Members of the Investor Advisory Group

Via Email

September 4, 2026

Office of the Secretary
Public Company Accounting Oversight Board
1666 K Street, NW
Washington, DC 20006-2803

Reference: PCAOB Release No. 2026-006, Request for Public Comment, Draft 2026-2030 Strategic Plan Goals and Objectives

Dear Secretary Brown and Members of the Public Company Accounting Oversight Board (PCAOB or Board):

The Members of the Investor Advisory Group (MIAG)[1] appreciate the opportunity to share our views regarding the PCAOB's request "seeking input regarding PCAOB's Draft 2026-2030 Strategic Plan Goals and Objectives" (Plan).[2] At the outset, we wish to express our dissatisfaction with the recent communication regarding the PCAOB's Office of the Investor Advocate, which in our view had elevated the voice of investors at the PCAOB and facilitated clear and consistent communication between the MIAG and Board members.[3]

We appreciate Chairman Demetrios Logothetis' subsequent email to the MIAG committing to "a more hands-on approach to communications and engagement" with investors.[4] To that end, going forward, the MIAG respectfully requests: (1) that new and regular/frequent board-level communication channels be opened to ensure that investor voices are clearly heard at the highest levels of the PCAOB; and (2) that the Chairman's commitment to the MIAG for ongoing investor engagement be incorporated into the goals and objectives of the Plan. The MIAG remains open to discussing the manner and timing/frequency of these new avenues for communications and engagement.

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[1] This letter represents the views of Investor Advisory Group (IAG) and does not necessarily represent the views of any individual members, any member's employer or affiliated organization, or any other organization with which a member may be associated. IAG views are developed by the members of the group independent of the views of the Public Company Accounting Oversight Board (PCAOB) and its staff. For more information about the IAG, including a listing of the current members, their bios, and the IAG charter, see https://pcaobus.org/about/advisory-groups/investor-advisory-group.

[2] Request for Public Comment, *Draft 2026-2030 Strategic Plan Goals and Objectives,* PCAOB Release No. 2026-006 at 1 (July 20, 2026), https://assets.pcaobus.org/pcaob-dev/docs/default-source/about/administration/documents/strategic_plans/2026-006-rfc-sp.pdf.

[3] *See, e.g.,* Stephen Foley, U.S. audit regulator scraps investor advocate role as Trump-era revamp accelerates, Fin. Times, Aug. 25, 2026, https://www.ft.com/content/8f387dc3-44a3-423d-8b69-c0864513a493?syn-25a6b1a6=1 ("Staff were told on Monday that the Office of the Investor Advocate (OIAD) would close by October, according to people familiar with the matter.").

[4] E-mail from Jim Logothetis to Members of the IAG (Aug. 26, 2026, 11:56 AM) (on file with IAG).

In the remainder of this letter, we offer the following additional comments to inform the continued development and improvement of the Plan.

Reinforcing Priorities[5]

The MIAG strongly supports the three reinforcing priorities.[6] We welcome the clear focus on "advanc[ing] audit quality and investor protection"[7] as the most critical of the three priorities and central to the objectives of the strategy. We believe this priority should remain at the heart of the PCAOB's work. Moreover, we support the emphasis on "moderniz[ation]"[8] and continuous improvement, which positions the PCAOB as a forward-looking regulator while maintaining robust investor protection. Overall, we believe the reinforcing priorities strike an appropriate balance between strengthening investor protection and improving the effectiveness and efficiency of standard-setting, oversight, and enforcement.

Goal 1: Modernize Standard Setting and Implementation[9]

Objective 1.1: Establish a Framework for High-Quality Standard Setting[10]

The MIAG supports the development of a "clear" standard setting framework.[11] As we explained in our August 2026 letter in response to ***PCAOB Release No. 2026-005, Request for Public Comment on PCAOB Standard Setting*** (August Letter):[12]

> The potential advantage of establishing such a framework is to reinforce that the primary focus of standard setting should be on the needs of investors and the public interest.
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> Ensuring that standards are focused on investor protection, by driving audit quality and strong audit outcomes must be the core goal of the framework. This should include grounding the framework in the needs of users, focusing on what investors are seeking from audits, including independence, clarity, reliability, and transparency.
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> From an investors' viewpoint, the conceptual framework should also include how the PCAOB will consider the materiality of issues, and any impacts on audit quality. The cost effectiveness question should also be considered within this framework from the viewpoint of investors.[13]

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[5] PCAOB Release No. 2026-006 at 3 ("To guide the PCAOB's work over the current and next four years in ways that best serve our mission, vision, and values, and to support the development of the annual budgets, we have organized our draft 2026-2030 Strategic Plan Goals and Objectives around three reinforcing priorities: Advance Audit Quality and Investor Protection . . . Clarify Expectations and Our Bases for Decisions Leading to Understandable Outcomes . . . [and] Transform How Oversight Is Delivered").
[6] *Id.*
[7] *Id.*
[8] *Id.*
[9] *Id.* at 4.
[10] *Id.*
[11] *Id.*
[12] *See* Request for Public Comment, PCAOB Release No. 2026-005 (June 23, 2026), https://assets.pcaobus.org/pcaob-dev/docs/default-source/standards/standard-setting-agenda-request-for-comment/request-for-public-comment-on-pcaob-standard-setting.pdf?sfvrsn=4cf12519_2.
[13] *See* Letter from Members of the IAG to Office of the Secretary, PCAOB, ***Reference: PCAOB Release No. 2026-005, Request for Public Comment on PCAOB Standard Setting*** 8 (Aug. 7, 2026), https://assets.pcaobus.org/pcaob-dev/docs/default-source/standards/standard-setting-agenda-request-for-comment/31_miag.pdf?sfvrsn=37ad88e8_2.

Objective 1.2: Support Effective Implementation and Post-Implementation Evaluation[14]

The MIAG supports "effective implementation and application of new and existing standards through guidance . . . and post-implementation review . . .. "[15] We agree that post-implementation review is an important feedback mechanism that should be embedded within the overall standard-setting framework.

We view "guidance" as a facilitator of consistent implementation without becoming a de facto new standard.[16] This is probably primarily a matter of careful drafting and communication, but there may also be a cultural element that needs to be considered, including how the firms will use the guidance. We also agree with the Board this objective should include an assessment of "whether additional guidance is needed to address the use of [artificial intelligence] AI . . . used in financial reporting and the audit process."[17] In that regard, we believe the Board should establish a timeline for performing the assessment of AI and, to the extent the Board concludes that additional guidance is necessary, a second timeline should be established for issuing the guidance.

Objective 1.3: Foster Alignment with International Standards[18]

The MIAG believes that standards of the International Auditing and Assurance Standards Board (IAASB) should be considered when modernizing PCAOB standards.[19] Our support for alignment with IAASB standards includes important qualifications.

First, as described in the August Letter:

> Alignment . . . should not necessarily require identical wording. Rather, the Board should avoid unnecessary differences where comparable requirements would improve audit quality, facilitate implementation, and provide decision-useful information to investors. Any divergence should be intentional, transparent, and supported by the needs of investors and the PCAOB's statutory mandate. In addition, the MIAG generally believes the topics that should be the highest priority for alignment are those where investors believe adoption of the IAASB . . . standard would improve audit quality and the decision usefulness of the information provided to investors.[20]

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[14] PCAOB Release No. 2026-006 at 4.
[15] *Id.*
[16] *Id.*
[17] *Id.; cf.* Letter from Members of the IAG to Phoebe W. Brown, Secretary, PCAOB, ***Reference: PCAOB No. 2026-001, Request for Public Comment – PCAOB Strategic Priorities*** 12 (May 13, 2026), https://assets.pcaobus.org/pcaob-dev/docs/default-source/about/administration/strategic-plan-comments-2026/28_miag.pdf?sfvrsn=6ab7d737_2 ("Overall, investors would like the Board to collect and publish material information about AI risks via . . . guidance.").
[18] PCAOB Release No. 2026-006 at 4.
[19] *See* Letter from Members of the IAG to Office of the Secretary, PCAOB, ***Reference: PCAOB Release No. 2026-005, Request for Public Comment on PCAOB Standard Setting*** at 10 ("The MIAG generally believes that the International Auditing and Assurance Standards Board (IAASB) and the Auditing Standards Board of the American Institute of Certified Public Accountants (AICPA) should both be considered when modernizing PCAOB standards.").
[20] *Id.*

Second, as described in our May 2026 letter in response to the ***PCAOB No. 2026-001, Request for Public Comment – PCAOB Strategic Priorities*** (May Letter):[21]

> The MIAG finds that the Board could take the approach of using international auditing standards as the basis for determining PCAOB auditing standards, with adjustments made as needed to fit the specific context of the U.S. That said, the MIAG recommends, at this time, that the funding and governance challenges identified by the SEC's Chief Accountant be resolved before the Board considers how to proceed in terms of reaching greater alignment between the PCAOB's auditing standards and international auditing standards.[22]

Objective 1.4: Advance Responsive, Risk-Based Standard-Setting Priorities[23]

The MIAG supports a risk-based approach to setting priorities that "draw[s] on . . . insights from inspections . . . and other oversight activities to identify . . . the areas" most likely to affect audit quality.[24] As we most recently discussed in the August Letter:

> We generally believe Critical Audit Matters (CAMs) and Firm and Engagement Performance Metrics (FEMs) should be the highest priorities because they are the two focus areas that are most likely to provide investors with more useful information for investment or voting decisions. They also have the greatest potential to encourage audit quality competition among auditing teams and firms.[25]

We believe the PCAOB should establish timelines for soliciting comments on proposed amendments and issuing final standards on these two priority standard setting projects and other projects on the Board's standard-setting agenda.

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[21] *See* Request for Public Comment: *PCAOB Strategic Priorities,* PCAOB No. 2026-001 (Mar. 31, 2026), https://assets.pcaobus.org/pcaob-dev/docs/default-source/about/administration/documents/strategic_plans/pcaob-no-2026-001-rfc-sp.pdf?sfvrsn=b6ef3170_2 .

[22] *See* Letter from Members of the IAG to Phoebe W. Brown, Secretary, PCAOB, ***Reference: PCAOB No. 2026-001, Request for Public Comment – PCAOB Strategic Priorities*** at 10; *cf.* C. Christina Ho, Regulation, Reforming the PCAOB, Cato Inst. (Summer 2026), https://www.cato.org/regulation/summer-2026/reforming-pcaob (acknowledging "under Sarbanes-Oxley [the use of] . . . a professional group of accountants to formulate . . . standards for board consideration . . . requires the . . . group to be free from conflicts of interest . . . ."); Policies on Other Issues, Independence of Accounting and Auditing Standard Setters, CII (Updated, Mar. 1, 2017), https://www.cii.org/policies_other_issues#indep_acct_audit_standards ("Attributes that underpin an effective . . . auditing standard setter include: . . . Resources sufficient to support the standard setting process, including a secure, stable, source of funding that is not dependent on voluntary contributions of those subject to the standards [and] [a] full-time standard-setting board and staff that are independent from prior employers or similar conflicts . . . .").

[23] PCAOB Release No. 2026-006 at 4.

[24] *Id.*

[25] Letter from Members of the IAG to Office of the Secretary, PCAOB, ***Reference: PCAOB Release No. 2026-005, Request for Public Comment on PCAOB Standard Setting*** at 2; *see* Letter from Members of the IAG to Phoebe W. Brown, Secretary, PCAOB, ***Reference: PCAOB No. 2026-001, Request for Public Comment – PCAOB Strategic Priorities*** at 8-9 (providing detailed IAG views on standards addressing critical audit matters and firm and engagement performance metrics); *see generally* Advisory Committee on the Auditing Profession Final Report, U.S. Dept. Treasury VII-13 & VIII-14 (Oct. 6, 2008), *available at* https://elischolar.library.yale.edu/cgi/viewcontent.cgi?article=1701&context=ypfs-documents (recommending (1) "the PCAOB . . . undertake a standard-setting initiative to consider improvements to the auditor's standard reporting model" and (2) "the PCAOB . . . develop[] key indicators of audit . . . effectiveness and requiring auditing firms to publicly disclose these indicators").

More broadly, in pursuing the objective's identification of "emerging issues [and] assess[ing] evolving audit risks," we reiterate our views regarding private equity described in the May Letter:

> As indicated, SOX defines the Board's statutory mission "to oversee the audit of *companies that are subject to the securities laws*, and related matters, in order to protect the interests of investors and further the public interest in the preparation of informative, accurate, and independent audit reports." This mission, of course, excludes private companies and likely could not be broadened without Congressional action.
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> However, the landscape of the capital markets is radically different from when the PCAOB was created. Private markets have expanded dramatically, and private companies have reached a scale (multiple hundreds of billions of dollars in valuations) where they are systematically [sic] important for markets, investor portfolios, and the broader economy. Moreover, as discussed at the September 2024 IAG meeting, important issues have emerged about how private markets have impacted audit firm ownership structures and funding arrangements.
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> Given the growing segment of business represented by private companies and the importance of private capital, a priority for the Board's next strategic plan should include some consideration of how private markets may impact on the Board's initiatives and goals. In the words of former SEC Chair Mary Jo White: "[B]eyond any specific regulatory requirements, some of the principles that characterize public companies – transparency with investors, controls on financial reporting, strong corporate governance – have applicability and relevance to private companies, especially those pre-IPO companies that aspire to go public, and should not be overlooked or avoided, whether or not mandated by federal law or an SEC regulation."[26]

Goal 2: Modernize the Inspections and Registration Programs[27]

Objective 2.1: Focus Inspections on Firms' Systems of Quality Control[28]

The MIAG supports the objective of modernizing inspections while maintaining a strong and robust inspection program. We, however, currently oppose focusing inspections on firms' systems of quality control because we believe such a focus is premature and untested.[29]

As indicated in the May Letter, we believe there should be at least two preconditions before the Board shifts its inspection focus to the firm's systems of quality control: (1) the Board's new quality control standard QC 1000[30] must first become effective and implemented by the firms; and (2) the Board obtains evidence "demonstrating over a reasonable period the implementation of robust, effective firm-wide audit quality

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[26] Letter from Members of the IAG to Phoebe W. Brown, Secretary, PCAOB, ***Reference: PCAOB No. 2026-001, Request for Public Comment – PCAOB Strategic Priorities*** at 4.
[27] PCAOB Release No. 2026-006 at 5.
[28] *Id.*
[29] *Cf.* Claudine Classar, Analysis, How the balance of US audit oversight might be shifting, Big4News (Aug. 6, 2026), https://www.big4news.com/p/sec-pcaob-audit-oversight-timeline-2026 (observing that focusing inspections on firms' systems of quality control "would be a highly consequential move [because] [f]irm-wide controls can appear satisfactory on paper while individual audits fail in practice [and] [c]onversely, reoccurring engagement failures can expose weaknesses in the system that produced them.").
[30] *See* QC 1000, A Firm's System of Quality Control (effective on 12/15/2026), PCAOB (last visited Aug. 15, 2026), https://pcaobus.org/oversight/standards/qc-standards/details/qc-1000--a-firms-system-of-quality-control.

controls" under QC 1000.[31] Until those two preconditions are met, we believe the Board should continue to maintain an appropriate balance between firm-wide quality control inspections and detailed engagement file inspections—which may become more comprehensive and efficient with the appropriate application of AI. As a result, we would rename Objective 2.1 to "Strengthen Inspections." The objective should also include language indicating that inspection approaches should remain proportionate and recognizing that a one-size-fits all model is unlikely to be appropriate across firms of quite different sizes and complexity.

Objective 2.2: Improve Inspection Report Clarity and Timeliness[32]

The MIAG strongly supports improving the clarity, decision usefulness, and timeliness of inspection reports.[33] The current internal process time lag is magnified by the timeline for response by the firm, further diminishing the value of the report.

The Board's objective should include maximizing the value of inspection reports to investors and the market and providing specific timelines to meet the objective. As discussed in the May Letter:

> [A]n important initiative under a goal intended to increase transparency would be for the Board to determine measures by which it would evaluate the effectiveness of its inspection . . . activities, conducting evaluations based on those measures, and then reporting the results to the public in an easily accessible, straightforward, and intuitive manner. The initiative could consider including a greater focus on material audit deficiencies as opposed to minor process-related deficiencies.
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> . . . .
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> As indicated in a previous communication, the MIAG welcomed an objective of the current strategic plan to increase transparency in reporting inspection results, given that investors had expected more details in the reporting of inspection results for years. We noted, however, that there was no timeline identified for the objective, nor an anticipated date upon which increased transparency could be expected. We also recommended that the discipline of setting milestone timelines for increasing transparency of reporting inspection results be embedded in the strategic plan. We consider this to be an important aspect of increasing transparency in reporting inspection results.[34]

Objective 2.3: Revise Evaluation and Reporting of Remediation Determinations[35]

The MIAG supports the objective of revising how the PCAOB "evaluate[s] and report[s] on inspection-identified deficiencies in firms' quality control systems and firm remediation activities . . . ."[36] And, we again

[31] Letter from Members of the IAG to Phoebe W. Brown, Secretary, PCAOB, ***Reference: PCAOB No. 2026-001, Request for Public Comment – PCAOB Strategic Priorities*** at 5.
[32] PCAOB Release No. 2026-006 at 5.
[33] *Cf.* Mark A. Calabria, Board Member, **Strengthening Oversight Through Clarity, Discipline, and Data** (July 20, 2026), https://pcaobus.org/news-events/speeches/speech-detail/strengthening-oversight-through-clarity--discipline--and-data ("The plan's emphasis on improving inspection report clarity and timeliness is critical [and] [i]t is an important step toward making our oversight more useful to investors . . ..").
[34] Letter from Members of the IAG to Phoebe W. Brown, Secretary, PCAOB, ***Reference: PCAOB No. 2026-001, Request for Public Comment – PCAOB Strategic Priorities*** at 2-7.
[35] PCAOB Release No. 2026-006 at 5.
[36] *Id.*

emphasize the need to establish timelines for improving the transparency surrounding the remediation process, including the timeliness of the reporting of remediation determinations.[37] As discussed in the May Letter:

> [W]e commended the Board for placing a greater focus on firms' remediation efforts. . .. [I]nvestors need to know how seriously auditors view the PCAOB's findings, and they need to know them as soon as possible before the next audit is completed – or the next proxy vote on approval of the auditor or election or reelection of audit committee chair and members takes place. . .. [W]e recommend setting [a timeline for accelerating the transparency surrounding the remediation process] . . . and making it happen—given that there [is] . . . no goal set for the timing of the improvement. The MIAG found at the time, and continues to find, that investors benefit from this information and wish for the Board to be accountable for the goal they have set for itself.[38]

Goal 3: Sharpen Enforcement Focus on Conduct Harmful to Investors[39]

Objective 3.1: Focus Enforcement on Significant Risks to Investors and Market Integrity[40]

The MIAG supports the objective of "concentrat[ing] enforcement resources on" conduct that is harmful to investors.[41]

Objective 3.2: Clarify Enforcement Principles and Priorities and Strengthen SEC Coordination[42]

The MIAG supports the objective to "strengthen the strategic focus, transparency, and effectiveness of the enforcement program . . . [because we believe this objective is well aligned with] advancing timely investor-protection outcomes."[43]

Goal 4: Deepen Stakeholder Engagement and Communications[44]

Objective 4.1 Strengthen Stakeholder Engagement to Inform Oversight Priorities and Communications[45]

The MIAG strongly supports the objective to "deepen engagement with investors . . . and other stakeholders to strengthen oversight effectiveness."[46] While investors and audit committees have overlapping concerns with audit quality, we believe the objective should be revised to prioritize engagement with two distinct categories of stakeholders:

1. "Investors,"[47] and

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[37] See Letter from Members of the IAG to Phoebe W. Brown, Secretary, PCAOB, ***Reference: PCAOB No. 2026-001, Request for Public Comment – PCAOB Strategic Priorities*** at 7-8.
[38] *Id.*
[39] PCAOB Release No. 2026-006 at 6.
[40] *Id.*
[41] *Id.*
[42] *Id.*
[43] *Id.*
[44] *Id.*
[45] *Id.*
[46] *Id.*
[47] *Id.*

2. "Audit committees . . . advisory groups, other audit standard setters, and other stakeholders . . . ."[48]

As explained in the May Letter, engagement with investors, the PCAOB's primary constituency and the intended beneficiary of its work, should receive the highest priority:

> [T]he PCAOB's foundational mission under SOX is the protection of investors — and that mission must remain the north star for the incoming Board. As the new Board establishes its priorities, we strongly urge it to preserve and strengthen the mechanisms that ensure investor perspectives are not merely considered but actively sought and meaningfully integrated into the PCAOB's work.
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> . . . [W]e urge the Board to maintain **robust and initiative-taking outreach to investors** between IAG meetings. Investors should not have to wait for scheduled meetings to have their voices heard. The Board should seek ongoing, substantive engagement with the investor community — through roundtables, direct consultations, and other outreach mechanisms — to ensure that its standard-setting and oversight activities remain responsive to investors' evolving needs.
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> The strength of the PCAOB's credibility depends, in large part, on the confidence investors have that the Board is listening to them. We urge the new Board to demonstrate that commitment in both structure and practice.[49]

We believe the objective should also be revised to exclude "audit firms" from the list of "stakeholders." Audit firms are not "stakeholders."

Public company audit firms are entities that the U.S. Congress concluded were too conflicted to properly write the standards that govern their profession or oversee and ensure the quality of their profession's audits.[50] While engagement with audit firms is important, the Board should preserve the relationship between the PCAOB and the audit firms that Congress intended and avoid creating the false impression that audit firms are simply another stakeholder group.

Objective 4.2: Improve Organizational Transparency and Accountability[51]

The MIAG supports greater PCAOB "transparency and accountability."[52] As indicated, we believe that establishing timelines and having regular progress reporting would go a long way in strengthening accountability and stakeholder confidence in the Board and its operations.

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[48] *Id.*
[49] Letter from Members of the IAG to Phoebe W. Brown, Secretary, PCAOB, ***Reference: PCAOB No. 2026-001, Request for Public Comment – PCAOB Strategic Priorities*** at 13; *cf.* Mark A. Calabria, Board Member, **Strengthening Oversight Through Clarity, Discipline, and Data** ("A strategic plan should . . . advance[e] the mission Congress gave us: protecting investors . . . ."); Final Report of the Advisory Committee on Improvements to Financial Reporting to the United States Securities and Exchange Commission 58 n.7 (Aug. 1, 2008), https://www.sec.gov/about/offices/oca/acifr/acifr-finalreport.pdf ("[I]n cases where constituent views cannot be reconciled, we believe that the investor perspective should be afforded greater weight.").
[50] *Cf.* Demetrios Logothetis, Chairman, PCAOB, **Chairman Logothetis Statement on the PCAOB's Draft Strategic Goals and Objectives for Public Comment** (July 20, 2026), https://pcaobus.org/news-events/speeches/speech-detail/chairman-logothetis-statement-on-the-pcaob-s-draft-strategic-goals-and-objectives-for-public-comment ("failures such as Enron and WorldCom highlighted a structural problem: independent audit oversight did not exist").
[51] PCAOB Release No. 2026-006 at 7.
[52] *Id.*

Goal 5: Modernize Oversight Through Technology and Data[53]

The MIAG supports the goal "to leverage data-driven and technology-enabled oversight capabilities to strengthen risk identification, inform regulatory judgments, and enhance the effectiveness, consistency, and timeliness of standard setting, inspections, enforcement and other oversight activities."[54]

Objective 5.1: Enable Data-Driven, Risk-Based Oversight Capabilities[55]

The MIAG supports the PCAOB prioritizing internal technical expertise "to develop data-driven and risk-based oversight capabilities to improve risk identification, inform regulatory judgments, and enhance the effectiveness and timeliness of standard setting, inspections, enforcement, and oversight activities."[56]

Objective 5.2: Develop Internal Technology, Data and AI Capabilities[57]

The MIAG believes the PCAOB should continue to invest significantly in "technology, data and AI capabilities to modernize oversight, strengthen analytical and risk assessment capabilities and ensure the PCAOB" keeps pace with developments across the audit profession.[58] As the audit firms increasingly use AI and advanced technologies in audit, the PCAOB's inspection methodologies and supervisory approaches will need to evolve accordingly.

We believe the PCAOB should avoid becoming reliant on the audit firms for technical expertise. Maintaining independent capability is essential to preserving effective oversight and avoiding undue reliance on firm's own interpretations of emerging technologies.

More specifically with respect to AI-related risks, we believe the objective could include the PCAOB taking an active role providing oversight and transparency. Enhanced oversight could in theory take multiple forms.

As one example, the Board could incorporate inquiries regarding AI governance into its inspection programs. The coming effective date of QC 1000 may present a timely opportunity for the Board to observe firms' systems concerning AI and to share findings more broadly.

Another example would be to require audit firms to report details on AI usage in audits in a way that is like the reporting requirement that is currently applied to Certain Audit Participants under Form AP as Board member George Botic has suggested.[59] Overall, investors would like the Board to collect and publish material information about AI risks and usage via inspections, reports, rules, and guidance.[60]

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[53] *Id.*
[54] *Id.*
[55] *Id.*
[56] *Id.*
[57] *Id.*
[58] *Id*.
[59] *See* George R. Botic, Board Member, PCAOB, **Statement in Support of Request for Public Comment on PCAOB Strategic Priorities** (Mar. 31, 2026), https://pcaobus.org/news-events/speeches/speech-detail/statement-in-support-of-request-for-public-comment-on-pcaob-strategic-priorities ("Should registered accounting firms be required to disclose the nature and extent of the use of AI in an audit, akin to the current reporting requirement of Certain Audit Participants under Form AP?").
[60] *See* Letter from Members of the IAG to Phoebe W. Brown, Secretary, PCAOB, ***Reference: PCAOB No. 2026-001, Request for Public Comment – PCAOB Strategic Priorities*** at 12 (discussing views on Artificial Intelligence).

Goal 6: Strengthen Organizational Effectiveness and Stewardship[61]

The MIAG supports the goal of PCAOB to "invest in [their] . . . people and maintain disciplined, cost-effective operations."[62]

Objective 6.1: Advance Organizational Effectiveness Through Disciplined Investment[63]

The MIAG supports the objective to "strengthen the PCAOB's long-term organizational effectiveness . . . ."[64] We believe this objective is appropriate and an important enabler of the wider strategic plan.

Measuring Strategic Plan Progress[65]

The MIAG believes that this section of the Plan is the most important and requires the most revisions. More specifically, we believe the Board should consider strengthening the section (which currently includes a single sentence)[66] by including more specific and measurable performance indicators or success measures.

While the goals and objectives of the Plan are appropriately at a high level, we believe the strategy would benefit from identifying key performance indicators or success measures for each strategic goal and objective. We also believe the PCAOB should explain how it intends to assess progress over the life of the strategy and report publicly at least quarterly against those indicators or measures.[67] Regular public reporting against these indicators or measures would improve transparency, accountability, and stakeholder confidence in delivery of the Plan.

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Thank you for considering the comments of the MIAG, who represent the primary customers of audited financial reports. If you, any members of the Board, or your staff have questions or seek further elaboration of our views, please contact Amy McGarrity at mailto:amcgarrity@copera.org.

Sincerely,

Members of the Investor Advisory Group

Members of the Investor Advisory Group

[61] PCAOB Release No. 2026-006 at 7.
[62] *Id.*
[63] *Id.*
[64] *Id.*
[65] *Id.* at 8.
[66] *See id.* ("The PCAOB will use its governance, budgeting, and performance planning processes to assess progress toward these strategic objectives, align resources with priorities, and adapt to emerging risks and opportunities.").
[67] *Cf.* Demetrios Logothetis, Chairman, PCAOB, **Chairman Logothetis Statement on the PCAOB's Draft Strategic Goals and Objectives for Public Comment** ("Finally, to ensure accountability over time, the Board will report quarterly progress against the final strategic plan [and] [t]hese updates will include how ongoing input continues to inform implementation, giving stakeholders a transparent view into both our decision-making and our follow-through.").