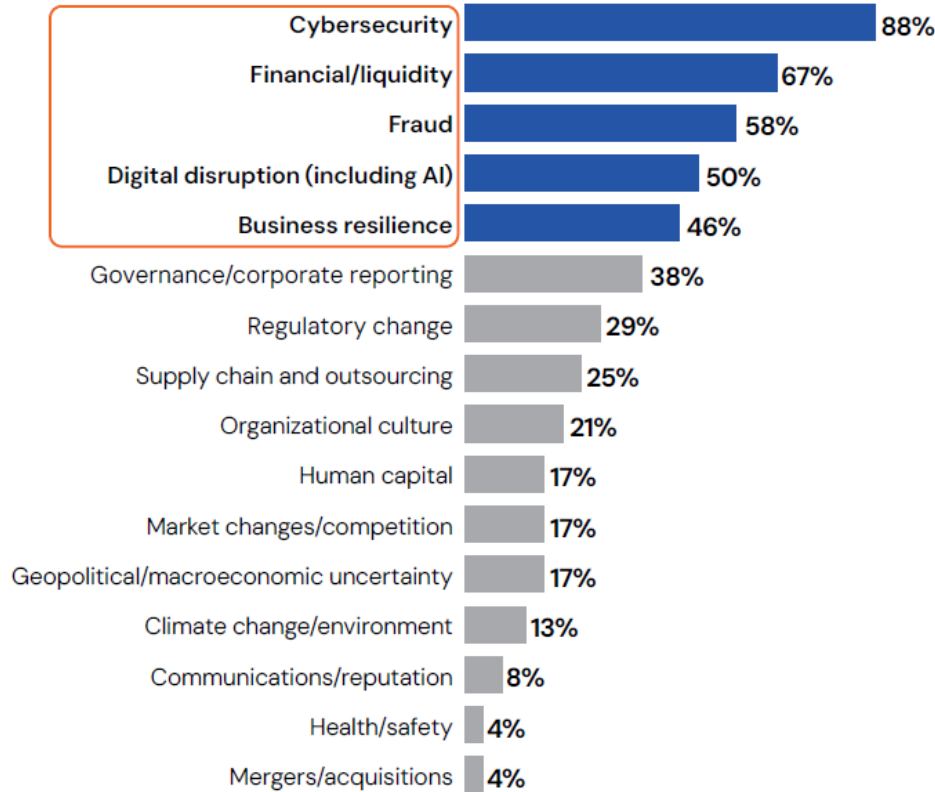
Central Asia – Top 5 Risks vs. Audit Priorities

Survey questions: What are the Top 5 risks your organization currently faces? What are the Top 5 audit areas on which internal audit spends the most time and effort? (Choose 5.)

Central Asia – Top 5 Risks



Central Asia – Top 5 Audit Priorities



■ Highest risks ■ Highest audit priorities ■ High risk areas

- Central Asia had very close alignment between highest risks and highest audit priorities.
- All of the Top 5 risk areas were also Top 5 audit priorities.

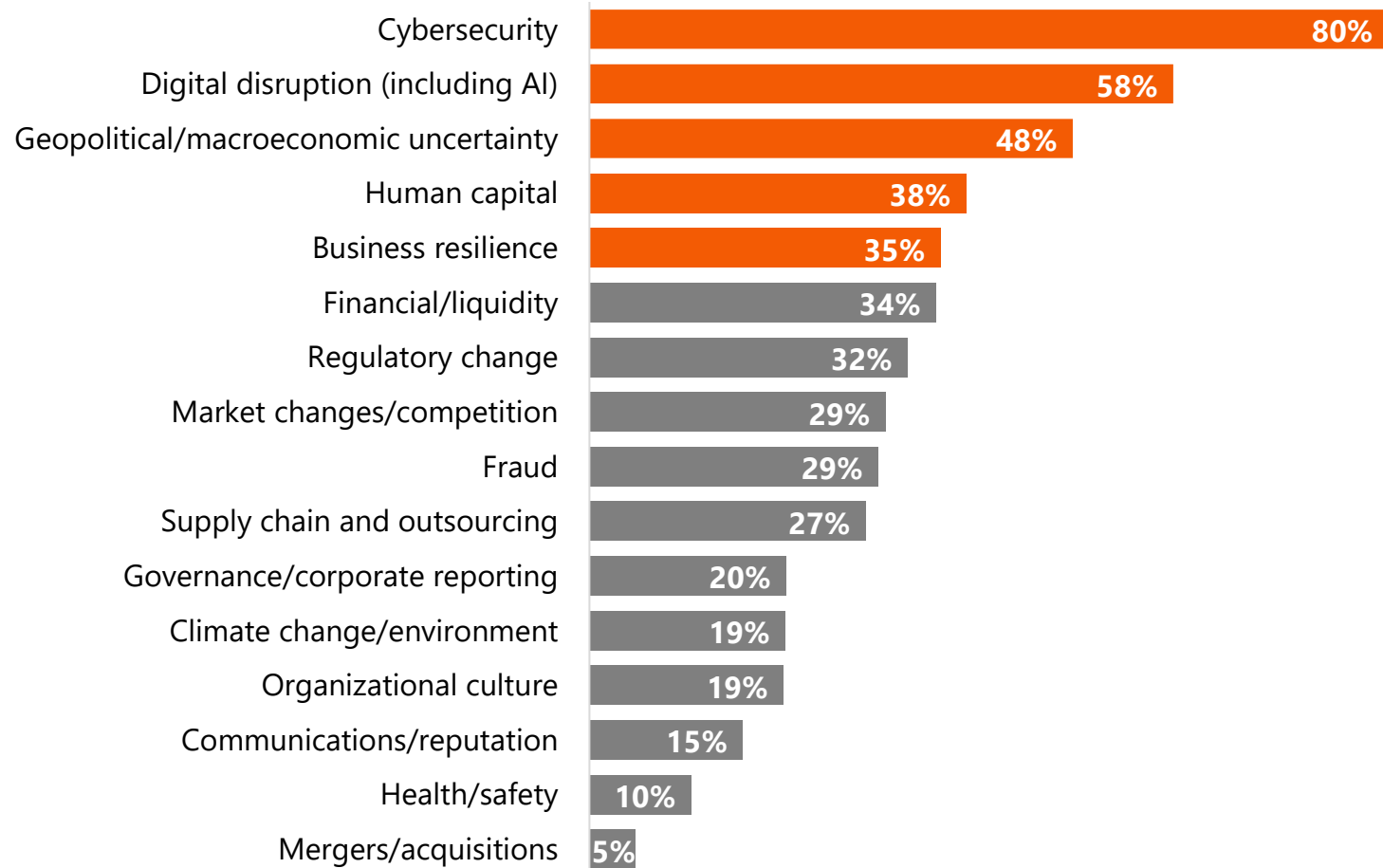
Global Risk Overview

Technology and Geopolitical Risks
Rising Rapidly



Global – Top 5 Risks

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



■ 5 highest risks

Three risks stand out at the top:

1. **Cybersecurity** is the highest organizational risk by far.
2. **Digital disruption** (including AI) reached second place.
3. **Geopolitical uncertainty** is third after significant increases last year and this year.

These risks drive and shape other risk areas.

Global – Top 5 Risks Trend

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

2023	2024	2025	2026	Change from 2025 to 2026	Change	Risk areas
73%	71%	73%	80%		+7	Cybersecurity
34%	39%	48%	58%		+10	Digital disruption (including AI)
30%	28%	38%	48%		+10	Geopolitical/ macroeconomic uncertainty
51%	49%	43%	38%		-5	Human capital
47%	54%	47%	35%		-12	Business resilience
32%	32%	31%	34%		+3	Financial/liquidity
39%	37%	41%	32%		-9	Regulatory change
32%	32%	31%	29%		-2	Market changes/competition
24%	27%	23%	29%		+6	Fraud
26%	22%	24%	27%		+3	Supply chain and outsourcing
27%	26%	24%	20%		-4	Governance/corporate reporting
19%	21%	18%	19%		+1	Climate change/environment
26%	25%	24%	19%		-5	Organizational culture
21%	21%	19%	15%		-4	Communications/reputation
11%	11%	10%	10%		0	Health/safety
6%	6%	5%	5%		0	Mergers/acquisitions

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

How to Interpret the Graph

Orange text indicates an increase of 4 percentage points or more compared to the prior year. The **orange** and **blue** bars show the difference in ratings from 2025 to 2026. The column labeled "change" shows the percentage point difference from 2025 to 2026.

- **High risks rising.** The three highest risks were also the ones that increased the most compared to the prior year – cybersecurity, digital disruption, and geopolitical uncertainty.
- **Risk displacement.** Business resilience and regulatory change decreased the most in risk ratings.

Global – Top 5 Risks per Region

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

Risk areas	Average of the regions	Africa	Asia Pacific	Europe	Latin America	Middle East	North America
Cybersecurity	80% ↑	73% ↑	72% ↑	86% ↑	80% ↑	81% ↑	85%
Digital disruption (including AI)	58% ↑	50% ↑	59% ↑	52% ↑	61% ↑	58% ↑	69% ↑
Geopolitical/macroeconomic uncertainty	48% ↑	35% ↑	48% ↑	51% ↑	52% ↑	60% ↑	43%
Human capital	38%	30%	41%	39%	37%	34%	45%
Business resilience	35%	28%	43%	37%	25%	47%	29%
Financial/liquidity	34%	49% ↑	28% ↑	28%	36% ↑	42% ↑	24%
Regulatory change	32%	28%	24%	40%	36%	20%	42%
Market changes/competition	29%	20%	37%	32%	27%	20%	41% ↑
Fraud	29%	50% ↑	28% ↑	16%	38% ↑	22%	18% ↑
Supply chain and outsourcing	27% ↑	21% ↑	33% ↑	26%	17%	35% ↑	33%
Governance/corporate reporting	20%	27%	21%	13%	15%	27%	14%
Climate change/environment	19%	31% ↑	20%	21%	23%	15%	7%
Organizational culture	19%	26%	19%	17%	26%	13%	16%
Communications/reputation	15%	18%	13%	17% ↑	15%	13%	16%
Health/safety	10%	12%	8%	12%	7%	10%	11%
Mergers/acquisitions	5%	2%	6%	5%	4%	3%	7%

5 highest risks

Note: The red arrows indicate an increase of 4 percentage points or more compared to the prior year.

- **Risk convergence.** Across regions, the highest-ranked risks are becoming more similar.
- **Cybersecurity** and **digital disruption** are the two highest risks for all but one region.
- **Geopolitical uncertainty** was one of the 5 highest risks for all regions for the first time since the survey started four years ago.

Global – Top 5 Audit Priorities Trend

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

2023	2024	2025	2026	Change from 2025 to 2026	Change	Audit areas
68%	69%	69%	75%		+6	Cybersecurity
45%	45%	44%	49%		+5	Financial/liquidity
42%	41%	40%	46%		+6	Fraud
55%	56%	55%	45%		-10	Governance/corporate reporting
54%	55%	53%	44%		-9	Business resilience
46%	46%	46%	43%		-3	Regulatory change
22%	25%	32%	42%		+10	Digital disruption (including AI)
34%	31%	33%	35%		+2	Supply chain and outsourcing
30%	31%	29%	25%		-4	Human capital
24%	23%	23%	19%		-4	Organizational culture
17%	16%	15%	15%		0	Health/safety
20%	20%	18%	15%		-3	Communications/reputation
16%	16%	15%	14%		-1	Market changes/competition
9%	8%	11%	13%		+2	Geopolitical/macroeconomic uncertainty
11%	12%	10%	10%		0	Climate change/environment
6%	6%	5%	6%		+1	Mergers/acquisitions

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

How to Interpret the Graph

Orange text indicates an increase of 4 percentage points or more compared to the prior year. The orange and blue bars show the difference in ratings from 2025 to 2026. The column labeled "change" shows the percentage point difference from 2025 to 2026.

- **Digital disruption** had the largest priority increase.
- **Cybersecurity, financial/liquidity, and fraud** were the three highest priorities and increased substantially vs. the prior year.
- **Governance and business resilience** experienced the most audit priority displacement, as audit effort shifted to other areas.

Global – Top 5 Audit Priorities per Region

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

Audit areas	Average of the regions	Africa	Asia Pacific	Europe	Latin America	Middle East	North America
Cybersecurity	75% ↑	67% ↑	70% ↑	79% ↑	74% ↑	78% ↑	84%
Financial/liquidity	49% ↑	56% ↑	43% ↑	44%	52% ↑	52% ↑	46%
Fraud	46% ↑	57% ↑	48% ↑	42% ↑	56% ↑	38% ↑	35% ↑
Governance/corporate reporting	45%	43%	45%	45%	38%	53%	48%
Business resilience	44%	38%	51%	48%	32%	47%	51%
Regulatory change	43%	33%	38%	50%	53%	32%	54%
Digital disruption (including AI)	42% ↑	37% ↑	40% ↑	34% ↑	47% ↑	43% ↑	53% ↑
Supply chain and outsourcing	35%	35% ↑	42% ↑	41%	27%	33%	34%
Human capital	25%	29%	27%	22%	26%	27%	20% ↑
Organizational culture	19%	22%	19%	17%	27%	18%	10%
Health/safety	15%	17%	15%	21% ↑	10%	13%	17%
Communications/reputation	15%	20%	13%	11%	16%	15%	14%
Market changes/competition	14%	13%	18%	10%	15%	15%	11%
Geopolitical/macroeconomic uncertainty	13%	15% ↑	12% ↑	8%	14% ↑	25% ↑	6%
Climate change/environment	10%	18% ↑	13%	11%	8%	8%	5%
Mergers/acquisitions	6%	2%	6%	6%	5%	5%	11% ↑

- **Cybersecurity** increased for all but one region.
- **Financial/liquidity** priority ranked second overall and increased vs. the prior year for most regions.
- **Fraud** and **digital disruption** priority increased for every region vs. the prior year.

Resources From The IIA

Global Support for the Internal Audit
Profession





Resources From The IIA

Risk Environment

- [Assessing the Risk Management Process, 2nd Edition](#) (The IIA, Global Practice Guide, 2024)
- [Role of the Internal Audit Function in ERM](#) (The IIA, Statement of Position, 2026)

Audit Priorities

- [AI Framework Support Tools](#) (The IIA, Audit Tools, 2026)
- [Artificial Intelligence Auditing Framework](#) (The IIA, 2024)
- [Auditing Cybersecurity Operations: Prevention and Detection](#) (The IIA, Global Practice Guide, 2025)
- [Auditing Privacy and Data Protection Risks, 3rd Edition](#) (The IIA, Global Practice Guide, 2026)
- [Internal Auditing and Fraud, 3rd Edition](#) (The IIA, Global Practice Guide, 2024)
- [Organizational Resilience Topical Requirement](#) (The IIA, Topical Requirement, 2026)

Risk Governance Maturity and Internal Audit Coverage

- [Developing a Risk-Based Internal Audit Plan, 2nd Edition](#) (The IIA, Global Practice Guide, 2025)
- [Developing an Internal Audit Strategy](#) (The IIA, Global Practice Guide, 2025)
- [Three Lines Model](#) (The IIA, Statement of Position, 2026)

Global Internal Audit Standards

- [Complete Global Internal Audit Standards](#)

GLOBAL SUMMARY 2026/2027

Hot Topics for Internal Auditors

RISK in FOCUS

50 Internal Audit
FOUNDATION
1976-2026

Download Risk in Focus reports for:

- Africa
- Asia Pacific
- Europe
- Latin America
- Middle East
- North America
- Global Summary



theiia.org/RiskInFocus

Acknowledgments



Asia Pacific Research Partners

Asian Confederation of Institutes of Internal Auditors (ACIIA)

President

Lishuang Fang, CIA, FRM

Deputy President

Stephen Tiley, CIA

Vice President 1

Joseph Ian Canlas, CIA, CRMA, CPA, ASEAN CPA

Vice President 2

Derek Lee, CIA, CRMA, CBCI, Chartered Accountant, CPA

Secretary and Treasurer

Corazon Rey, CIA, CRMA, CPA, CRISC, LSSGB



Asian Confederation of
Institutes of Internal Auditors

Internal Audit Foundation Research Team

Research Lead

Deborah Poulalion, Senior Manager, Research and Insights, The IIA

Project Manager

Candace Sacher

Report Writer

Arthur Piper

Graphic Designers

Sergio Analco

Cathy Watanabe

Internal Audit Foundation Partners

Diamond Partners



Gold Partners

- Carr, Riggs, & Ingram
- Fundación Latinoamericana de Auditores Internos
- IIA–Houston Chapter
- IIA–Japan
- IIA–New York Chapter
- IIA–San Francisco Chapter

President's Circle (Individual Donors)

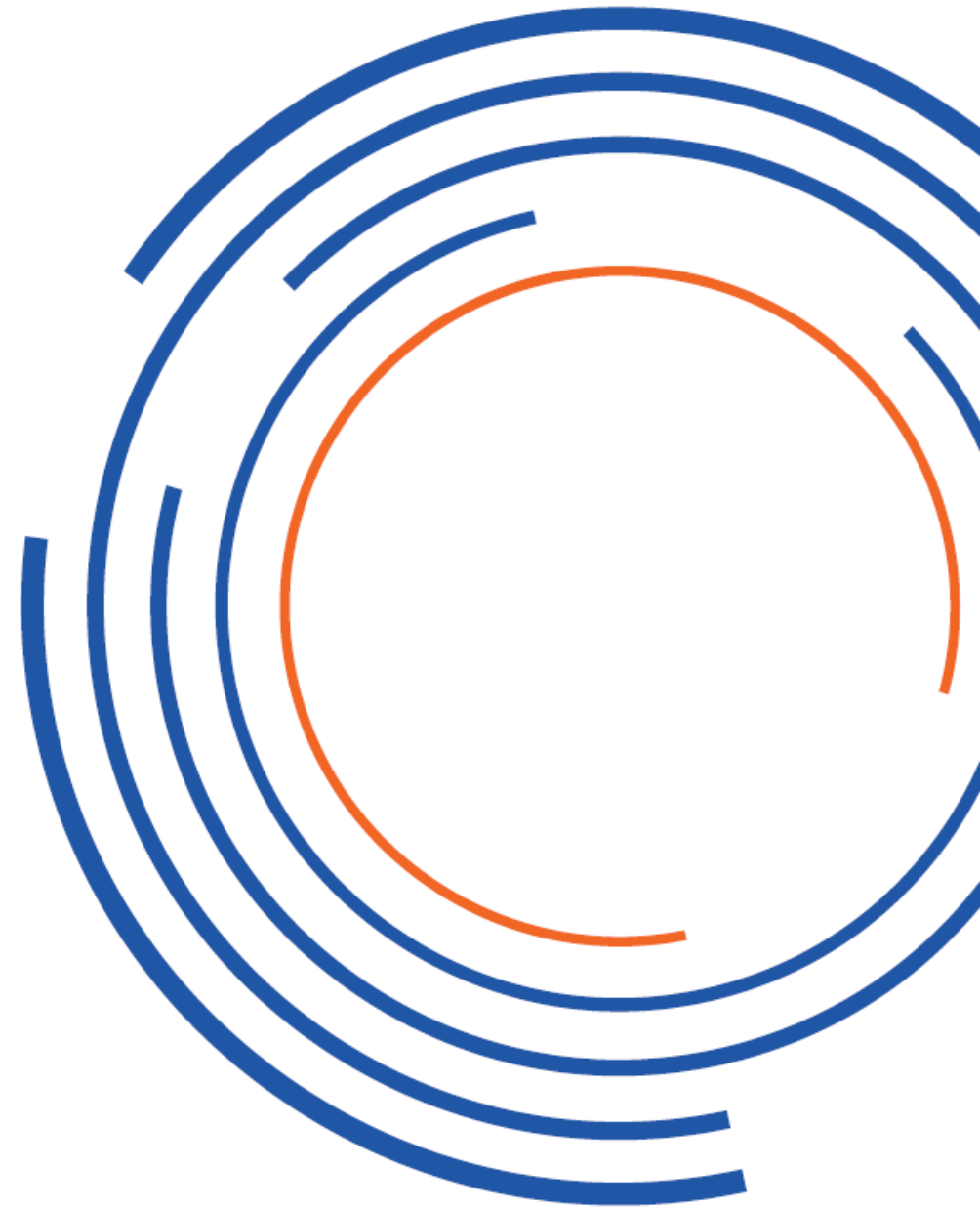
- Larry Harrington, CIA, QIAL, CRMA
- Glenn Ho, CIA, CRMA
- Keith Kahl, CIA, CRMA
- Doug Mims, CIA, CRMA
- Jessica Rodgers, CIA
- Stacey Schabel, CIA
- Michael A. Smith, CIA
- Warren Stippich, CIA, CRMA

About The IIA

The Institute of Internal Auditors (IIA) is a nonprofit international professional association that serves more than 265,000 global members and has awarded more than 200,000 Certified Internal Auditor® (CIA®) certifications worldwide. Established in 1941, The IIA is recognized throughout the world as the internal audit profession's leader in standards, certifications, education, research, and technical guidance. For more information, visit theiia.org.

About the Internal Audit Foundation

The Internal Audit Foundation is the preeminent global resource, in strategic partnership with The IIA, dedicated to elevating and empowering the internal audit profession by developing cutting-edge research and programs. The Foundation helps current and future internal auditors stay relevant by building and enhancing their skills and knowledge, ensuring organizations are equipped to create, protect, and sustain long-term value. For more information, visit theiia.org/Foundation.



Copyright

The IIA publishes this document for informational and educational purposes. This material is not intended to provide definitive answers to specific individual circumstances and as such is only intended to be used as a guide. The IIA recommends seeking independent expert advice relating directly to any specific situation. The IIA accepts no responsibility for anyone placing sole reliance on this material.

Copyright © 2026 by the Internal Audit Foundation. All rights reserved. For permission to republish, please contact Copyright@theiia.org.

September 2026

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

