

2026

RISK IN FOCUS

Hot topics
for internal
auditors

GLOBAL SUMMARY



Internal Audit
FOUNDATION

ABOUT GLOBAL RISK IN FOCUS

Know Your Risks. Plan Strategically.

Risk in Focus is the Internal Audit's Foundation's premier annual initiative to identify the five most significant risks impacting organizations around the world.

Learn what internal auditors are saying about the:

- Five highest risks in their region
- Five top priorities for internal audit effort
- Key considerations for boards and audit committees

Risk in Focus uses survey results, regional roundtables, and interviews with local experts to reveal key insights about regional risks along with perspective on risks worldwide.

The [Internal Audit Foundation](#) gratefully acknowledges the work of IIA Institutes and IIA regional bodies who make this research possible: African Federation of Institutes of Internal Auditors ([AFIIA](#)), Arab Confederation of Institutes of Internal Auditors (ARABCIIA), Asian Confederation of Institutes of Internal Auditors (ACIIA), European Confederation of Institutes of Internal Auditing ([ECIIA](#)), and Fundación Latinoamericana de Auditores Internos ([FLAI](#)).

Special appreciation goes to the European Institutes Research Group (EIRG), who developed the Risk in Focus research approach in 2016 and continues to publish the report for Europe through the [ECIIA](#).

Reports and board briefings are free to the public for:

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

Visit the [Risk in Focus Knowledge Center](#) for reports and more information.



Visit the [Risk in Focus Knowledge Center](#) for free reports and board briefings (theiia.org/RiskInFocus).



WORLDWIDE RESEARCH PARTICIPATION

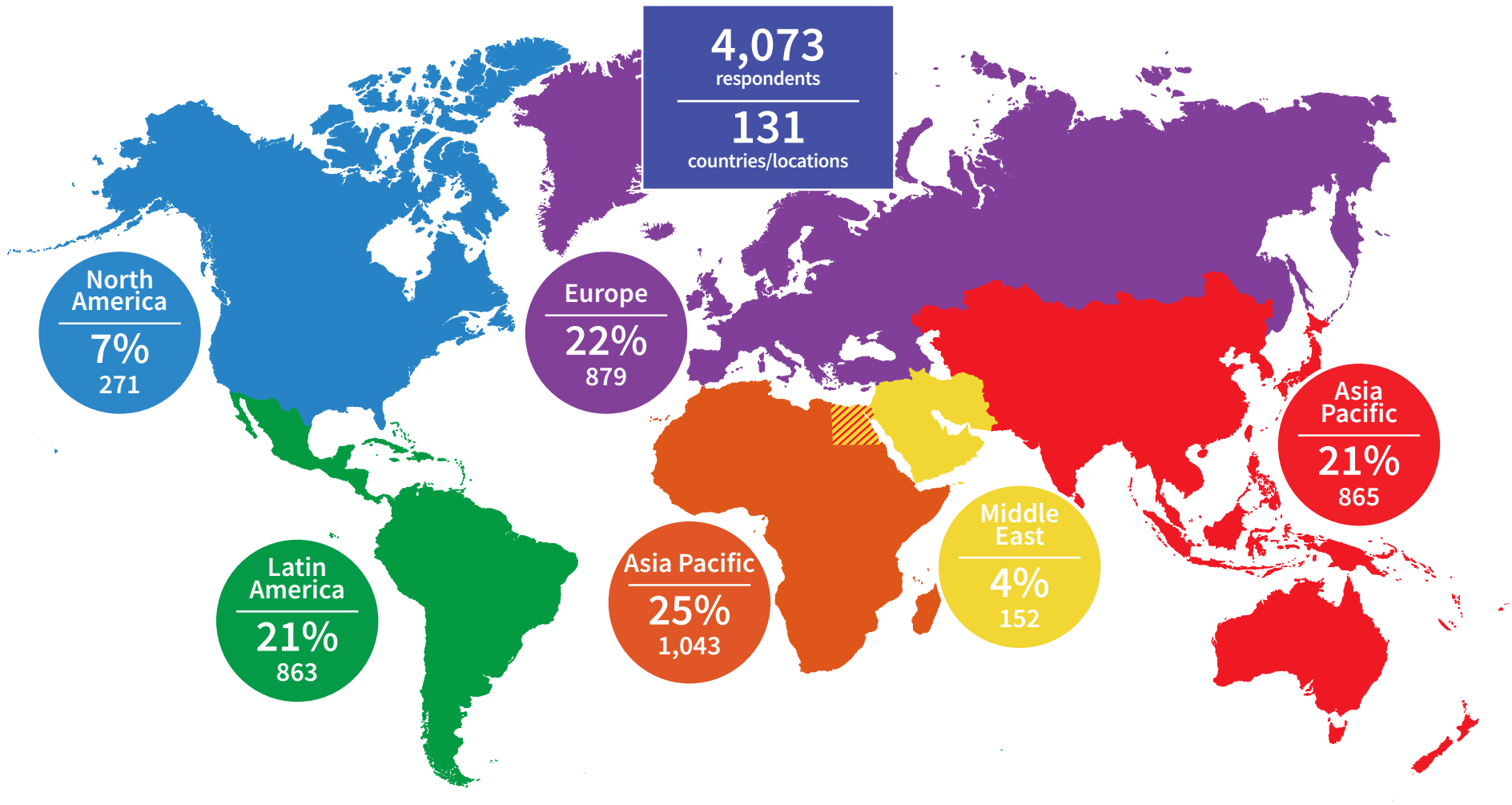
131
countries/
territories

4,073
survey
responses

18
roundtables with
182
participants

24
in-depth
interviews

Global Survey Response Rate



Note 1: Risk in Focus survey conducted online from April 28 to June 6, 2025, by the Internal Audit Foundation and partners. $n = 4,073$.
Note 2: The map shows regional groups used by The IIA for operational purposes. The regional groups do not represent any political position for The IIA or IIA Institutes.
Note 3: Egypt is shaded orange and gold to show its respondents are divided between Asia Pacific and the Middle East.

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EXECUTIVE SUMMARY

Geopolitical Uncertainty and Digital Disruption Risks Rise Dramatically

In a deeply interconnected world, it's essential to understand risk in the context of the similarities and differences between regions. Based on survey responses from more than 4,000 CAEs and directors in 131 countries and locations, the Risk in Focus Global Summary is a premier resource for understanding changing risk levels and internal audit activities.

The Risk in Focus 2026 Global Summary report brings together survey results from six world regions to gain deeper insights into risk levels, trends, and audit priorities.

Section 1 focuses on answering the question: What are the five highest risks facing organizations around the world? While cybersecurity risk remains high, the two risks that increased the most substantially over the prior year were digital disruption (including AI) and geopolitical uncertainty (Exhibit 1.2). Compared to other regions, geopolitical uncertainty was notably higher in Europe, Latin America, and North America, where 45% said it was one of their Top 5 risks (Exhibit 1.1).

Section 2 explores the second theme of the research – audit priorities. Internal audit leaders worldwide were asked: What are the five areas where internal audit spends the most time and effort at your organization? The highest audit priorities across regions were cybersecurity, governance/corporate reporting, and business resilience (Exhibit 2.1). At the same time, in response to changing risks, internal audit leaders also increased effort substantially for digital disruption (up 7 percentage points),

and moderately for geopolitical uncertainty and supply chain (including third parties) (Exhibit 2.2).

To further understand the factors that affect risk and audit effort, the Risk in Focus Global Summary is providing an industry analysis for risk levels and audit priorities at a global level for the first time this year (Section 3). In addition, Appendices B and C provide industry differences for each region, revealing heightened risks for manufacturing, agriculture, wholesale/retail, and more, along with regional variations.

While cybersecurity risk remains high, the two risks that increased the most substantially were digital disruption (including AI) and geopolitical uncertainty.



EXECUTIVE SUMMARY

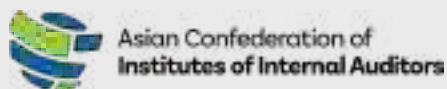
The practical repercussions of the world's highest risks were further explored through roundtable discussions and interviews with internal audit leaders in each region. For insights into their internal audit strategies and leading practices, download the regional reports and board briefings available at the [Risk in Focus Knowledge Center](#) for:

- Africa
- Asia Pacific
- Europe*
- Latin America
- Middle East
- North America

The Internal Audit Foundation and its research partners produce Risk in Focus as a public service to help internal auditors and their stakeholders prepare well-informed audit plans and adjust quickly in a rapidly changing world.

*Europe Risk in Focus is produced and distributed by the European Institutes Research Group and the European Confederation of Institutes of Internal Auditing ([ECIIA](#)).

RISK IN FOCUS RESEARCH PARTNERS



EXECUTIVE SUMMARY

Key Points

- Cybersecurity continues to be No. 1 in risk ranking and internal audit priority across regions and most industries (Exhibit 2.3).
- Geopolitical uncertainty risk had the largest increase over the prior year (+10) and is now ranked No. 6 globally (Exhibit 1.2).
- The increase in geopolitical risk was driven by a large shift in North America (+19), along with smaller increases in Latin America (+8), Europe (+6), and Asia Pacific (+5) (Section 4. Region Results).
- Digital disruption (including AI) was the second fastest climbing risk (+9), reaching No. 2 in the global ranking (Exhibit 1.2).
- The largest increases in digital disruption risk compared to the prior year were for Latin America (+17) and the Middle East (+12) (Section 4. Region Results).
- The other areas of highest global risk were business resilience, human capital, and regulatory change (Exhibit 1.1).



SECTION 1. GLOBAL RISK ENVIRONMENT

A Closer Look at Regional Differences for Risk and Risk Trends

Section 1 of the Risk in Focus Global Summary discusses the highest risks worldwide and the differences between regions. While some risks are ubiquitous and ongoing (such as cybersecurity), others are rapidly emerging and changing (digital disruption and geopolitical uncertainty).

This section reviews the six highest risk areas in detail, identifying trends and connections between risks as they shift in response to changes in technology, politics, and global markets.

Cybersecurity

This has been the highest-rated risk for several years – with an average of 73% saying it is one of the Top 5 for their organizations. But it should be noted that North America and Europe are driving the global average up, with ratings above 80%. In contrast, only 62% of respondents in Africa and Asia Pacific rated cybersecurity as a Top 5 risk (Exhibit 1.1). Lower cybersecurity risk in Africa is likely due to lower levels of digitalization in the region. However, the lower level of cybersecurity risk for Asia Pacific is likely due to the high percentage of respondents from manufacturing in the region, which is an industry where cybersecurity risks are rated lower (Appendix B, Exhibit B.2).

Digital disruption, including AI

Digital disruption is one of the two areas with the largest increase in risk ratings over the prior year, increasing by 9

percentage points. Three regions in particular drove this increase: Latin America (+17), Middle East (+12), and Africa (+10) (Exhibits 4.14, 4.17, and 4.3). As a result of these increases, digital disruption risk ratings are surprisingly consistent across regions, ranging from 39% to 54%, with an average of 48% (Exhibit 1.1).

It's important to recognize that digital disruption means different things in different regions. For Africa, digital disruption is likely to mean the move from manual processes to digital processes, especially in the public



GLOBAL RISK ENVIRONMENT

sector. The risks for Africa are related to people learning to understand cyber-fraud and how to prevent it. In contrast, for Asia Pacific, digital disruption risk is more related to the impact of new technology on markets and competition. The risk is driven by a fear of being left behind as others take advantage of new technology, including AI. In Latin America, where digital disruption risk levels spiked 17 percentage points (the second highest leap for a risk in any region), the region appears to be catching up to risk levels that other regions had in the prior year (Exhibit 4.14). While there is strong interest in new technology, the infrastructure to implement it effectively (governance and skills) is not always in place.

Business resilience

Business resilience risk was not consistent across regions. Specifically, Latin America and Europe had substantially lower risk ratings for business resilience (35% and 39%) compared to other regions. Business resilience risks were rated highest for Asia Pacific and Middle East (both 58%) (Exhibit 1.1). In many regions, business resilience is considered a key way to respond to complex risks, such as geopolitical uncertainty.

In terms of trend, business resilience risk increased for two regions: Europe (+7) and North America (+5) (Exhibits 4.11 and 4.20). In contrast, business resilience risk ratings dropped sharply for Latin America (-14), likely to make space for that region's dramatic increase in risk ratings for digital disruption (+17) (Exhibit 4.14). Other regions where business resilience risk ratings dropped were Africa (-8), Middle East (-5), Asia Pacific (-4) (Exhibits 4.3, 4.17, and 4.8).

The key takeaway is that trends can vary between regions – with the same risk going up for some regions and going down for others.

Human capital

Risk ratings for human capital dropped this year, likely as a result of other, more urgent risks taking its place in the Top 5 (Exhibit 1.2).

That being said, human capital risk is particularly high for Asia Pacific, where 56% say it is a Top 5 risk (Exhibit 1.1). Roundtable discussions in this area described multiple types of human capital risk, including movement of workers to countries with higher wages, difficulty in obtaining workers with skills needed, employee turnover, and challenges with working across generations and cultures.



GLOBAL RISK ENVIRONMENT

Regulatory change

Regulatory change and geopolitical uncertainty risks appear to be linked. Every region with high geopolitical uncertainty risk also had high regulatory change risk (North America, Latin America, Europe). Where geopolitical uncertainty risks were ranked lower, regulatory change risks were also ranked lower as well (Africa, Asia Pacific, Middle East) (Exhibit 1.1).

Geopolitical uncertainty

Geopolitical risk was not spread out evenly across the regions. North America, Latin America, and Europe drove up the global average, with 45% of respondents saying it was a Top 5 risk. In contrast, geopolitical risks were rated relatively low in Asia Pacific (35%), the Middle East (29%), and Africa (27%) (Exhibit 1.1).

North America experienced the most dramatic shift in geopolitical uncertainty of any region this year, increasing 19 percentage points from the prior year (26% to 45%) (Exhibit 4.20). This was the biggest swing in a risk level for any region. Other regions had increases, but not as substantial, ranging from 2 to 8 percentage points.

It's important to consider the timing of the survey, which was conducted from April 28 to June 6, 2025, just as the Trump administration in the United States was announcing tariff and policy changes. The impacts of these and other geopolitical changes are ongoing.



GLOBAL – RISK LEVELS

Exhibit 1.1. Global – Highest Risks per Region

Survey question: What are the top 5 risks your organization currently faces? (Choose 5.)

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.

GLOBAL – RISK LEVELS

Exhibit 1.2. Global – Risk Level Trend

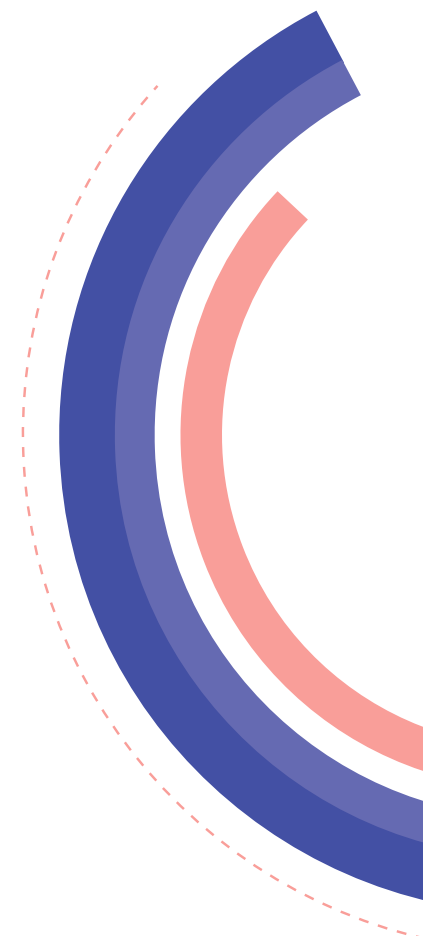
Survey question: What are the Top 5 risks your organization currently faces? (Choose 5.)

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.



SECTION 2. GLOBAL AUDIT PRIORITIES

Regions Align on Audit Priorities, Digital Disruption Effort Increases

One of the foundational elements of internal auditing is that auditing follows risk. To better understand this relationship, Part 2 of the Risk in Focus survey asked internal audit leaders to indicate the five areas where their internal audit functions spend the most time and effort.

Consistency across regions

Audit priorities showed remarkable consistency across regions (Exhibit 2.1). With only one exception, all of the regions had five out of the same six areas as their top audit priorities:

- Cybersecurity
- Governance/corporate reporting
- Business resilience
- Regulatory change
- Financial/liquidity
- Fraud

The exception was for the Middle East, which was the only region where digital disruption reached the level of a Top 5 audit priority (Exhibit 2.1).

Audit effort trend

At a global level, audit effort increased the most over the prior year for digital disruption (+7). Audit priority for geopolitical uncertainty and supply chain also increased, but only slightly (Exhibit 2.2).

However, in regions with large shifts in risk, larger changes in audit priority were also noted. For example, in North America, where geopolitical risk increased 19 percentage points, effort directly related to that area increased 8 percentage points, along with increases for business resilience (+6) and market changes/competition (+4) (Exhibits 4.20 and 4.21). In Latin America, where digital disruption risk went up 17 percentage points, audit priority for digital disruption increased 10 percentage points (Exhibits 4.14 and 4.15).



GLOBAL AUDIT PRIORITIES

Alignment and gaps between risk and audit effort

Three of the five highest risks globally were also high for audit priority (Exhibit 2.3):

- Cybersecurity
- Business resilience
- Regulatory change

However, there were three other areas of high risk where audit priority was substantially lower (Exhibit 2.3): Roundtable discussion provided context for these results. For geopolitical uncertainty, roundtable participants

Risk area	Risk rating	Audit priority rating	Gap
Geopolitical uncertainty	38%	11%	-27
Digital disruption	48%	32%	-16
Human capital	43%	29%	-14

pointed out that geopolitical risk is more likely to be audited indirectly than directly, as a part of reviews for business resilience, regulatory change, financial/liquidity risks, market changes/competition, and supply chain. For auditing digital disruption, one of the biggest challenges is internal audit having access to needed skills to assess rapidly changing technology. Nevertheless, digital disruption is trending up the most of all areas for audit priority (Exhibit 2.2). Finally, the gap for human capital risk is likely a reflection of the difficulty in identifying auditable processes that address this risk, along with other issues taking precedence over human capital this year.

For more details about how internal audit functions are responding to the risks in their region, see Section 4. Region Results and download the complete custom reports for each region, available free to the public at the [Risk in Focus Knowledge Center](#).



GLOBAL AUDIT PRIORITIES

Exhibit 2.1: Global – Highest Audit Priorities per Region

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

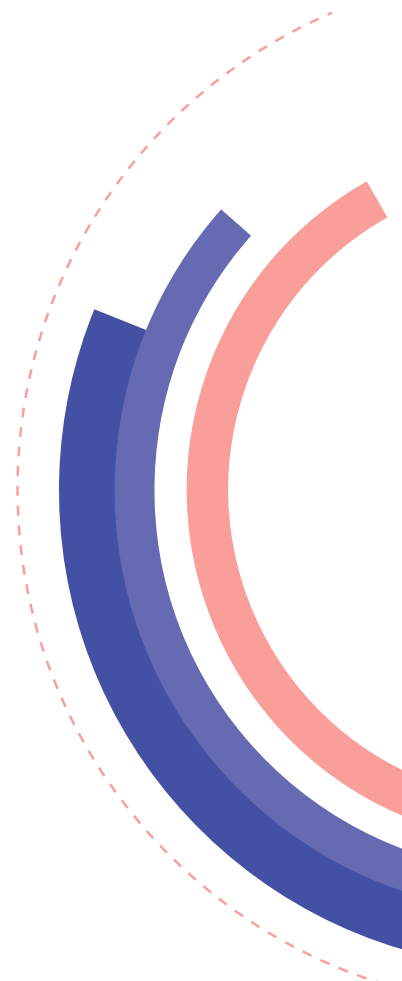
Risk area	Average of the regions	Africa	Asia Pacific	Europe	Latin America	Middle East	North America
Cybersecurity	69%	60%	63%	72%	69%	69%	83%
Governance/corporate reporting	55%	51%	55%	58%	48%	64%	53%
Business resilience	53%	54%	57%	50%	40%	59%	60%
Regulatory change	46%	37%	58%	49%	53%	30%	50%
Financial/liquidity	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.



GLOBAL AUDIT PRIORITIES

Exhibit 2.2. Global – Audit Priority Trend

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

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.

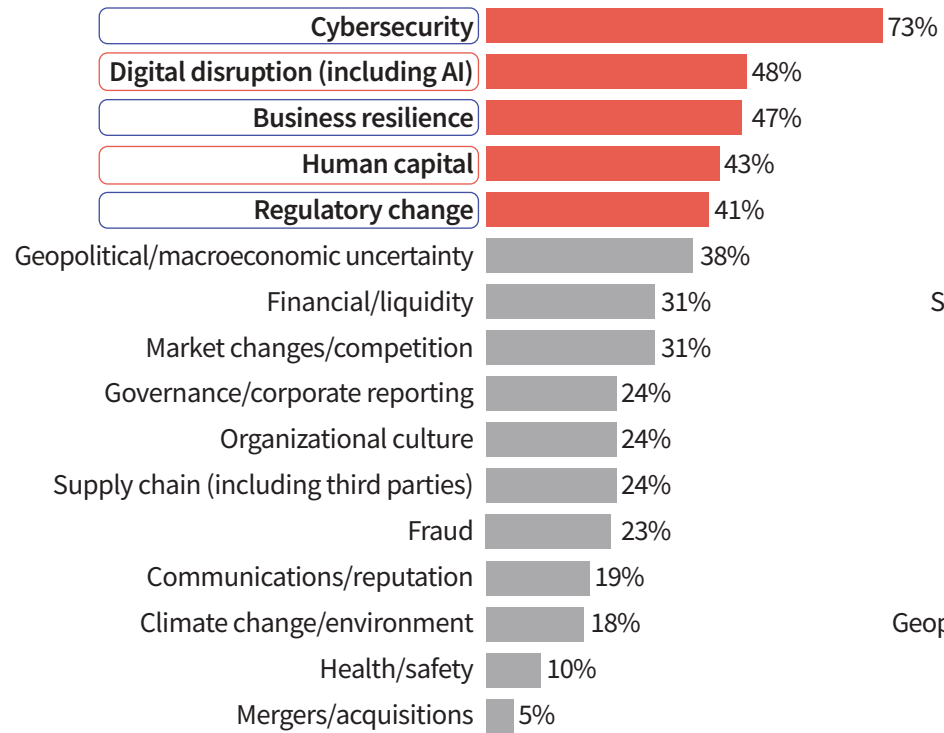
GLOBAL AUDIT PRIORITIES VS. RISK

Exhibit 2.3. Global – Risk vs. Audit Priorities

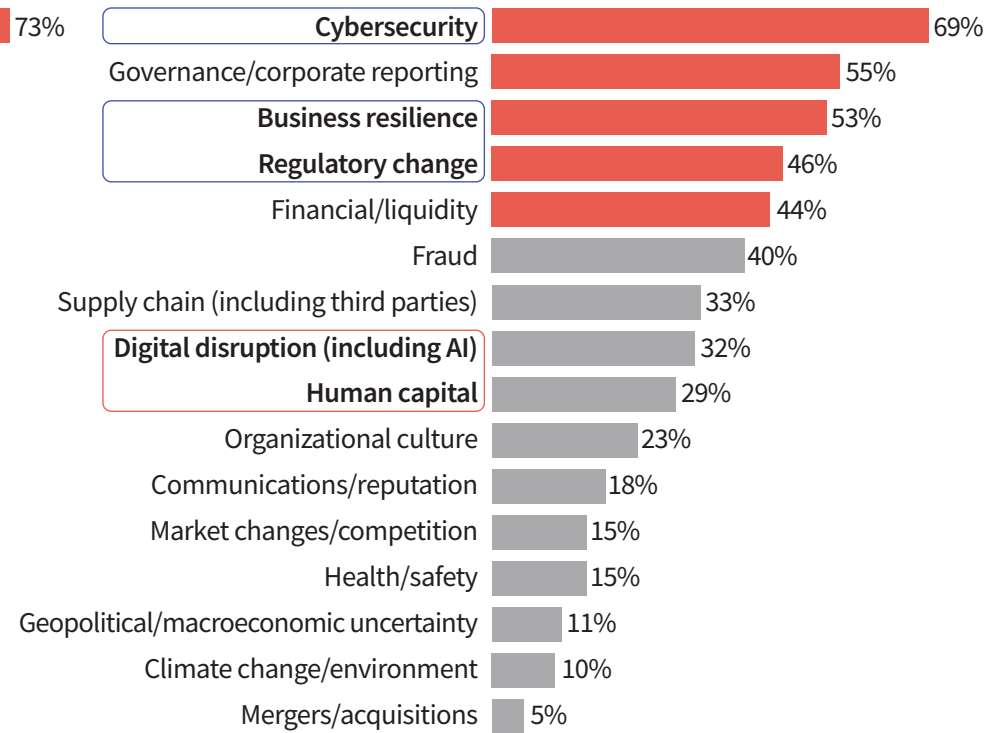
Survey questions: What are the Top 5 risks your organization currently faces? (Choose 5.)

What are the Top 5 audit areas on which internal audit spends the most time and effort? (Choose 5.)

Global – Highest Risks



Global – Highest Audit Priorities



■ Highest risks and audit priorities
 Areas with both high risk and high audit priority
Areas with high risk but lower audit priority

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.

SECTION 3. GLOBAL INDUSTRY ANALYSIS

Analysis reveals complex differences between industries and regions

While there is broad alignment on top risks, many industries have unique areas of concern.

See Exhibits 3.1 and 3.2 for an overview of industry differences at a global level. While global results provide a broad overview, to obtain an accurate risk-level benchmark, it's important to review industry differences at the regional level. For this essential information, see Appendix B. Regional Industry Analysis – Risk Levels.

Exhibit 3.1. Global – Risk Level Differences per Industry

Survey question: What are the Top 5 risks your organization currently faces? (Choose 5.)

Risk area	Cybersecurity	Business resilience	Digital disruption	Human capital	Regulatory change	Unique risk 1	Unique risk 2
Financial services	✓	✓	✓	✓	✓		
Public sector (government)	✓	✓	✓	✓	✓		
Manufacturing	✓	✓	✓			Geopolitical uncertainty	Market changes/competition
Mining/energy/water	✓	✓		✓	✓	Geopolitical uncertainty	
Agriculture/forestry/fishing	✓	✓	✓			Geopolitical uncertainty	Climate change/environment
Wholesale and retail*	✓	✓				Geopolitical uncertainty	Market changes/competition
Administrative/support services	✓		✓	✓		Fraud	Governance/corporate reporting
Professional/technical	✓	✓	✓	✓	✓		
Education	✓	✓	✓	✓	✓		
Transport/storage	✓	✓		✓		Geopolitical uncertainty	Supply chain (inc. 3rd parties)
Health/social work	✓	✓	✓	✓	✓	Financial/liquidity	
Construction	✓	✓		✓	✓	Market changes/competition	
Accommodation/food services	✓	✓		✓		Market changes/competition	Organizational culture
Information/communication	✓	✓	✓		✓	Market changes/competition	
Arts/entertainment/recreation	✓	✓	✓		✓	Communications/reputation	
Real estate	✓	✓		✓		Financial/liquidity	Communications/reputation
Charities	✓	✓		✓		Financial/liquidity	Geopolitical uncertainty

Note 1: Risk in Focus survey conducted online from April 28 to June 6, 2025, by the Internal Audit Foundation and partners. *n* = 865 for Asia Pacific.

Note 2: Industries with the highest response rates are shown. The column labeled “All” shows the average of all respondents.

PACIFIC

Exhibit 3.2. Global – Audit Priority Differences per Industry

Survey question: What are the Top 5 audit areas on which internal audit spends the most time and effort (Choose 5.)

Cybersecurity, governance/corporate reporting, and business resilience are top priorities for almost all industries, but most industries also have unique areas of focus.

While global results provide a broad overview, to obtain an accurate audit priority benchmark, it's important to review industry differences at the regional level. For this essential information, see Appendix C. Regional Industry Analysis – Audit Priorities.

Audit area	Cybersecurity	Governance/ corporate reporting	Business resilience	Regulatory change	Financial/ liquidity	Unique audit priority 1	Unique audit priority 2
Financial services	✓	✓	✓	✓	✓		
Public sector (government)	✓	✓	✓	✓		Fraud	
Manufacturing	✓	✓	✓			Fraud	Supply chain (inc. 3rd parties)
Mining/energy/water	✓	✓	✓			Financial/liquidity	Supply chain (inc. 3rd parties)
Agriculture/forestry/fishing	✓		✓	✓	✓	Fraud	
Wholesale and retail*	✓	✓	✓			Fraud	Supply chain (inc. 3rd parties)
Administrative/support services	✓	✓		✓		Fraud	Organizational culture
Professional/technical	✓	✓	✓	✓	✓		
Education	✓	✓	✓	✓	✓		
Transport/storage	✓	✓	✓		✓	Fraud	Supply chain (inc. 3rd parties)
Health/social work	✓	✓	✓		✓	Supply chain (inc. 3rd parties)	
Construction	✓	✓	✓			Fraud	Supply chain (inc. 3rd parties)
Accommodation/food services	✓	✓	✓			Supply chain (inc. 3rd parties)	Organizational culture
Information/communication	✓	✓	✓	✓		Digital disruption	
Arts/entertainment/recreation	✓	✓	✓		✓	Digital disruption	
Real estate	✓	✓	✓			Fraud	Organizational culture
Charities	✓	✓	✓		✓	Fraud	

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.

SECTION 4. REGION RESULTS

AFRICA

Balancing Digital Investment with Financial Challenges

Growth through digitalization promises to expand social inclusion, improve tax revenues, and boost competitiveness. But to win, organizations in Africa must navigate a complex maze of inter-connected challenges. An acute lack of money, fraud, extreme weather, and cybersecurity risks stand in the way.

While cybersecurity remained the top risk for Africa, digital disruption risk increased the most from the prior year, rising in rank from sixth to third (Exhibits 4.1 and 4.3). Businesses are responding by building resilience, and CAEs are supporting those efforts by integrating assurance work across risk areas. Strategic decision making is improving because of stronger regional corporate governance requirements – including the creation of audit committees – and tighter, more data-rich corporate reporting processes.

Financial and liquidity risks are ranked higher in Africa than the global average, ranking fourth for Africa while ranking seventh globally (Exhibits 4.1 and 1.1). Many countries in the region depend on stable flows of foreign investment, which causes increased financial and liquidity risks when these cash flows are constrained. While these investments are focused on much-needed infrastructure and digitalization initiatives, fraud, corruption, and extreme weather are a constant drain on resources. Internal auditors are responding by providing assurance for liquidity controls and the quality of the underlying financial data.

As AI proliferates along with mobile financial technologies, cyber-crime has become an even bigger threat. With digital literacy rates low in some countries, cultural awareness of cybersecurity threats can be hard to establish. Regulations around data security and data privacy are sometimes lacking, adding to the challenge. On the other hand, Africa has one of the most dynamic fintech (financial technology) sectors globally, and government agencies are investing heavily to automate systems and documentation. CAEs are investing in better internal auditing tools to increase automation of controls and take advantage of AI.



AFRICA RESEARCH PARTICIPATION

1,043 survey responses
39 countries/locations
3 roundtables
3 in-depth interviews

RESEARCH PARTNER



African Federation of
Institutes of Internal Auditors

AFRICA

Key Points

- CAEs in Africa report high financial/liquidity risks more frequently than the global average – 43% for Africa compared with 31% globally (Exhibit 4.1 and 1.1).
- While cybersecurity remained a top risk for Africa, digital disruption risk increased the most from the prior year, rising in rank from sixth to third (Exhibit 4.3).
- Financial and liquidity risks are a unique challenge for the region, fueled by lack of local resources, extreme weather crises, and dependency on foreign currency.
- Digital implementation is progressing throughout Africa, but many new users are vulnerable to cyber-fraud.
- CAEs are providing traditional assurance services but also rebalancing audit plans to incorporate faster advisory services to respond to rapidly emerging risks.



Download the Africa report
and board briefing at
theiia.org/RiskInFocus



AFRICA

Exhibit 4.1. Africa Subregions – Highest Risks

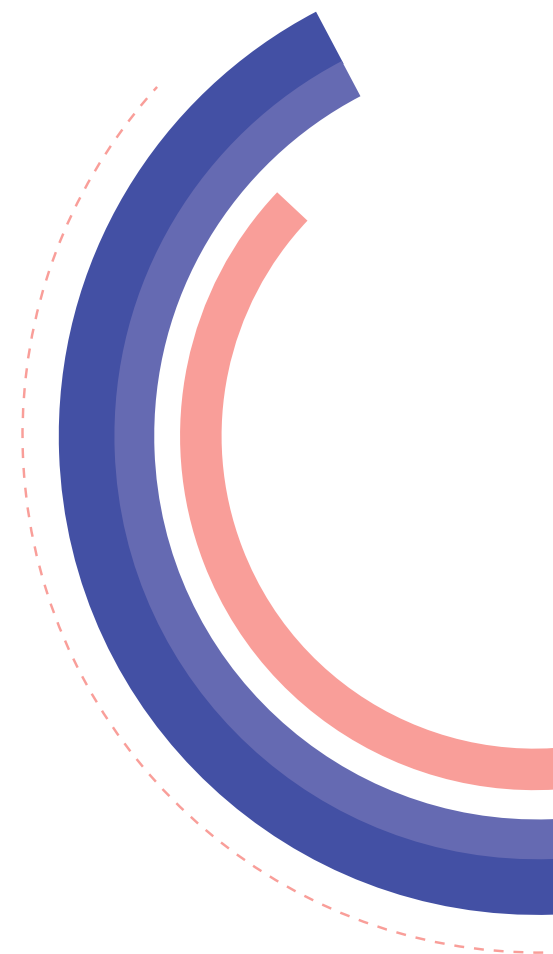
Survey question: What are the top 5 risks your organization currently faces? (Choose 5.)

Risk area	All	Southern Africa	Eastern Africa	Western Africa	Northern Africa	Middle East
Cybersecurity	62%	64%	65%	53%	64%	32%
Business resilience	49%	51%	45%	48%	38%	55%
Digital disruption (including AI)	44%	44%	48%	35%	45%	27%
Financial/liquidity	43%	38%	45%	49%	60%	55%
Fraud	43%	42%	42%	45%	38%	68%
Human capital	35%	33%	32%	41%	40%	36%
Regulatory change	34%	36%	32%	33%	31%	32%
Governance/corporate reporting	33%	33%	29%	40%	26%	64%
Organizational culture	29%	30%	33%	23%	17%	32%
Geopolitical/macroeconomic uncertainty	27%	28%	25%	30%	21%	18%
Communications/reputation	25%	27%	25%	22%	19%	23%
Climate change/environment	24%	22%	27%	22%	26%	9%
Market changes/competition	19%	18%	17%	20%	24%	18%
Supply chain (including third parties)	17%	19%	15%	17%	19%	14%
Health/safety	11%	9%	9%	16%	31%	14%
Mergers/acquisitions	3%	3%	5%	2%	0%	5%

■ Highest risks per region

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

Note: Risk in Focus survey conducted online from April 28 to June 6, 2025, by the Internal Audit Foundation and partners. n = 1,043 for Africa.



AFRICA

Exhibit 4.2. Africa Subregions– Highest Audit Priorities

Survey question: What are the top 5 audit areas on which internal audit spends the most time and effort? (Choose 5.)

Risk area	All	Southern Africa	Eastern Africa	Western Africa	Northern Africa	Middle East
Cybersecurity	60%	58%	64%	60%	60%	50%
Business resilience	54%	55%	55%	55%	40%	36%
Governance/corporate reporting	51%	51%	50%	52%	43%	86%
Fraud	50%	48%	47%	54%	45%	77%
Financial/liquidity	47%	45%	49%	52%	45%	45%
Regulatory change	37%	39%	35%	39%	33%	36%
Human capital	31%	32%	30%	32%	38%	32%
Supply chain (including third parties)	31%	39%	27%	21%	36%	18%
Digital disruption (including AI)	30%	26%	38%	26%	33%	23%
Organizational culture	26%	25%	29%	25%	19%	27%
Communications/reputation	23%	23%	23%	21%	26%	32%
Climate change/environment	14%	13%	17%	13%	19%	9%
Market changes/competition	13%	14%	13%	10%	24%	14%
Health/safety	13%	14%	8%	18%	17%	0%
Geopolitical/macroeconomic uncertainty	12%	11%	12%	12%	14%	14%
Mergers/acquisitions	3%	3%	3%	1%	7%	0%

■ 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: Risk in Focus survey conducted online from April 28 to June 6, 2025, by the Internal Audit Foundation and partners. n = 1,043 for Africa.

AFRICA

Exhibit 4.3. Africa – Risk Level Trend

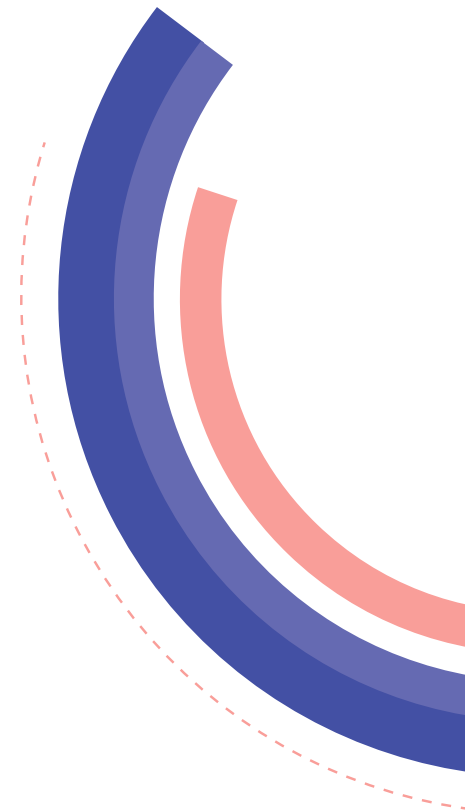
Survey question: What are the Top 5 risks your organization currently faces? (Choose 5.)

2023	2024	2025	Change from 2024 to 2025	Change	Risk area
58%	64%	62%		-2	Cybersecurity
52%	57%	49%		-8	Business resilience
33%	34%	44%		+10	Digital disruption (including AI)
47%	42%	43%		+1	Financial/liquidity
46%	42%	43%		+1	Fraud
39%	44%	35%		-9	Human capital
32%	32%	34%		+2	Regulatory change
36%	31%	33%		+2	Governance/corporate reporting
34%	34%	29%		-5	Organizational culture
25%	23%	27%		+4	Geopolitical/macroeconomic uncertainty
27%	26%	25%		-1	Communications/reputation
19%	25%	24%		-1	Climate change/environment
21%	15%	19%		+4	Market changes/competition
19%	16%	17%		+1	Supply chain (including third parties)
10%	10%	11%		+1	Health/safety
3%	4%	3%		-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. $n = 1,043$ for Africa.

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.



AFRICA

Exhibit 4.4. Africa – Audit Priority Trend

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

2023	2024	2025	Change from 2024 to 2025	Change	Risk area
54%	57%	60%		+3	Cybersecurity
56%	58%	54%		-4	Business resilience
52%	54%	51%		-3	Governance/corporate reporting
57%	49%	50%		+1	Fraud
53%	55%	47%		-8	Financial/liquidity
35%	39%	37%		-2	Regulatory change
33%	36%	31%		-5	Human capital
32%	29%	31%		+2	Supply chain (including third parties)
24%	24%	30%		+6	Digital disruption (including AI)
27%	25%	26%		+1	Organizational culture
25%	25%	23%		-2	Communications/reputation
11%	9%	14%		+5	Climate change/environment
15%	12%	13%		+1	Market changes/competition
13%	14%	13%		-1	Health/safety
12%	10%	12%		+2	Geopolitical/macroeconomic uncertainty
2%	4%	3%		-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. $n = 1,043$ for Africa.

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.

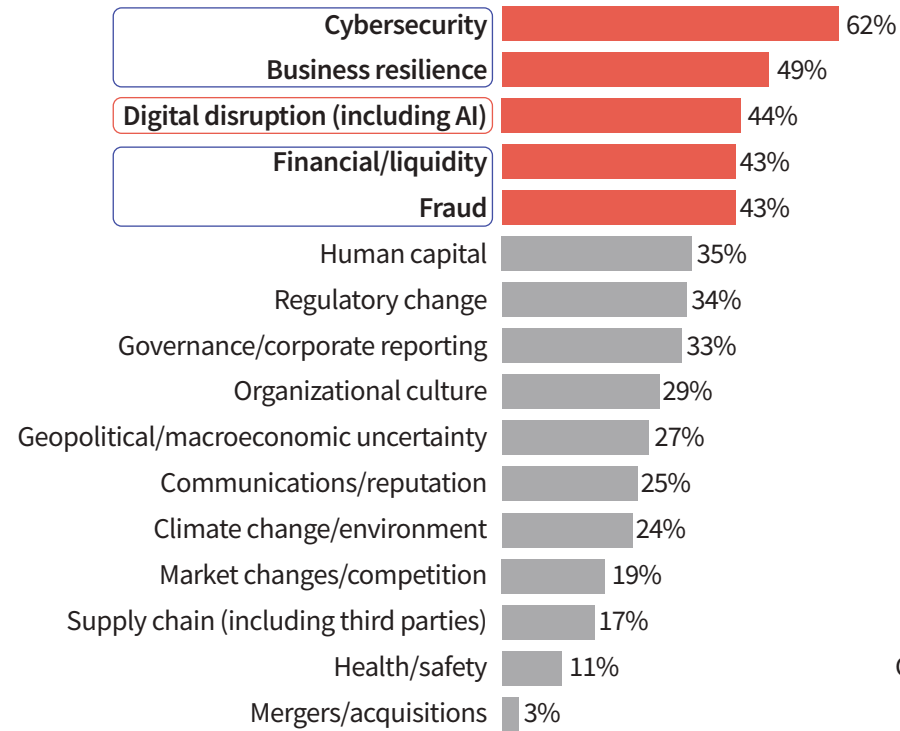
AFRICA

Exhibit 4.5. Africa – Risk vs. Audit Priorities

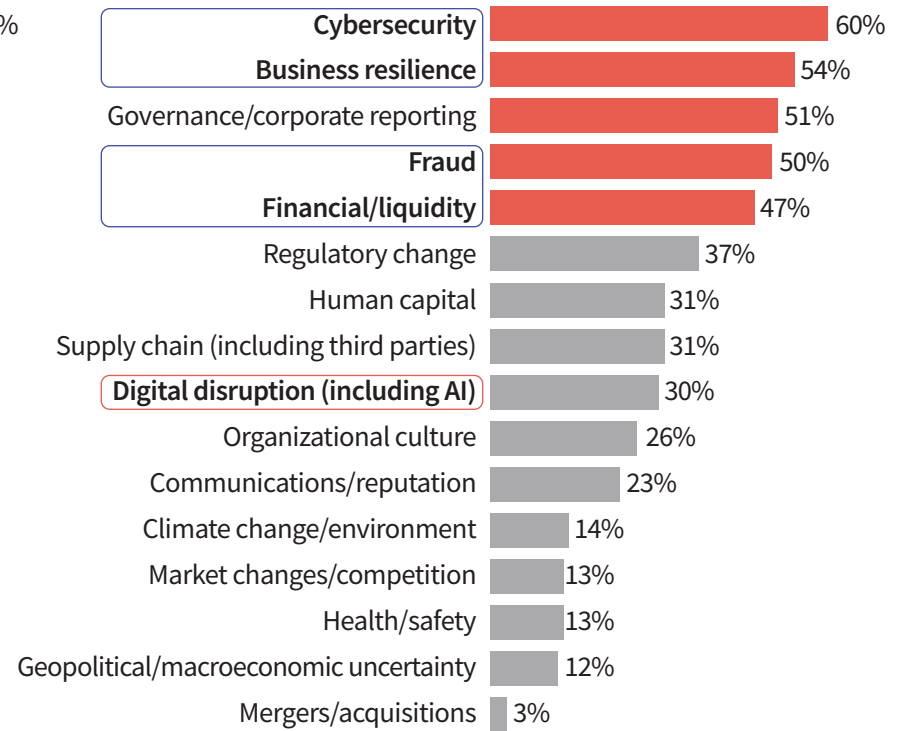
Survey questions: What are the Top 5 risks your organization currently faces? (Choose 5.)

What are the Top 5 audit areas on which internal audit spends the most time and effort? (Choose 5.)

Africa – Highest Risks



Africa – Highest Audit Priorities



■ Highest risks and audit priorities □ Areas with both high risk and high audit priority □ Areas with high risk but lower audit priority

Note: Risk in Focus survey conducted online from April 28 to June 6, 2025, by the Internal Audit Foundation and partners. $n = 1,043$ for Africa.

ASIA PACIFIC

Digital Disruption, Geopolitical Risks Unsettle Diverse Economies

Asia Pacific's diverse business landscape makes characterizing the region's risk environment difficult. A complicated mix of obvious and subtle threat differences exists among China's and India's technology and population hubs; Japan's manufacturing centers; Australia's service-driven economy; Singapore's global trade and technology; and growing service sectors in Indonesia, Malaysia, and the Philippines.

The region shares a clear concern over growing geopolitical uncertainty, driven by sudden changes in U.S. trade policies and ongoing conflicts in Ukraine and the Middle East. Simultaneously, organizations face unrelenting threats from cybersecurity and new technology, fueled by the adoption of AI at a record pace.

This section provides important benchmarking data and insights from internal audit leaders and subject-matter experts to help decipher the region's complex risk landscape while delving into specific challenges for each of four subregions: East Asia, Pacific, South Asia, and Southeast Asia.

East Asia

- Human capital (60%) edged out cybersecurity (59%) as the most cited Top 5 risk (Exhibit 4.6).
- Despite market changes/competition being the fourth highest ranked risk in East Asia (58%), it ranked eleventh in audit priority (22%) (Exhibits 4.6 and 4.7).
- Business resilience and cybersecurity were high-risk and high audit priorities in East Asia (Exhibits 4.6 and 4.7).

Internal auditors can support assurance and advisory services for market changes/competition and geopolitical uncertainty by developing a greater understanding of their organization's strategies and staying up to date on industry changes. Concerns about supply chain disruptions and access to technology were the key drivers of business resilience concerns. Audit leaders should speak to their governing bodies about remaining agile and developing strategies for adapting to new uncertainties.

Pacific

- Business resilience tied with cybersecurity as the most cited Top 5 risk (Exhibit 4.6).
- Human capital was the third highest ranked risk for the Pacific subregion (Exhibit 4.6).
- Digital disruption (including AI) found its way to the Top 5 highest risks for the region (Exhibit 4.6).

Internal auditors should include geopolitical uncertainty, supply chain, regulatory change, and market change risks in their business resilience reviews, with a focus on what is most important to their organization's success. To address high human capital risks, internal auditors can support their organizations with relevant benchmarking and advice on



ASIA PACIFIC RESEARCH PARTICIPATION

865 survey responses
22 countries/locations
3 roundtables
3 in-depth interviews

RESEARCH PARTNER



Asian Confederation of
Institutes of Internal Auditors

ASIA PACIFIC

recruiting and retention strategy effectiveness. CAEs should discuss turnover rates with executive management and governing bodies to identify accepted levels and audit for compliance with those established levels.

South Asia

- Technology risks were ranked higher for South Asia than other Asia Pacific subregions, with 75% rating cybersecurity as a Top 5 risk and 56% rating digital disruption as a Top 5 risk (Exhibit 4.6).
- South Asia ranked highest in the region for geopolitical uncertainty risks (47% compared to the region average of 35%) (Exhibit 4.6).
- Human capital was the fifth highest ranked risk (41%) (Exhibit 4.6).

To address the gap between digital disruption risks and audit priority, audit leaders must be transparent with their boards and governing bodies about their current capabilities and resources. To enhance technology capabilities, internal audit can consider third-party services or collaboration with other risk or assurance functions within the organization. For geopolitical risks, internal audit should provide executive management and the governing body with a clear understanding of internal audit's processes for providing assurance in related audit areas, such as supply chain, regulatory change, market change/competition, and financial/liquidity risks.



Download the Asia Pacific report and board briefing at theiia.org/RiskInFocus



ASIA PACIFIC

Exhibit 4.6. Asia Pacific Subregions – Highest Risks

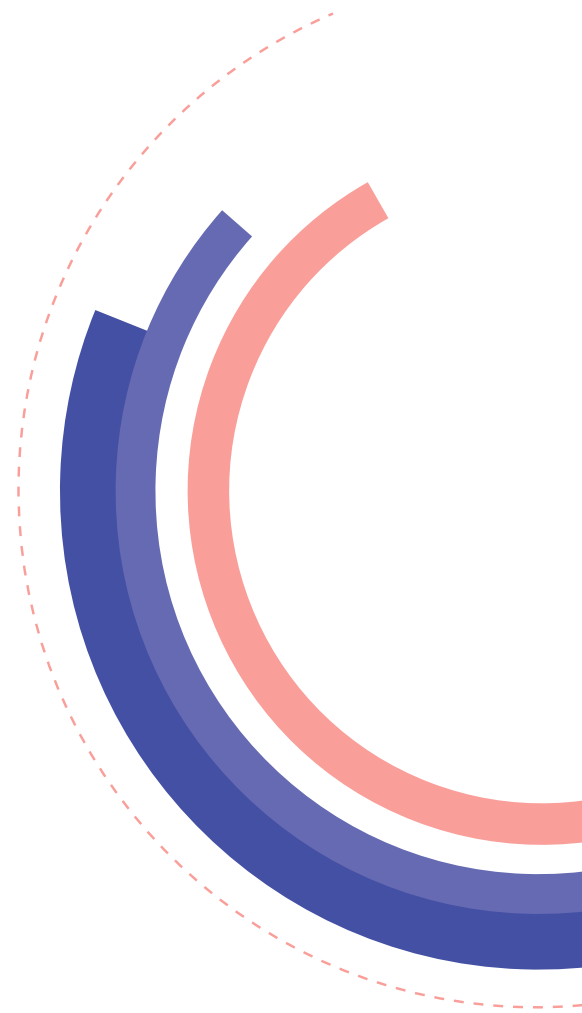
Survey question: What are the Top 5 risks your organization currently faces? (Choose 5.)

Risk area	All	East Asia	Southeast Asia	Pacific	South Asia
Cybersecurity	62%	59%	67%	61%	75%
Business resilience	58%	57%	62%	61%	49%
Human capital	56%	60%	49%	49%	41%
Market changes/competition	49%	58%	30%	33%	36%
Digital disruption (including AI)	39%	32%	52%	39%	56%
Regulatory change	38%	39%	35%	42%	37%
Geopolitical/macroeconomic uncertainty	35%	34%	37%	33%	47%
Supply chain (including third parties)	28%	26%	33%	30%	27%
Governance/corporate reporting	23%	26%	22%	16%	13%
Organizational culture	21%	24%	10%	25%	15%
Fraud	20%	18%	26%	9%	29%
Communications/reputation	19%	19%	18%	26%	12%
Financial/liquidity	19%	17%	20%	28%	20%
Climate change/environment	17%	14%	22%	19%	29%
Health/safety	11%	10%	11%	21%	8%
Mergers/acquisitions	6%	6%	6%	7%	5%

■ Highest risks per subregion

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

Note: Risk in Focus survey conducted online from April 28 to June 6, 2025, by the Internal Audit Foundation and partners. *n* = 567 for East Asia. *n* = 159 for Southeast Asia. *n* = 55 for Pacific. *n* = 75 for South Asia.



ASIA PACIFIC

Exhibit 4.7. Asia Pacific Subregions – Highest Audit Priorities

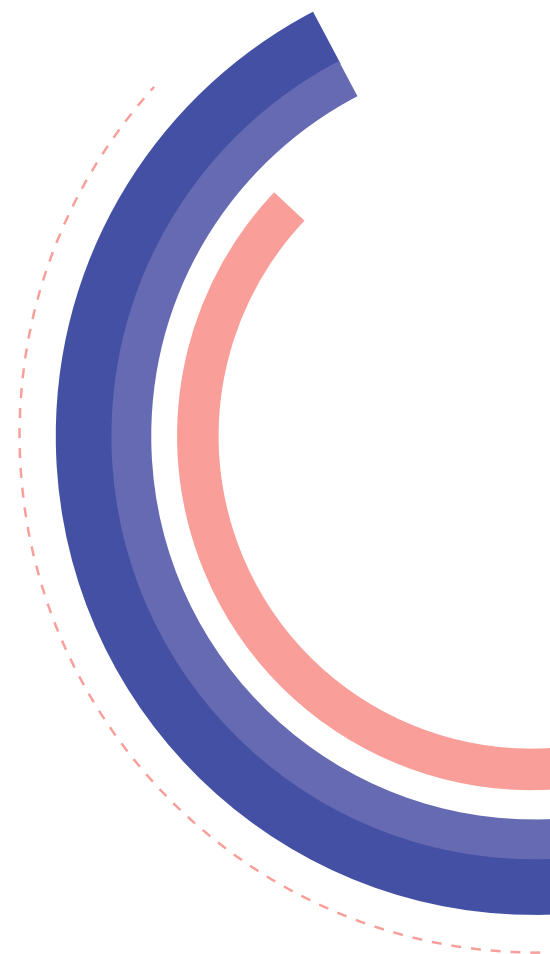
Survey question: What are the top 5 audit areas on which internal audit spends the most time and effort? (Choose 5.)

Audit area	All	East Asia	Southeast Asia	Pacific	South Asia
Cybersecurity	63%	60%	67%	68%	71%
Regulatory change	58%	66%	41%	39%	49%
Business resilience	57%	53%	66%	67%	59%
Governance/corporate reporting	56%	56%	50%	65%	56%
Fraud	42%	41%	42%	35%	57%
Human capital	36%	42%	26%	33%	21%
Supply chain (including third parties)	32%	28%	42%	35%	45%
Financial/liquidity	30%	28%	35%	40%	29%
Digital disruption (including AI)	25%	23%	32%	16%	29%
Organizational culture	23%	27%	14%	28%	11%
Market changes/competition	19%	22%	13%	12%	15%
Communications/reputation	18%	18%	23%	14%	9%
Health/safety	17%	15%	17%	28%	19%
Climate change/environment	10%	8%	16%	12%	8%
Geopolitical/macroeconomic uncertainty	7%	7%	10%	0%	8%
Mergers/acquisitions	4%	3%	3%	7%	7%

■ Highest audit priorities per subregion

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

Note: Risk in Focus survey conducted online from April 28 to June 6, 2025, by the Internal Audit Foundation and partners. *n* = 567 for East Asia. *n* = 159 for Southeast Asia. *n* = 55 for Pacific. *n* = 75 for South Asia.



ASIA PACIFIC

Exhibit 4.8. Asia Pacific – Risk Level Trend

Survey question: What are the Top 5 risks your organization currently faces? (Choose 5.)

2023	2024	2025	Change from 2024 to 2025	Change	Risk area
66%	64%	62%		-2	Cybersecurity
61%	62%	58%		-4	Business resilience
59%	57%	56%		-1	Human capital
47%	49%	49%		0	Market changes/competition
30%	36%	39%		+3	Digital disruption (including AI)
35%	32%	38%		+6	Regulatory change
28%	30%	35%		+5	Geopolitical/macroeconomic uncertainty
27%	24%	28%		+4	Supply chain (including third parties)
24%	22%	23%		+1	Governance/corporate reporting
23%	23%	21%		-2	Organizational culture
22%	22%	20%		-2	Fraud
18%	21%	19%		-2	Communications/reputation
21%	19%	19%		0	Financial/liquidity
22%	26%	17%		-9	Climate change/environment
12%	11%	11%		0	Health/safety
4%	4%	6%		+2	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. $n = 865$ for Asia Pacific.

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.

ASIA PACIFIC

Exhibit 4.9. Asia Pacific – Audit Priority Trend

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

2023	2024	2025	Change from 2024 to 2025	Change	Risk area
66%	63%	63%		0	Cybersecurity
56%	52%	58%		+6	Regulatory change
59%	60%	57%		-3	Business resilience
54%	55%	56%		+1	Governance/corporate reporting
42%	43%	42%		-1	Fraud
33%	33%	36%		+3	Human capital
33%	28%	32%		+4	Supply chain (including third parties)
35%	30%	30%		0	Financial/liquidity
19%	23%	25%		+2	Digital disruption (including AI)
23%	25%	23%		-2	Organizational culture
23%	25%	19%		-6	Market changes/competition
21%	23%	18%		-5	Communications/reputation
18%	16%	17%		+1	Health/safety
10%	16%	10%		-6	Climate change/environment
6%	6%	7%		+1	Geopolitical/macroeconomic uncertainty
3%	2%	4%		+2	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. $n = 865$ for Asia Pacific.

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.

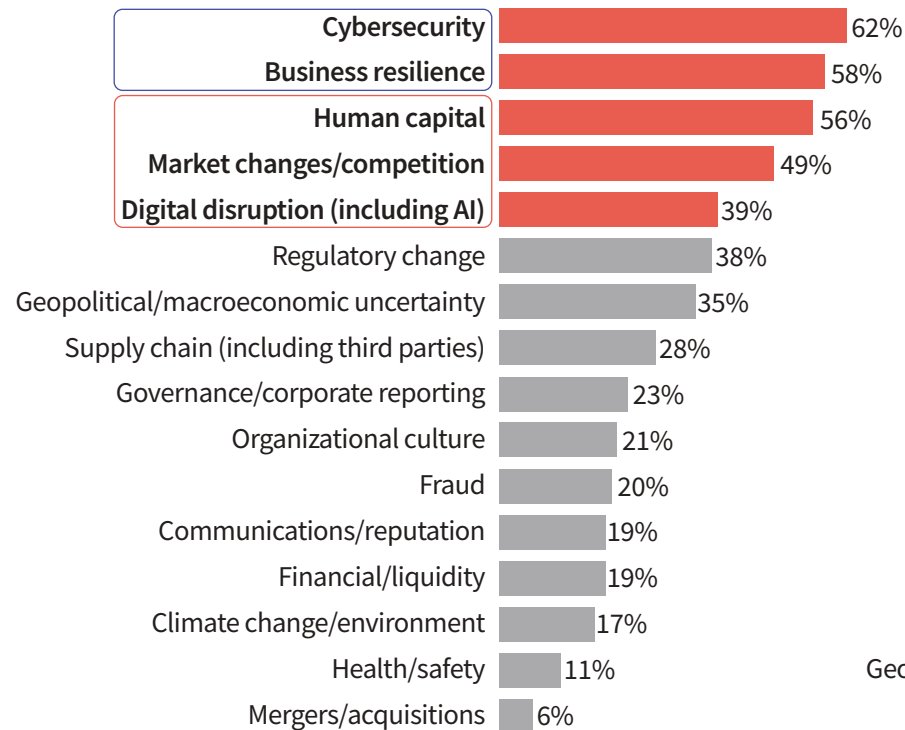
ASIA PACIFIC

Exhibit 4.10. Asia Pacific – Risk vs. Audit Priorities

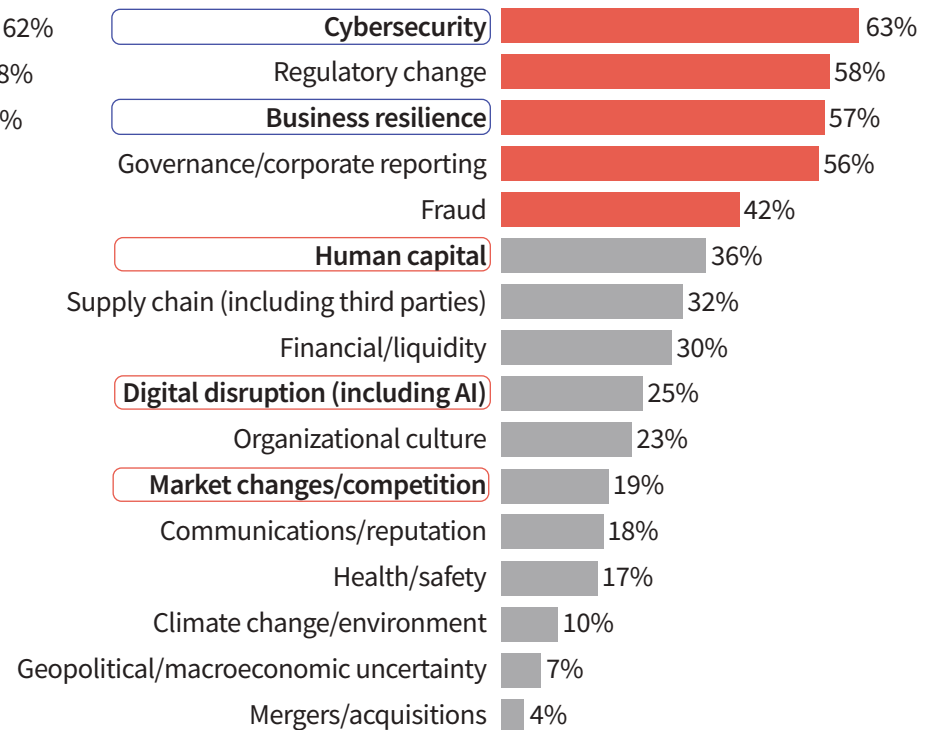
Survey questions: What are the Top 5 risks your organization currently faces? (Choose 5.)

What are the Top 5 audit areas on which internal audit spends the most time and effort? (Choose 5.)

Asia Pacific – Highest Risks



Asia Pacific – Highest Audit Priorities



■ Highest risks and audit priorities Areas with both high risk and high audit priority Areas with high risk but lower audit priority

Note: Risk in Focus survey conducted online from April 28 to June 6, 2025, by the Internal Audit Foundation and partners. $n = 865$ for Asia Pacific.

EUROPE

Adopting Agile Strategies to Address Geopolitical Uncertainty

As Europe faces a historic shock from global trade disruption, organizations must adopt strategic objectives and innovate to take advantage of emerging opportunities and markets.

Organizations are scrambling to set and execute strategies as business models are disrupted by unprecedented geopolitical and macroeconomic challenges. At the same time, AI and other new technologies create new risks and opportunities. As businesses rush to react to regulatory changes in trade and the environment, they struggle to keep their longer-term strategic goals in focus.

Rising geopolitical and technology risks

According to Risk in Focus survey results in Europe, the three risk areas that increased the most from the prior year were (Exhibit 4.11):

- Geopolitical uncertainty (up 6 percentage points)
- Business resilience (up 7 percentage points)
- Digital disruption (up 7 percentage points)

The higher risks were also accompanied by increased audit priority in these three areas, along with priority increases for financial/liquidity and supply chain risks (Exhibit 4.12).

Ever-evolving cybersecurity risk

The growing technical sophistication of cyber-attacks has made cybersecurity a “permanently emerging” risk, with some organizations already bracing for the looming threat of hacks enabled by quantum computers. On the other hand, with so much attention on cybersecurity, internal audit leaders say some businesses may be overinvesting in cyber-defenses, particularly when cyber-risk assessments do not fully take into account the countermeasures already in place.



EUROPE RESEARCH PARTICIPATION

879 survey responses
15 countries/locations
5 roundtables
10 in-depth interviews

RESEARCH PARTNER



European Confederation of
**Institutes of
Internal Auditing**

EUROPE

Climate change losing priority

CAEs at the roundtable events also expressed frustration that boards and management can become so focused on emerging disruptions that ongoing risks from extreme weather and climate change are pushed aside. Climate change risk ranking dropped from eighth place to tenth place since last year (Exhibit 4.11). CAEs note that changing political attitudes are also moving attention away from long-term sustainability.

Long-term human capital threats

While most organizations have now adapted to the flexible working styles accelerated by the COVID-19 pandemic, human capital issues remain the region's second highest risk (Exhibit 4.11). Staff turnover is high, and length of tenure is low. But most pressingly, AI is disrupting traditional roles, career structures, and succession plans – with staff seeking clarity at a time when organizations are unable to assess anything but the shorter-term impacts of the emerging technology. Audit priority for human capital has not kept up with the risk level, with little change from the prior year (Exhibit 4.12).

Opportunity from chaos

In Europe's fast-moving risk environment, businesses are seeking ways to create opportunities from chaos, from redesigning AI strategies and seeking new markets to strengthening supply chains through localization and recycling to conserve scarce resources. As traditional risk management methods are tested, CAEs are adapting to provide services to match the speed of change by providing greater insight and foresight on the many challenges their organizations face.

That is why boards and management are increasingly turning to internal audit functions on emerging and inter-connected risks, for offering fresh perspectives on management and board thinking, and for providing advisory services on the viability of new commercial initiatives.

EUROPE

Key Points

- Risk levels in Europe increased substantially in three areas – digital disruption, business resilience, and geopolitical uncertainty – while cybersecurity remained the highest ranked risk overall (Exhibit 4.11).
- Human capital risk ranked higher in Europe than the global average, sitting in second place compared with fourth place in the global results (Exhibits 4.11 and 1.1) .
- Climate changed dropped two places to tenth place as deregulations and changing political attitudes helped reduce focus in this area despite the worsening impact of extreme weather in the region (Exhibit 4.11).
- CAEs in Europe consistently put cybersecurity on their Top 5 list for audit time and effort (70%+). Other areas of high audit priority are governance/corporate reporting, business resilience, and regulatory change (Exhibit 4.13).
- CAEs are providing higher levels of advisory services, especially in areas such as geopolitical risk and AI where persistent uncertainty is disrupting business models and hindering long-term strategic planning.



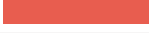
Download the Europe report
and board briefing at
theiia.org/RiskInFocus



EUROPE

Exhibit 4.11. Europe – Risk Level Trend

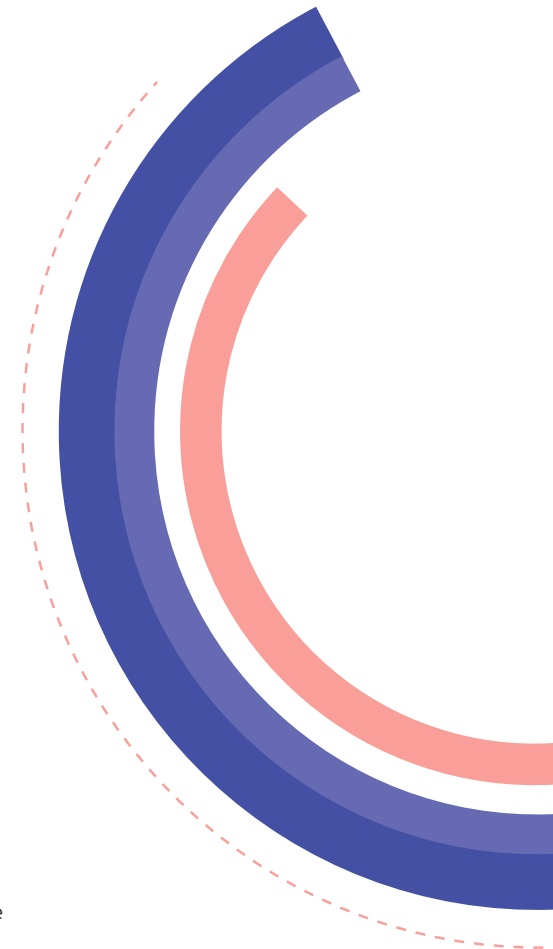
Survey question: What are the top 5 risks your organization currently faces? (Choose 5.)

2023	2024	2025	Change from 2024 to 2025	Change	Risk area
84%	83%	82%		-1	Cybersecurity
57%	52%	48%		-4	Human capital
33%	40%	47%		+7	Digital disruption (including AI)
43%	39%	45%		+6	Geopolitical/macroeconomic uncertainty
43%	46%	45%		-1	Regulatory change
35%	32%	39%		+7	Business resilience
30%	32%	32%		0	Market changes/competitions
30%	29%	29%		0	Supply chain (including third parties)
26%	27%	27%		+1	Financial/liquidity risks
31%	33%	23%		-10	Climate change/environment
22%	20%	20%		0	Governance/corporate reporting
20%	21%	19%		-2	Organizational culture
13%	14%	16%		2	Fraud
12%	14%	12%		-2	Communications/reputation
13%	12%	12%		0	Health/safety
8%	8%	5%		-3	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. $n = 879$ for Europe.

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.



EUROPE

Exhibit 4.12. Europe – Audit Priority Trend

Survey question: What are the top 5 audit areas on which internal audit spends the most time and effort? (Choose 5.)

2023	2024	2025	Change from 2024 to 2025	Change	Risk area
79%	74%	72%		-2	Cybersecurity
61%	64%	58%		-6	Governance/corporate reporting
50%	47%	50%		+3	Business resilience
50%	51%	49%		-2	Regulatory change
45%	40%	43%		+3	Financial/liquidity
36%	36%	39%		+3	Supply chain (including third parties)
36%	36%	37%		+1	Fraud
21%	23%	29%		+6	Digital disruption (including AI)
26%	28%	27%		-1	Human capital
21%	24%	21%		-3	Organizational culture
19%	18%	17%		-1	Health/safety
19%	20%	16%		-4	Climate change/environment
11%	14%	14%		0	Communications/reputation
10%	13%	13%		0	Market changes/competition
8%	6%	8%		+2	Geopolitical/macroeconomic uncertainty
9%	7%	5%		-2	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. $n = 879$ for Europe.

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.

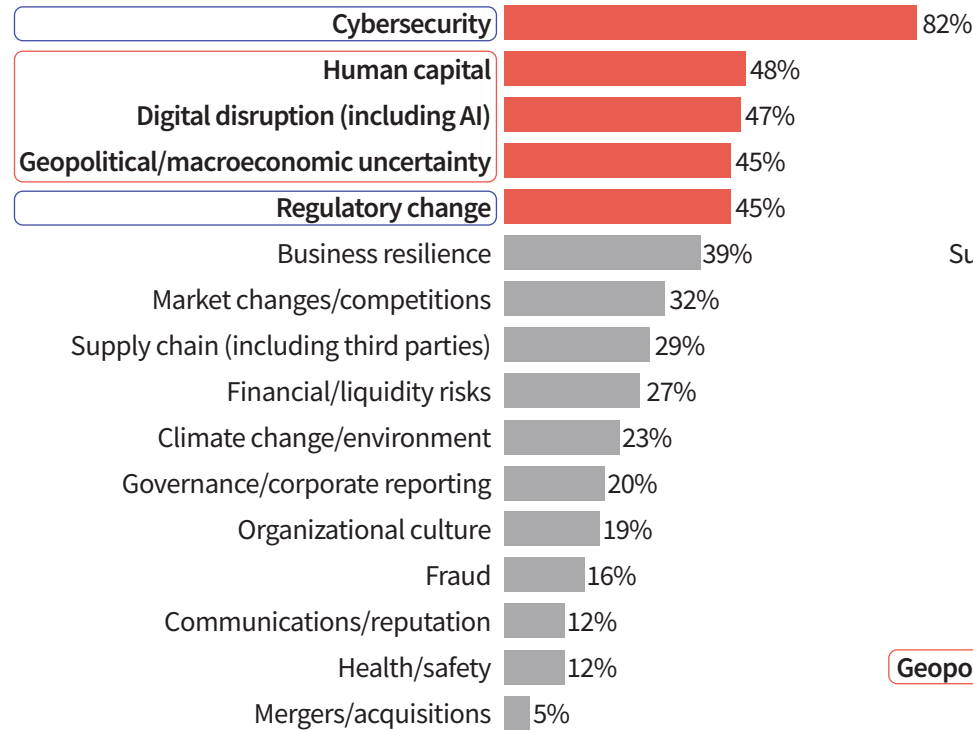
EUROPE

Exhibit 4.13. Europe – Risk vs. Audit Priorities

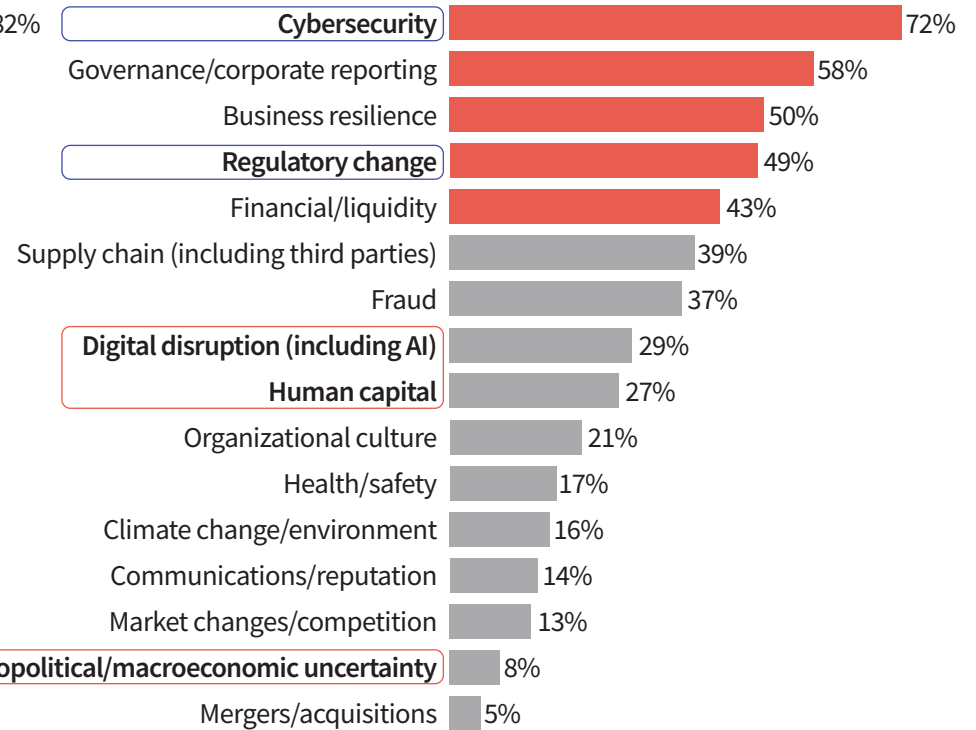
Survey questions: What are the Top 5 risks your organization currently faces? (Choose 5.)

What are the Top 5 audit areas on which internal audit spends the most time and effort? (Choose 5.)

Europe – Highest Risks



Europe – Highest Audit Priorities



■ Highest risks and audit priorities
 Areas with both high risk and high audit priority
Areas with high risk but lower audit priority

Note: Risk in Focus survey conducted online from April 28 to June 6, 2025, by the Internal Audit Foundation and partners. $n = 879$ for Europe.

LATIN AMERICA

Digital Disruption and Geopolitical Risks Surge

Audit leaders across Latin America indicated a dramatic increase in risk levels for digital disruption, driven by elevated cybersecurity risks from AI and fears of falling behind in implementing new technology. Risk ratings for geopolitical uncertainty also rose, as new U.S. trade policies were announced by the Trump administration, sending ripple effects through national economies and individual businesses.

Digital disruption vaulted into second place in the risk rankings, with a 17-percentage point jump in CAEs who said it was one of the Top 5 risks facing their organizations. At the same time, new U.S. trade policies launched by the Trump administration in May 2025 pushed geopolitical risk up 8 percentage points, to be ranked fourth. Cybersecurity remained at the top of the risk ranking, with 76% of CAEs choosing it as a Top 5 risk (Exhibit 4.14).

Volatility in geopolitics shows little signs of abating in the foreseeable future. Business leaders are concerned about impacts on finances and liquidity, regulations, operations and supply chain, and more. Internal auditors are responding with additional advisory services to help keep leaders informed and position their organizations to proactively avoid or diminish risk impacts.

The adoption of AI by both business and threat actors at an unprecedented pace has changed the nature of commerce in the region. Organizations are scrambling to take advantage of the benefits of AI while raising defenses against the new cyber-threats it enables. Latin American organizations face an inadequate digital infrastructure, limited cyber-skilled workforce, and stressed national economies that threaten to hold back progress in this area.

Audit leaders are keenly aware of the complexity of the risk environment and the need to provide value with timely and relevant assurance and advisory services.



LATIN AMERICA RESEARCH PARTICIPATION

863 survey responses
18 countries/locations
2 roundtables
2 in-depth interviews

RESEARCH PARTNER



Fundación Latinoamericana
de Auditores Internos

LATIN AMERICA

Key Points

- New AI tools drove a 17-percentage-point spike in digital disruption risk, now ranked second for the region (Exhibit 4.14).
- Global trade uncertainty and armed conflicts pushed geopolitical uncertainty risks up 8 percentage points, to fourth place (Exhibit 4.14).
- Cybersecurity remained the highest risk overall, rated in the Top 5 by 76% of survey respondents (Exhibit 4.14).
- In response to geopolitical volatility, internal auditors are updating risk assessments and matrices, reviewing contingency planning, and participating in scenario planning.
- In response to AI risks, internal auditors are encouraging their organizations to set up stronger governance processes for selecting, evaluating, and implementing AI products.



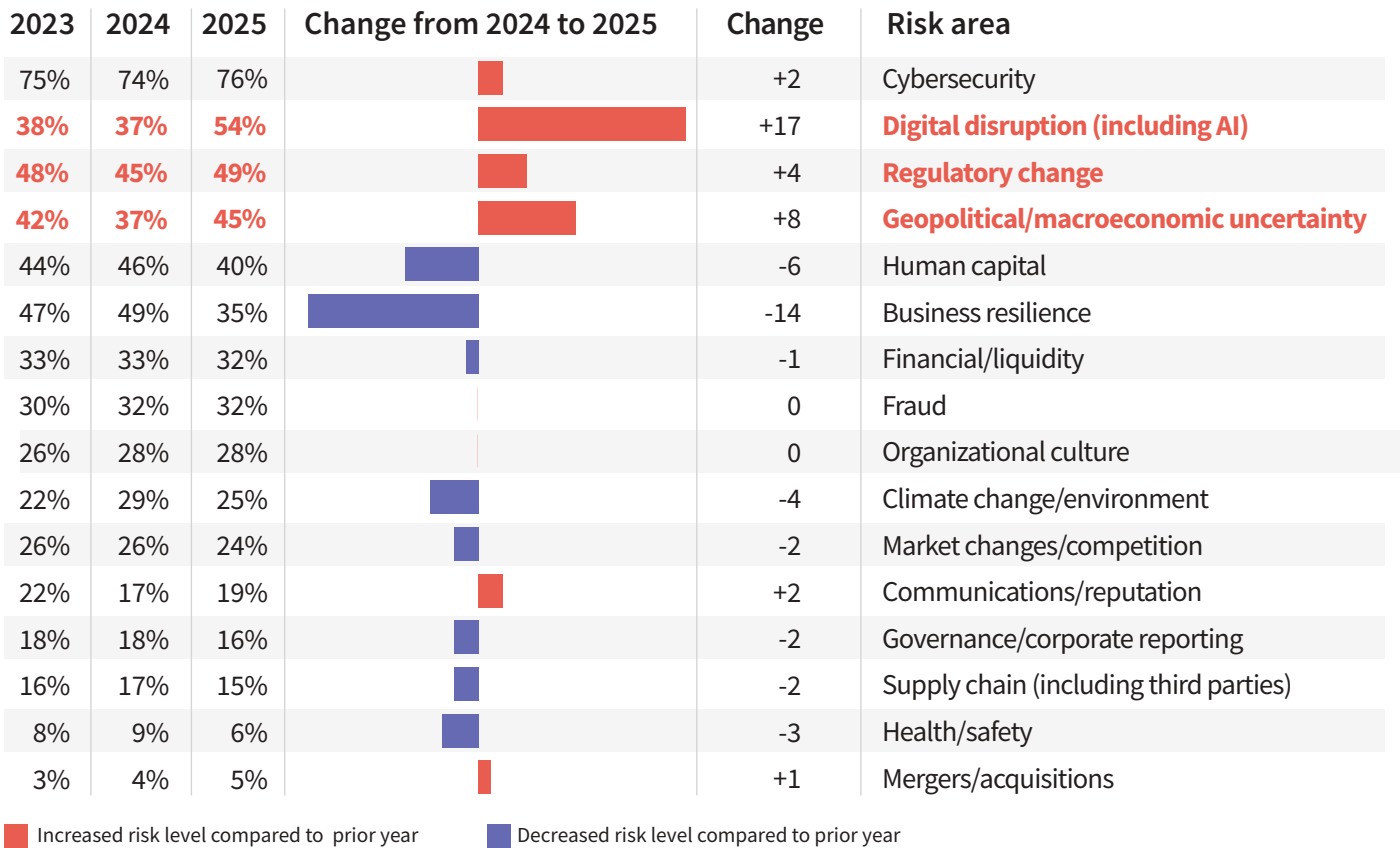
Download the Latin America report and board briefing at theiia.org/RiskInFocus



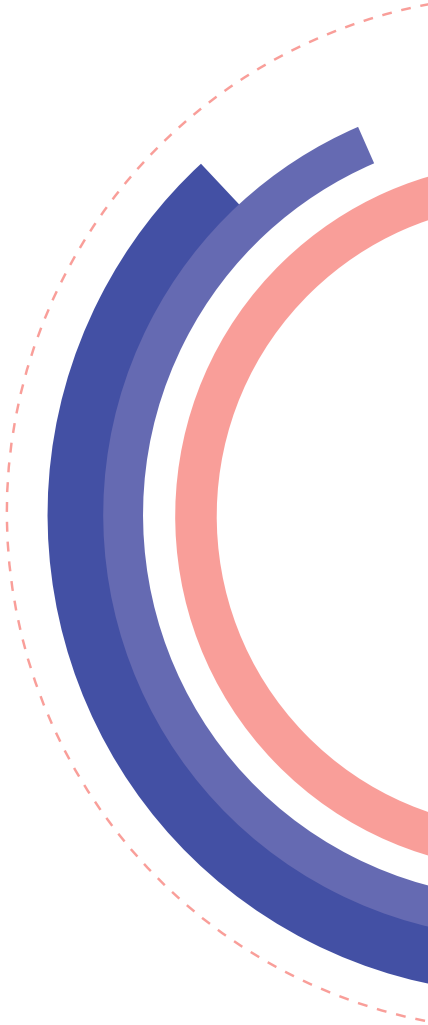
LATIN AMERICA

Exhibit 4.14. Latin America – Risk Level Trend

Survey question: What are the top 5 risks your organization currently faces? (Choose 5.)



Note 1: Risk in Focus survey conducted online from April 28 to June 6, 2025, by the Internal Audit Foundation and partners. n = 863 for Latin America.
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.



LATIN AMERICA

Exhibit 4.15. Latin America – Audit Priority Trend

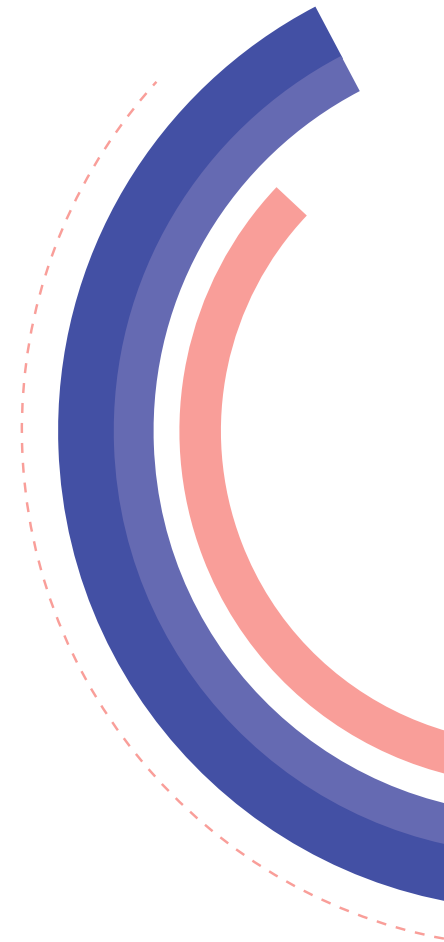
Survey question: What are the top 5 audit areas on which internal audit spends the most time and effort? (Choose 5.)

2023	2024	2025	Change from 2024 to 2025	Change	Risk area
66%	67%	69%		+2	Cybersecurity
50%	47%	53%		+6	Regulatory change
47%	52%	51%		-1	Fraud
50%	49%	51%		+2	Financial/liquidity
46%	46%	48%		+2	Governance/corporate reporting
53%	49%	40%		-9	Business resilience
24%	19%	29%		+10	Digital disruption (including AI)
29%	30%	29%		-1	Organizational culture
28%	29%	27%		-2	Human capital
28%	29%	24%		-5	Supply chain (including third parties)
23%	22%	20%		-2	Communications/reputation
17%	17%	16%		-1	Market changes/competition
13%	12%	16%		+4	Geopolitical/macroeconomic uncertainty
12%	14%	12%		-2	Health/safety
8%	11%	9%		-2	Climate change/environment
5%	7%	6%		-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. $n = 863$ for Latin America.

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.



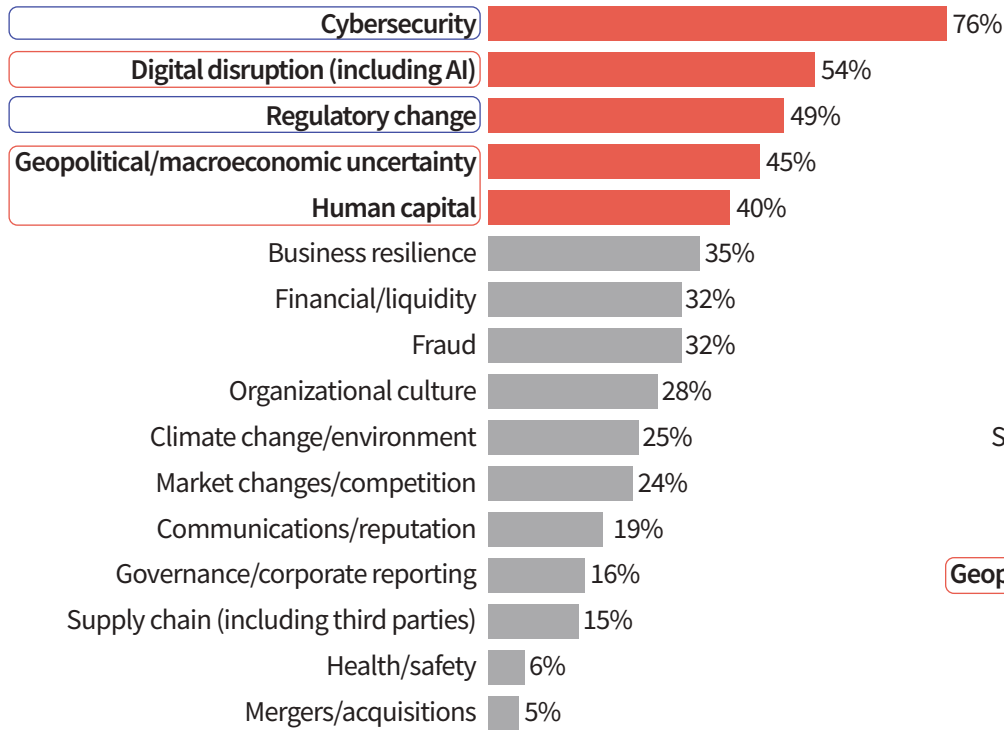
LATIN AMERICA

Exhibit 4.16. Latin America – Risk vs. Audit Priorities

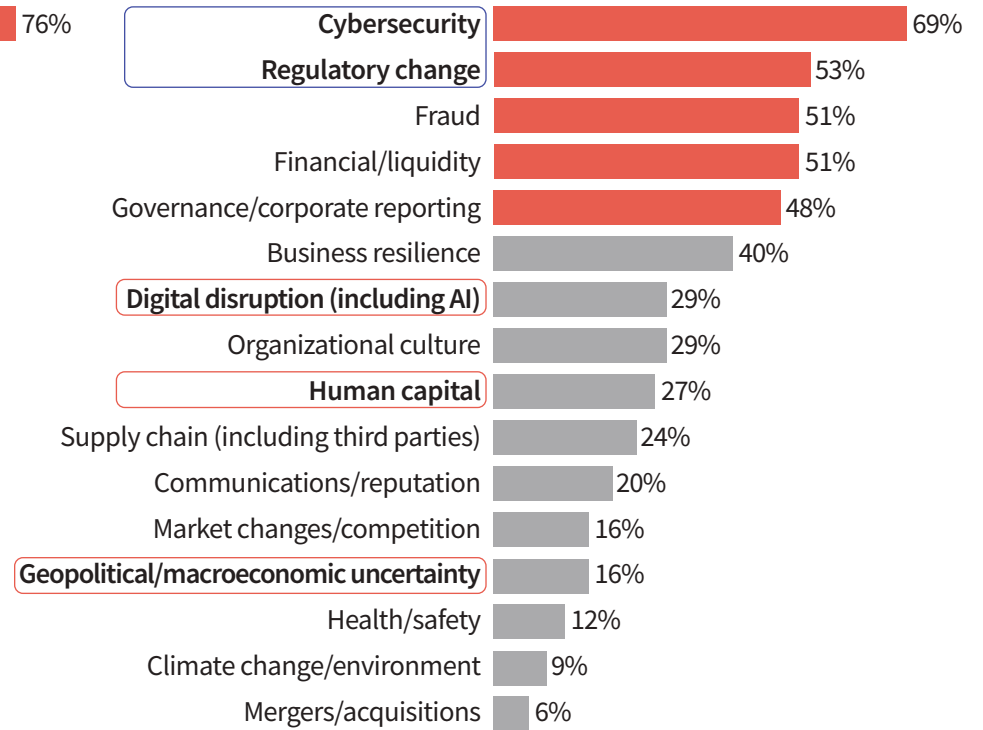
Survey questions: What are the Top 5 risks your organization currently faces? (Choose 5.)

What are the Top 5 audit areas on which internal audit spends the most time and effort? (Choose 5.)

Latin America – Highest Risks



Latin America – Highest Audit Priorities



■ Highest risks and audit priorities ■ Areas with both high risk and high audit priority ■ Areas with high risk but lower audit priority

Note: Risk in Focus survey conducted online from April 28 to June 6, 2025, by the Internal Audit Foundation and partners. *n* = 863 for Latin America.

MIDDLE EAST

Striving for Digital Advantage in Uncertain Times

Efforts to create markets and revenue streams by adopting new technologies are vital for a region dependent on fossil fuels. But the constant reality of geopolitical uncertainty has put many organizations in crisis mode.

Geopolitical /macroeconomic uncertainty ranked as the seventh highest risk for the Middle East (Exhibit 4.17), but escalating tensions after the survey ended may have affected the ranking, according to roundtable participants.

As geopolitical uncertainty and conflicts escalate, organizations have focused more effort on improving their business resilience processes, with a particular emphasis on speeding up strategic decision-making systems to make management more proactive.

Dynamic resilience plans created by multidisciplinary teams are supported by internal audit functions that integrate real-time trends into their audit planning processes. CAEs in the Middle East rated business resilience risk considerably higher than the global average (58% vs. 47%) (Exhibits 2.3 and 4.19).

While cybersecurity remains the highest risk for the Middle East, digital disruption (including AI) was the fastest rising risk. Digital disruption rose 12 percentage points compared to the prior year, with 50% of CAEs now citing it as a Top 5 risk (Exhibit 4.17).

Middle East CAEs say that new technology, such as AI, is considered high risk and high opportunity for their organizations. Technology investment in the region is high, including at the government level, as exemplified by Saudi Arabia's Vision 2030 and UAE's Digital Government Strategy 2025. At the same time, levels of risk maturity and awareness vary across the region, along with data quality.

In fact, because digital adoption is outpacing cybersecurity readiness, companies must work harder to embed proper controls into their new systems, platforms, and applications as they are being developed. CAEs are playing a leading role in advising on such projects.



MIDDLE EAST RESEARCH PARTICIPATION

152 survey responses
14 countries/locations
2 roundtables
2 in-depth interviews

RESEARCH PARTNER



MIDDLE EAST

Key Points

- Cybersecurity was the highest risk in the region, with digital disruption risk (including AI) increasing the most compared to the prior year (Exhibit 4.17).
- Business resilience is a high priority in the Middle East, with a higher risk rating and audit priority than the global average (Exhibits 1.1 and 2.1).
- Geopolitical risk in the Middle East was rated relatively low compared to the global average, but risk levels may have increased after the survey closed (Exhibit 1.1).
- Internal auditors are key players in business resilience planning on multidisciplinary teams.
- Organizations are exposed to new risks when digital adoption (such as AI) outpaces cybersecurity readiness and governance processes.



Download the Middle East report and board briefing at theiia.org/RiskInFocus



MIDDLE EAST

Exhibit 4.17. Middle East – Risk Level Trend

Survey question: What are the top 5 risks your organization currently faces? (Choose 5.)

2023	2024	2025	Change from 2024 to 2025	Change	Risk area
70%	66%	72%		+6	Cybersecurity
53%	63%	58%		-5	Business resilience
32%	38%	50%		+12	Digital disruption (including AI)
45%	41%	38%		-3	Governance/corporate reporting
38%	38%	38%		0	Financial/liquidity
46%	43%	38%		-5	Human capital
16%	27%	29%		+2	Geopolitical/macroeconomic uncertainty
27%	29%	29%		0	Market changes/competition
33%	27%	28%		+1	Regulatory change
30%	21%	26%		+5	Organizational culture
28%	26%	23%		-3	Supply chain (including third parties)
28%	21%	19%		-2	Communications/reputation
27%	27%	19%		-8	Fraud
10%	12%	13%		+1	Climate change/environment
9%	12%	11%		-1	Health/safety
10%	8%	6%		-2	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. $n = 152$ for Middle East.

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.

MIDDLE EAST

Exhibit 4.18. Middle East – Audit Priority Trend

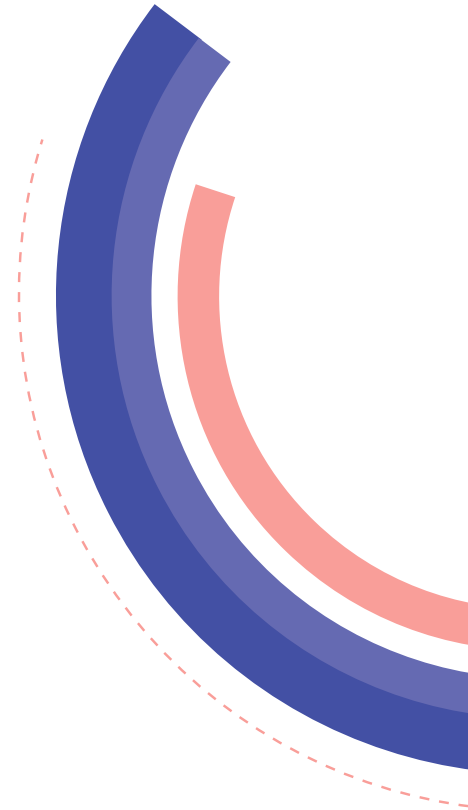
Survey question: What are the top 5 audit areas on which internal audit spends the most time and effort? (Choose 5.)

2023	2024	2025	Change from 2024 to 2025	Change	Risk area
61%	65%	69%		+4	Cybersecurity
64%	58%	64%		+6	Governance/corporate reporting
53%	61%	59%		-2	Business resilience
43%	50%	47%		-3	Financial/liquidity
20%	30%	36%		+6	Digital disruption (including AI)
34%	37%	35%		-2	Human capital
40%	31%	35%		+4	Supply chain (including third parties)
43%	37%	30%		-7	Fraud
35%	32%	30%		-2	Regulatory change
27%	24%	19%		-5	Organizational culture
23%	19%	19%		0	Communications/reputation
16%	16%	14%		-2	Health/safety
16%	19%	14%		-5	Market changes/competition
8%	9%	13%		+4	Geopolitical/macroeconomic uncertainty
7%	6%	8%		+2	Climate change/environment
9%	7%	4%		-3	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. $n = 152$ for Middle East.

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.



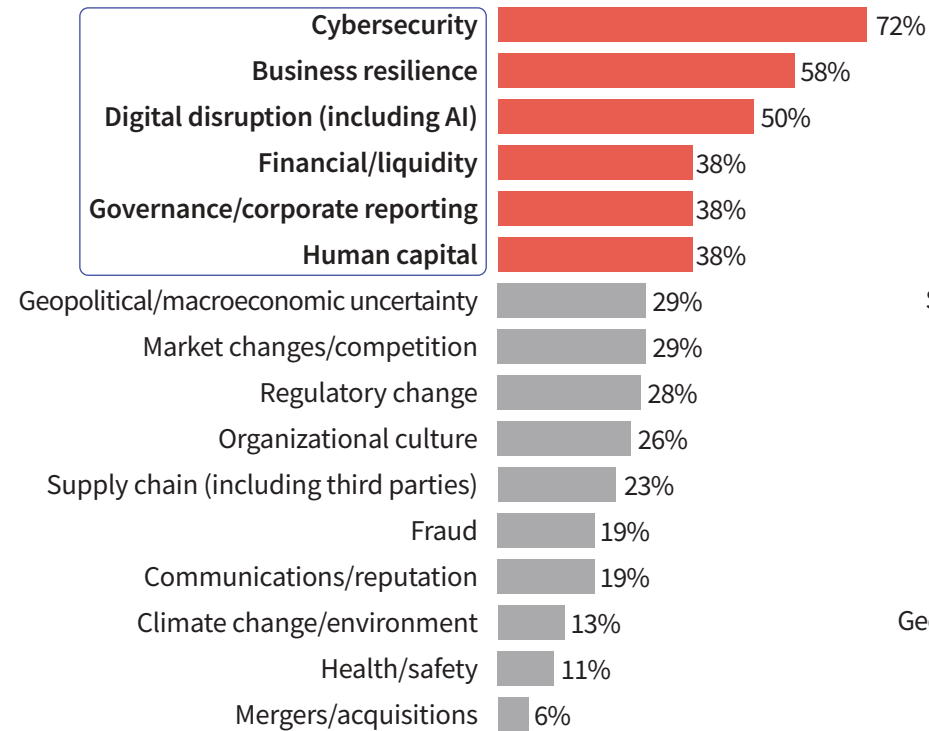
MIDDLE EAST

Exhibit 4.19. Middle East – Risk vs. Audit Priorities

Survey questions: What are the Top 5 risks your organization currently faces? (Choose 5.)

What are the Top 5 audit areas on which internal audit spends the most time and effort? (Choose 5.)

Middle East – Highest Risks



Middle East – Highest Audit Priorities



■ Highest risks and audit priorities
 Areas with both high risk and high audit priority
Areas with high risk but lower audit priority

Note: Risk in Focus survey conducted online from April 28 to June 6, 2025, by the Internal Audit Foundation and partners. *n* = 152 for Middle East.

NORTH AMERICA

Geopolitical Risks Increase Dramatically

The percentage of respondents in North America who ranked geopolitical uncertainty as one of their five highest risks spiked dramatically in North America (up 19 percentage points), while cybersecurity and digital disruption remained high, according to the most recent Risk in Focus survey results.

North America, 45% of survey respondents said geopolitical uncertainty was one of the five highest risks at their organization (up from 26% in the prior year) (Exhibit 4.20). North America tied with Europe and Latin America this year for geopolitical uncertainty risk levels (Exhibit 1.1). Rapid changes in U.S. policies initiated by the Trump administration are the likely drivers for this development, particularly tariffs and changes in federal funding.

At the same time, cybersecurity and digital disruption topped the risk rankings in North America, with 86% citing cybersecurity as one of the five highest risks, and 53% citing digital disruption (Exhibit 4.20). Risk ratings for regulatory change and business resilience increased moderately, keeping them on the list of highest risks.

Internal auditors are responding to geopolitical uncertainty with expanded advisory services and participation in broader strategic planning. They are joining cross-functional teams to proactively address new risks related to supply chain disruptions and changes in federal funding for the public sector, nonprofit organizations, and other industries.

The major driver for digital disruption risks in North America is generative artificial intelligence (GenAI), with cyber-criminals taking advantage of it to increase their attacks. Organizations are forming AI governance teams to manage deployment and risks. At the same time, internal audit is increasing use of AI to automate routine tasks, increase efficiency, and provide data for stakeholders.

Continued volatility in geopolitics and technology is almost guaranteed, so internal auditors must prepare to provide support and direction.



NORTH AMERICA RESEARCH PARTICIPATION

271 survey responses
9 countries/locations*
3 roundtables
3 in-depth interviews

*Responses were primarily from the U.S. and Canada. Some Caribbean countries are included in North America responses.

REPORT SPONSOR



NORTH AMERICA

Key Points

- Geopolitical risks spiked dramatically in North America, with 45% of survey respondents saying it was one of the five highest risks at their organization (up from 26% in the prior year) (Exhibit 4.20).
- Digital disruption risk, including AI, continues to increase and is now a Top 5 risk for 53% in North America (Exhibit 4.20).
- Cybersecurity remains the highest-rated risk in North America (86%) (Exhibit 4.20).
- Internal auditors are joining cross-functional teams to address supply chain issues and changes in federal funding.
- Strong IT governance is essential to prevent problems and take advantage of opportunities presented by new technology.



Download the North America report and board briefing at theiia.org/RiskInFocus



NORTH AMERICA

Exhibit 4.20. North America – Risk Level Trend

Survey question: What are the top 5 risks your organization currently faces? (Choose 5.)

2023	2024	2025	Change from 2024 to 2025	Change	Risk area
85%	87%	86%		-1	Cybersecurity
36%	48%	53%		+5	Digital disruption (including AI)
43%	47%	51%		+4	Regulatory change
36%	41%	46%		+5	Business resilience
28%	26%	45%		+19	Geopolitical/macroeconomic uncertainty
65%	54%	42%		-12	Human capital
41%	41%	34%		-7	Market changes/competition
36%	29%	30%		+1	Supply chain (including third parties)
28%	28%	27%		-1	Financial/liquidity
21%	20%	20%		0	Organizational culture
21%	20%	18%		-2	Communications/reputation
16%	16%	15%		-1	Governance/corporate reporting
9%	9%	11%		+2	Fraud
17%	13%	8%		-5	Health/safety
8%	8%	7%		-1	Mergers/acquisitions
12%	13%	7%		-6	Climate change/environment

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. $n = 271$ for North America.

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.

NORTH AMERICA

Exhibit 4.21. North America – Audit Priority Trend

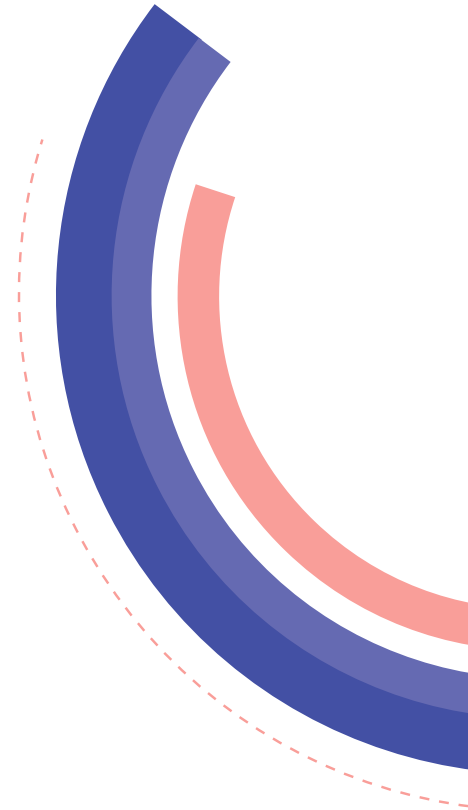
Survey question: What are the top 5 audit areas on which internal audit spends the most time and effort? (Choose 5.)

2023	2024	2025	Change from 2024 to 2025	Change	Risk area
84%	87%	84%		-3	Cybersecurity
53%	54%	60%		+6	Business resilience
55%	58%	52%		-6	Governance/corporate reporting
53%	54%	51%		-3	Regulatory change
25%	33%	44%		+11	Digital disruption (including AI)
46%	46%	44%		-2	Financial/liquidity
38%	34%	37%		+3	Supply chain (including third parties)
26%	29%	30%		+1	Fraud
17%	15%	18%		+3	Organizational culture
21%	16%	15%		-1	Health/safety
26%	27%	15%		-12	Human capital
20%	17%	14%		-3	Communications/reputation
14%	10%	14%		+4	Market changes/competition
4%	3%	11%		+8	Geopolitical/macroeconomic uncertainty
10%	10%	7%		-3	Mergers/acquisitions
9%	9%	3%		-6	Climate change/environment

■ 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. $n = 271$ for North America.

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.



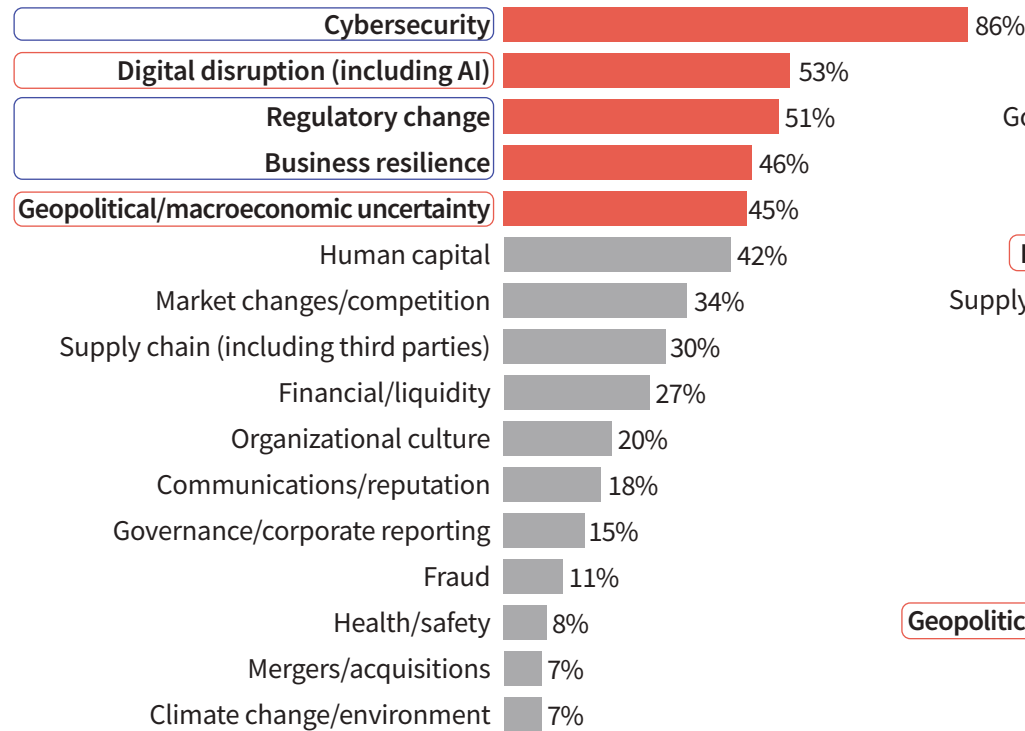
NORTH AMERICA

Exhibit 4.22. North America – Risk vs. Audit Priorities

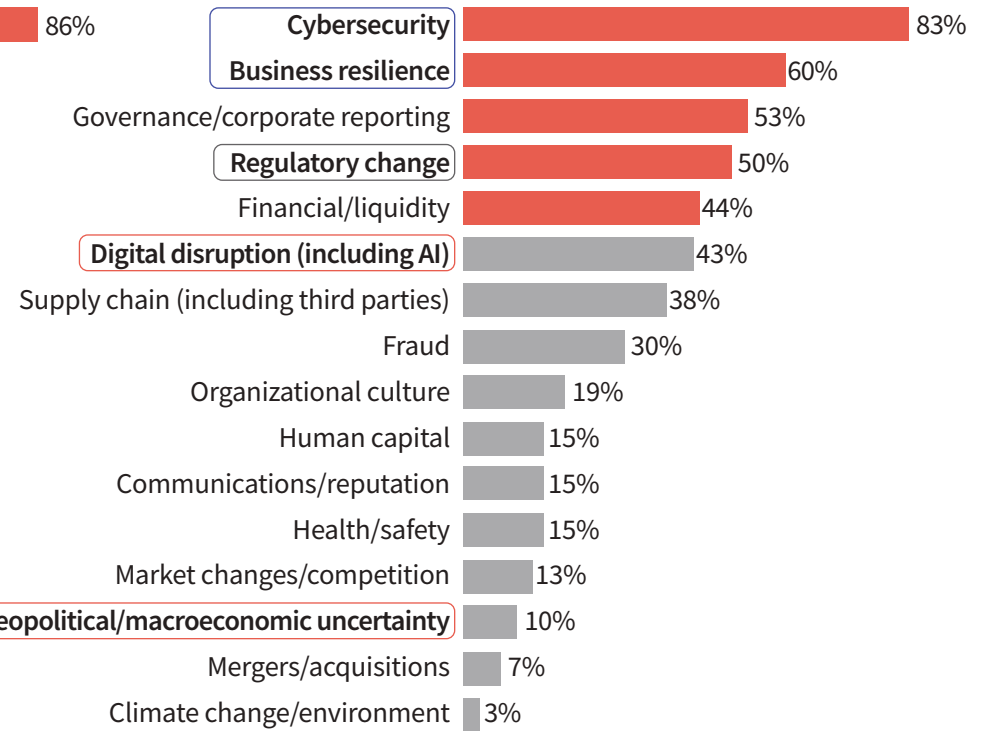
Survey questions: What are the Top 5 risks your organization currently faces? (Choose 5.)

What are the Top 5 audit areas on which internal audit spends the most time and effort? (Choose 5.)

North America – Highest Risks



North America – Highest Audit Priorities



■ Highest risks and audit priorities ■ Areas with both high risk and high audit priority ■ Areas with high risk but lower audit priority

Note: Risk in Focus survey conducted online from April 28 to June 6, 2025, by the Internal Audit Foundation and partners. *n* = 271 for North America.

APPENDIX A: METHODOLOGY

Survey, Roundtables, and Interviews

The survey was conducted by the Internal Audit Foundation and the European Institutes Research Group (EIRG) from April 28 to June 6, 2025, and received 4,073 responses. The survey was conducted online through contacts associated with IIA Institutes and regional bodies.

The 16 risk areas used in the survey are shown below. Respondents were asked two key questions related to these areas: What are your five highest risks, and what are the five areas where internal audit spends the most time and effort? The survey research was enhanced by roundtables and interviews with internal audit leaders in each region.

Risk Areas Used in the Survey

Risk Name	Risk Description Used in the Survey
Business resilience	Business continuity, operational resilience, crisis management, and disaster response
Climate change/environment	Climate change, biodiversity, and environmental sustainability
Communications/reputation	Communications, reputation, and stakeholder relationships
Cybersecurity	Cybersecurity and data security
Digital disruption (including AI)	Digital disruption, new technology, and AI (artificial intelligence)
Financial/liquidity	Financial, liquidity, and insolvency risks
Fraud	Fraud, bribery, and the criminal exploitation of disruption
Geopolitical/macroeconomic uncertainty	Macroeconomic, social, and geopolitical uncertainty
Governance/corporate reporting	Organizational governance and corporate reporting
Health/safety	Health, safety, and security
Human capital	Human capital, diversity, and talent management and retention
Market changes/competition	Market changes/competition and customer behavior
Mergers/acquisitions	Mergers/acquisitions
Organizational culture	Organizational culture
Regulatory change	Change in laws and regulations
Supply chain (including third parties)	Supply chain, outsourcing, and 'n th ' party risk

APPENDIX B. REGIONAL INDUSTRY ANALYSIS – RISK LEVELS

AFRICA

Exhibit B.1. Africa – Highest Risks per Industry

Survey question: What are the Top 5 risks your organization currently faces? (Choose 5.)

Risk area	All	Financial services	Public sector (government)	Education	Mining/energy/water	Professional/technical	Agriculture/forestry/fishing	Health/social work	Manufacturing	Transport/storage	Information/communication
Cybersecurity	62%	79%	57%	59%	48%	64%	46%	71%	34%	51%	73%
Business resilience	49%	52%	41%	43%	55%	56%	44%	38%	53%	46%	52%
Digital disruption (including AI)	44%	56%	41%	53%	37%	52%	23%	40%	26%	30%	61%
Financial/liquidity	43%	41%	34%	56%	52%	54%	29%	48%	55%	65%	39%
Fraud	43%	44%	50%	35%	28%	36%	56%	57%	32%	46%	39%
Human capital	35%	34%	34%	41%	34%	40%	33%	26%	37%	32%	36%
Regulatory change	34%	41%	34%	25%	20%	46%	31%	19%	39%	24%	39%
Governance/corporate reporting	33%	25%	42%	43%	31%	18%	35%	38%	29%	30%	21%
Organizational culture	29%	19%	40%	33%	30%	30%	25%	31%	18%	30%	27%
Geopolitical/macroeconomic uncertainty	27%	31%	19%	24%	34%	34%	21%	19%	47%	30%	18%
Communications/reputation	25%	17%	38%	26%	24%	26%	13%	29%	16%	22%	33%
Climate change/environment	24%	17%	27%	17%	36%	14%	63%	21%	21%	14%	12%
Market changes/competition	19%	23%	7%	19%	19%	14%	27%	7%	47%	24%	21%
Supply chain (including third parties)	17%	11%	17%	9%	25%	10%	13%	26%	18%	32%	21%
Health/safety	11%	3%	11%	10%	20%	6%	19%	26%	21%	24%	3%
Mergers/acquisitions	3%	5%	2%	0%	5%	0%	2%	2%	5%	0%	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* = 1,043 for Africa.

Note 2: Industries with the highest response rates are shown. The column labeled “All” shows the average of all respondents.

ASIA PACIFIC

Exhibit B.2. Asia Pacific – Highest Risks per Industry

Survey question: What are the top 5 audit areas on which internal audit spends the most time and effort? (Choose 5.)

Risk area	All	Manufacturing	Financial services	Information/communication	Wholesale and retail	Mining/energy/water	Professional/technical	Transport/storage	Health/social work
Cybersecurity	62%	54%	78%	79%	63%	47%	69%	52%	69%
Business resilience	58%	60%	58%	53%	49%	60%	48%	73%	50%
Human capital	56%	57%	52%	51%	60%	42%	67%	48%	66%
Market changes/competition	49%	61%	40%	47%	63%	40%	40%	45%	34%
Digital disruption (including AI)	39%	33%	49%	47%	32%	27%	50%	33%	38%
Regulatory change	38%	36%	43%	42%	35%	53%	33%	36%	47%
Geopolitical/macroeconomic uncertainty	35%	48%	33%	30%	25%	33%	19%	39%	19%
Supply chain (including third parties)	28%	31%	19%	32%	30%	29%	21%	27%	22%
Governance/corporate reporting	23%	22%	21%	18%	30%	20%	33%	24%	22%
Organizational culture	21%	19%	16%	24%	21%	20%	36%	21%	28%
Fraud	20%	16%	25%	14%	27%	22%	7%	27%	19%
Communications/reputation	19%	14%	18%	22%	17%	22%	19%	6%	25%
Financial/liquidity	19%	14%	23%	11%	11%	22%	14%	27%	28%
Climate change/environment	17%	22%	16%	9%	11%	27%	19%	18%	3%
Health/safety	11%	10%	4%	11%	6%	31%	10%	15%	19%
Mergers/acquisitions	6%	4%	5%	9%	10%	4%	14%	6%	13%

 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* = 865 for Asia Pacific.

Note 2: Industries with the highest response rates are shown. The column labeled “All” shows the average of all respondents.

EUROPE

Exhibit B.3. Europe – Highest Risks per Industry

Survey question: What are the Top 5 risks your organization currently faces? (Choose 5.)

Risk area	All	Financial services	Public sector (government)	Manufacturing	Health/social work	Mining/energy/water	Wholesale/retail	Transport/storage	Information/communication	Professional/technical
Cybersecurity	82%	82%	76%	81%	84%	80%	81%	91%	91%	81%
Human capital	48%	37%	65%	43%	57%	38%	57%	49%	47%	54%
Digital disruption (including AI)	47%	62%	48%	40%	54%	30%	36%	26%	68%	65%
Geopolitical uncertainty	45%	49%	28%	58%	29%	59%	47%	57%	47%	62%
Regulatory change	45%	58%	43%	37%	48%	52%	28%	31%	32%	31%
Business resilience	39%	41%	37%	31%	38%	39%	45%	46%	44%	38%
Market changes/competition	32%	32%	8%	47%	16%	45%	45%	31%	44%	38%
Supply chain (including third parties)	29%	25%	10%	50%	16%	30%	55%	37%	38%	27%
Financial/liquidity	27%	32%	33%	11%	57%	21%	11%	17%	15%	19%
Climate change/environment	23%	16%	22%	32%	9%	38%	26%	31%	3%	12%
Governance/corporate reporting	20%	17%	31%	19%	21%	16%	17%	20%	18%	12%
Organizational culture	19%	16%	33%	15%	21%	13%	11%	11%	21%	23%
Fraud	16%	20%	22%	8%	9%	4%	9%	17%	12%	19%
Communications/reputation	12%	7%	26%	4%	16%	5%	13%	6%	9%	4%
Health/safety	12%	2%	15%	16%	20%	21%	11%	20%	3%	12%
Mergers/acquisitions	5%	5%	3%	7%	5%	9%	6%	9%	9%	4%

- 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* = 865 for Asia Pacific.

Note 2: Industries with the highest response rates are shown. The column labeled “All” shows the average of all respondents.

LATIN AMERICA

Exhibit B.4. Latin America – Highest Risks per Industry

Survey question: What are the Top 5 risks your organization currently faces? (Choose 5.)

Risk area	All	Financial services	Public sector (government)	Manufacturing	Mining/energy/water	Agriculture/forestry/fishing	Wholesale and retail	Administrative/support services	Professional/technical	Education	Transport/storage
Cybersecurity	76%	85%	54%	78%	77%	67%	74%	67%	76%	83%	89%
Digital disruption (including AI)	54%	67%	42%	51%	44%	31%	39%	50%	68%	70%	39%
Regulatory change	49%	53%	55%	36%	44%	33%	32%	44%	62%	53%	46%
Geopolitical/macroeconomic uncertainty	45%	50%	29%	46%	40%	49%	47%	36%	32%	57%	43%
Human capital	40%	36%	56%	44%	34%	44%	47%	28%	32%	30%	61%
Business resilience	35%	34%	18%	39%	45%	36%	37%	39%	44%	13%	43%
Financial/liquidity	32%	37%	34%	26%	23%	21%	34%	42%	21%	43%	25%
Fraud	32%	35%	39%	21%	24%	36%	13%	58%	38%	30%	36%
Organizational culture	28%	20%	54%	28%	21%	18%	39%	33%	15%	43%	29%
Climate change/environment	25%	19%	16%	38%	42%	67%	16%	17%	24%	7%	14%
Market changes/competition	24%	27%	9%	33%	11%	26%	32%	14%	26%	37%	21%
Communications/reputation	19%	12%	35%	9%	16%	13%	21%	33%	26%	10%	18%
Governance/corporate reporting	16%	12%	30%	13%	19%	18%	11%	19%	21%	17%	14%
Supply chain (including third parties)	15%	9%	4%	24%	37%	21%	39%	11%	12%	3%	11%
Health/safety	6%	1%	12%	9%	13%	18%	8%	3%	3%	3%	4%
Mergers/acquisitions	5%	3%	9%	6%	10%	5%	11%	6%	0%	0%	7%

- 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. $n = 863$ for Latin America.

Note 2: Industries with the highest response rates are shown. The column labeled “All” shows the average of all respondents.

MIDDLE EAST

Exhibit B.5. Middle East – Highest Risks per Industry

Survey question: What are the Top 5 risks your organization currently faces? (Choose 5.)

Risk area	All	Financial services	Mining/energy/water	Public sector (government)	Manufacturing
Cybersecurity	72%	77%	80%	92%	67%
Business resilience	58%	67%	60%	46%	67%
Digital disruption (including AI)	50%	64%	53%	77%	42%
Governance/corporate reporting	38%	26%	20%	62%	50%
Financial/liquidity	38%	36%	27%	38%	25%
Human capital	38%	46%	53%	23%	25%
Market changes/competition	29%	26%	20%	23%	33%
Geopolitical/macroeconomic uncertainty	29%	33%	7%	8%	42%
Regulatory change	28%	38%	13%	15%	25%
Organizational culture	26%	18%	27%	23%	17%
Supply chain (including third parties)	23%	18%	40%	8%	17%
Communications/reputation	19%	10%	20%	15%	17%
Fraud	19%	21%	20%	23%	17%
Climate change/environment	13%	8%	20%	31%	25%
Health/safety	11%	5%	40%	8%	25%
Mergers/acquisitions	6%	8%	0%	8%	8%

- 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. $n = 152$ for Middle East.

Note 2: Industries with the highest response rates are shown. The column labeled “All” shows the average of all respondents.

NORTH AMERICA

Exhibit B.6. North America – Highest Risks per Industry

Survey question: What are the Top 5 risks your organization currently faces? (Choose 5.)

Risk area	All	Financial services	Public sector (government)	Health/social work	Education	Manufacturing	Mining/energy/water	Professional/technical
Cybersecurity	86%	93%	82%	92%	87%	77%	71%	90%
Digital disruption (including AI)	53%	60%	48%	46%	48%	55%	24%	70%
Regulatory change	51%	53%	48%	62%	74%	27%	57%	45%
Business resilience	46%	44%	52%	31%	48%	32%	62%	65%
Geopolitical/macroeconomic uncertainty	45%	37%	33%	42%	39%	64%	48%	45%
Human capital	42%	52%	67%	42%	35%	36%	29%	30%
Market changes/competition	34%	37%	0%	27%	26%	59%	52%	45%
Supply chain (including third parties)	30%	21%	18%	62%	9%	55%	48%	25%
Financial/liquidity	27%	36%	12%	31%	43%	14%	24%	25%
Organizational culture	20%	23%	39%	8%	26%	23%	14%	10%
Communications/reputation	18%	11%	45%	19%	26%	9%	5%	10%
Governance/corporate reporting	15%	15%	30%	15%	13%	9%	5%	10%
Fraud	11%	11%	12%	0%	9%	9%	5%	10%
Health/safety	8%	0%	6%	8%	17%	9%	29%	10%
Mergers/acquisitions	7%	6%	0%	12%	0%	9%	10%	10%
Climate change/environment	7%	2%	6%	4%	0%	14%	19%	0%

- 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. $n = 271$ for North America.

Note 2: Industries with the highest response rates are shown. The column labeled “All” shows the average of all respondents.

GLOBAL

Exhibit B.7. Global – Highest Risks per Industry (Part 1)

Survey question: What are the Top 5 risks your organization currently faces? (Choose 5.)

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.

GLOBAL

Exhibit B.8. Global – Highest Risks per Industry (Part 2)

Survey question: What are the Top 5 risks your organization currently faces? (Choose 5.)

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.

APPENDIX C. REGIONAL INDUSTRY ANALYSIS – AUDIT PRIORITIES AFRICA

Exhibit C.1. Africa – Highest Audit Priorities per Industry

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

Audit area	All	Financial services	Public sector (government)	Education	Mining/energy/water	Professional/technical	Agriculture/forestry/fishing	Health/social work	Manufacturing	Transport/storage	Information/communication
Cybersecurity	60%	75%	51%	57%	64%	62%	52%	52%	50%	46%	73%
Business resilience	54%	66%	47%	43%	59%	48%	50%	50%	53%	49%	61%
Governance/corporate reporting	51%	43%	59%	61%	47%	48%	54%	50%	50%	59%	39%
Fraud	50%	51%	53%	48%	35%	38%	65%	64%	53%	54%	52%
Financial/liquidity	47%	48%	39%	53%	52%	54%	44%	55%	58%	65%	30%
Regulatory change	37%	51%	41%	27%	22%	42%	25%	24%	21%	22%	33%
Human capital	31%	26%	33%	43%	28%	46%	29%	31%	24%	41%	27%
Supply chain (including third parties)	31%	20%	35%	24%	42%	30%	29%	43%	50%	43%	36%
Digital disruption (including AI)	30%	37%	28%	31%	28%	30%	21%	21%	26%	27%	45%
Organizational culture	26%	17%	31%	30%	24%	24%	29%	40%	24%	19%	24%
Communications/reputation	23%	20%	28%	32%	23%	24%	15%	21%	11%	8%	12%
Climate change/environment	14%	11%	17%	13%	28%	6%	33%	2%	13%	5%	9%
Market changes/competition	13%	17%	6%	11%	12%	12%	19%	10%	29%	19%	24%
Health/safety	13%	5%	12%	11%	27%	10%	10%	24%	18%	24%	6%
Geopolitical/macroeconomic uncertainty	12%	10%	11%	8%	10%	14%	13%	12%	13%	19%	9%
Mergers/acquisitions	3%	3%	4%	2%	1%	2%	2%	0%	3%	0%	3%

■ 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. $n = 1,043$ for Africa.

Note 2: Industries with the highest response rates are shown. The column labeled “All” shows the average of all respondents.

ASIA PACIFIC – INDUSTRY ANALYSIS – AUDIT PRIORITY

Exhibit C.2. Asia Pacific – Highest Audit Priorities per Industry

Survey question: What are the top 5 audit areas on which internal audit spends the most time and effort? (Choose 5.)

Audit area	All	Manufacturing	Financial services	Information/communication	Wholesale and retail	Mining/energy/water	Professional/technical	Transport/storage	Health/social work
Cybersecurity	63%	62%	72%	72%	57%	49%	71%	61%	53%
Regulatory change	58%	61%	61%	62%	67%	40%	62%	48%	59%
Business resilience	57%	59%	62%	53%	48%	69%	33%	58%	66%
Governance/corporate reporting	56%	53%	49%	53%	65%	60%	71%	58%	66%
Fraud	42%	41%	38%	41%	57%	40%	33%	52%	34%
Human capital	36%	34%	34%	43%	40%	27%	52%	45%	50%
Supply chain (including third parties)	32%	37%	24%	34%	25%	44%	26%	27%	38%
Financial/liquidity	30%	28%	33%	24%	30%	27%	26%	36%	34%
Digital disruption (including AI)	25%	22%	36%	30%	11%	22%	19%	9%	19%
Organizational culture	23%	23%	18%	22%	21%	22%	26%	33%	28%
Market changes/competition	19%	23%	19%	16%	21%	22%	17%	21%	16%
Communications/reputation	18%	14%	20%	14%	21%	20%	19%	18%	9%
Health/safety	17%	16%	8%	16%	10%	36%	17%	21%	19%
Climate change/environment	10%	13%	7%	7%	6%	18%	12%	9%	3%
Geopolitical/macroeconomic uncertainty	7%	10%	6%	9%	6%	0%	5%	0%	3%
Mergers/acquisitions	4%	3%	2%	4%	8%	4%	10%	3%	3%

 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* = 865 for Asia Pacific.

Note 2: Industries with the highest response rates are shown. The column labeled “All” shows the average of all respondents.

EUROPE

Exhibit C.3. Europe – Highest Audit Priorities per Industry

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

Risk area	All	Financial services	Public sector (government)	Manufacturing	Health/social work	Mining/energy/water	Wholesale/retail	Transport/storage	Information/communication	Professional/technical
Cybersecurity	72%	77%	69%	61%	73%	73%	72%	83%	82%	73%
Governance/corporate reporting	58%	55%	72%	55%	54%	66%	55%	66%	47%	62%
Business resilience	50%	55%	51%	44%	55%	46%	43%	54%	56%	42%
Regulatory change	49%	68%	42%	45%	43%	38%	32%	34%	41%	35%
Financial/liquidity	43%	54%	45%	31%	50%	43%	30%	40%	35%	38%
Supply chain (including third parties)	39%	38%	12%	66%	23%	50%	62%	49%	38%	42%
Fraud	37%	30%	40%	44%	38%	27%	40%	34%	24%	35%
Digital disruption (including AI)	29%	36%	28%	17%	39%	20%	28%	29%	38%	38%
Human capital	27%	17%	44%	25%	38%	16%	25%	20%	38%	35%
Organizational culture	21%	16%	34%	19%	23%	16%	17%	14%	18%	27%
Health/safety	17%	2%	15%	31%	16%	32%	26%	34%	15%	15%
Climate change/environment	16%	13%	16%	24%	7%	32%	19%	14%	15%	4%
Communication/reputation	14%	11%	19%	6%	20%	13%	15%	3%	12%	27%
Market changes/competition	13%	16%	3%	14%	13%	14%	23%	6%	26%	12%
Geopolitical uncertainty	8%	7%	11%	10%	7%	5%	4%	11%	6%	8%
Mergers/acquisitions	5%	4%	1%	8%	2%	9%	9%	9%	9%	8%

 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* = 865 for Asia Pacific.

Note 2: Industries with the highest response rates are shown. The column labeled “All” shows the average of all respondents.

LATIN AMERICA

Exhibit C.4. Latin America – Highest Audit Priorities per Industry

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

Audit area	All	Financial services	Public sector (government)	Manufacturing	Mining/energy/water	Agriculture/forestry/fishing	Wholesale and retail	Administrative/support services	Professional/technical	Education	Transport/storage
Cybersecurity	69%	82%	46%	61%	76%	62%	55%	61%	74%	63%	71%
Regulatory change	53%	65%	60%	47%	32%	31%	45%	44%	56%	63%	36%
Fraud	51%	48%	47%	59%	65%	59%	61%	61%	59%	40%	64%
Financial/liquidity	51%	63%	43%	39%	39%	46%	42%	56%	59%	57%	39%
Governance/corporate reporting	48%	47%	56%	42%	35%	51%	53%	44%	38%	73%	43%
Business resilience	40%	45%	19%	47%	44%	59%	45%	42%	41%	23%	36%
Digital disruption (including AI)	29%	36%	32%	28%	19%	18%	24%	22%	18%	30%	18%
Organizational culture	29%	23%	49%	21%	19%	23%	34%	36%	18%	47%	29%
Human capital	27%	19%	45%	27%	24%	28%	11%	36%	24%	20%	29%
Supply chain (including third parties)	24%	13%	8%	46%	47%	38%	42%	17%	24%	7%	32%
Communications/reputation	20%	15%	34%	13%	13%	5%	29%	25%	29%	33%	32%
Market changes/competition	16%	18%	5%	15%	13%	18%	21%	14%	26%	17%	14%
Geopolitical/macroeconomic uncertainty	16%	14%	26%	13%	18%	18%	8%	8%	18%	10%	11%
Health/safety	12%	2%	12%	20%	27%	15%	21%	11%	9%	10%	25%
Climate change/environment	9%	5%	8%	12%	23%	21%	3%	11%	6%	3%	11%
Mergers/acquisitions	6%	2%	12%	9%	6%	8%	8%	11%	3%	3%	11%

- 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. $n = 863$ for Latin America.

Note 2: Industries with the highest response rates are shown. The column labeled “All” shows the average of all respondents.

MIDDLE EAST

Exhibit C.5. Middle East – Highest Audit Priorities per Industry

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

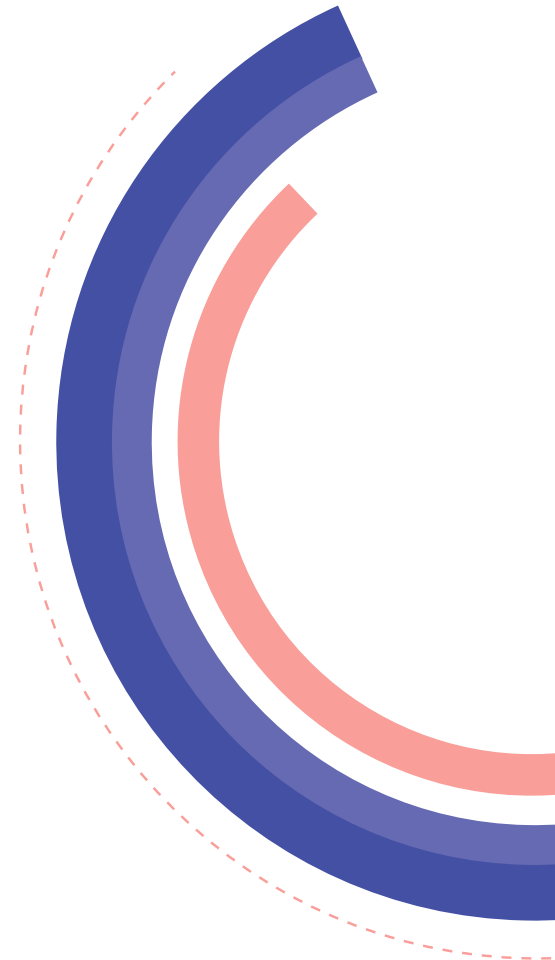
Audit area	All	Financial services	Mining/energy/water	Public sector (government)	Manufacturing
Cybersecurity	69%	79%	67%	77%	67%
Governance/corporate reporting	64%	62%	80%	46%	33%
Business resilience	59%	62%	73%	46%	50%
Financial/liquidity	47%	49%	33%	31%	50%
Digital disruption (including AI)	36%	49%	27%	54%	33%
Human capital	35%	36%	40%	38%	50%
Supply chain (including third parties)	35%	26%	60%	31%	33%
Fraud	30%	31%	20%	31%	50%
Regulatory change	30%	41%	27%	31%	17%
Communications/reputation	19%	13%	13%	23%	17%
Organizational culture	19%	10%	13%	15%	17%
Health/safety	14%	0%	33%	31%	33%
Market changes/competition	14%	18%	0%	8%	25%
Geopolitical/macroeconomic uncertainty	13%	18%	7%	23%	17%
Climate change/environment	8%	3%	0%	15%	8%
Mergers/acquisitions	4%	5%	7%	0%	0%

■ Highest audit priorities area 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. $n = 152$ for Middle East.

Note 2: Industries with the highest response rates are shown. The column labeled “All” shows the average of all respondents.



NORTH AMERICA

Exhibit C.6. North America – Highest Audit Priorities per Industry

Survey question: What are the Top 5 audit areas on which internal audit spends the most time and effort (Choose 5.)

Audit area	All	Financial services	Public sector (government)	Health/social work	Education	Manufacturing	Mining/energy/water	Professional/technical
Cybersecurity	83%	86%	73%	81%	91%	82%	81%	85%
Business resilience	60%	60%	64%	50%	57%	55%	62%	65%
Governance/corporate reporting	53%	68%	61%	23%	35%	59%	62%	45%
Regulatory change	50%	61%	45%	58%	74%	41%	14%	50%
Financial/liquidity	44%	57%	24%	50%	57%	27%	52%	40%
Digital disruption (including AI)	43%	45%	48%	50%	30%	23%	33%	50%
Supply chain (including third parties)	38%	32%	21%	62%	17%	68%	67%	30%
Fraud	30%	22%	36%	15%	30%	36%	33%	20%
Organizational culture	19%	14%	36%	19%	22%	18%	5%	20%
Human capital	15%	17%	15%	15%	13%	5%	14%	25%
Communications/reputation	15%	15%	30%	19%	9%	5%	0%	15%
Health/safety	15%	2%	27%	31%	35%	18%	38%	0%
Market changes/competition	13%	11%	3%	15%	9%	23%	10%	20%
Geopolitical/macroeconomic uncertainty	10%	5%	6%	4%	17%	9%	5%	30%
Mergers/acquisitions	7%	5%	0%	4%	0%	18%	14%	0%
Climate change/environment	3%	0%	0%	4%	4%	14%	10%	5%

■ 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. $n = 271$ for North America.

Note 2: Industries with the highest response rates are shown. The column labeled “All” shows the average of all respondents.

GLOBAL

Exhibit C.7. 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 (Choose 5.)

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/macro-economic 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 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.

GLOBAL

Exhibit C.8. 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 (Choose 5.)

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 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.

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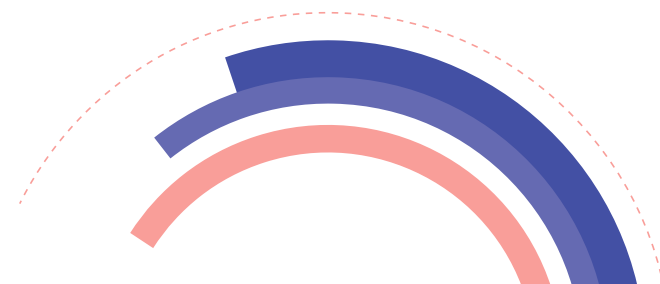
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