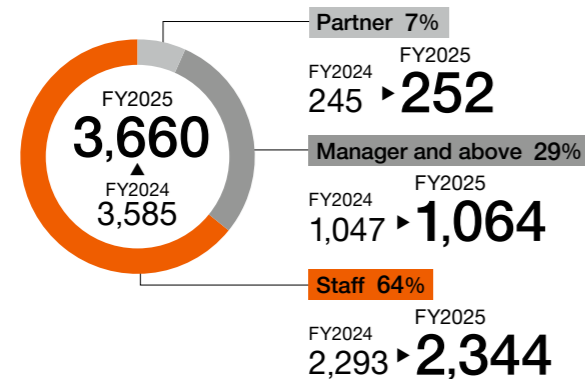


FY2025 Audit Quality Indicators

The Firm has established Audit Quality Indicators (‘AQI’) to visualise audit quality and monitors them to conduct necessary improvement activities.

People

Number of people by position



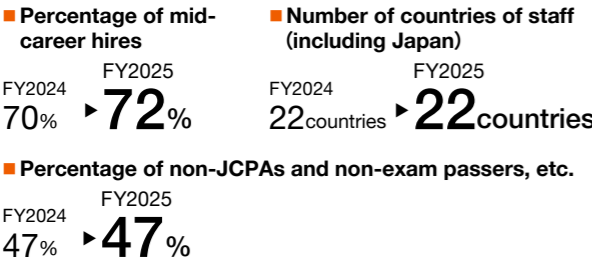
Support for development

- Annual average working hours of audit personnel ▶ p.57
- Annual average working hours of audit personnel ▶ p.82



A certain level of training hours is maintained. In addition to mandatory training for all employees, we have established a program that allows individuals to voluntarily take courses based on their specific needs and motivation, thereby encouraging participation in training.

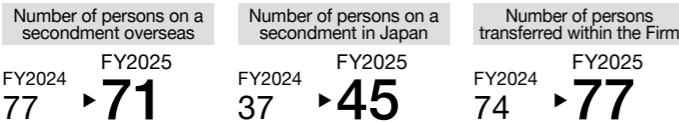
Hiring ▶ p.81



We are promoting recruitment practices that value diversity in employment types, areas of expertise and nationalities, resulting in a workforce with a broad range of capabilities.

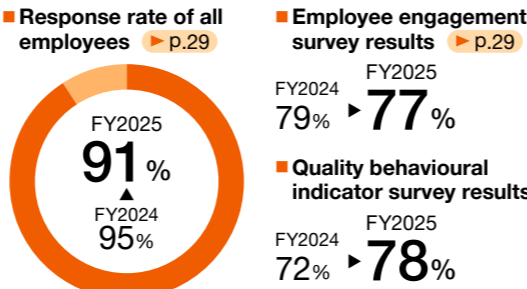
Diverse experience ▶ p.84

- Employee mobility (secondment and transfer)



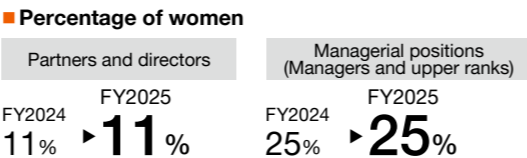
We continue to provide diverse career opportunities and promote employee mobility. Although the number of persons on overseas secondment has temporarily decreased due to the timing of overseas assignment, our initiatives to expand mobility opportunities are ongoing.

Survey results

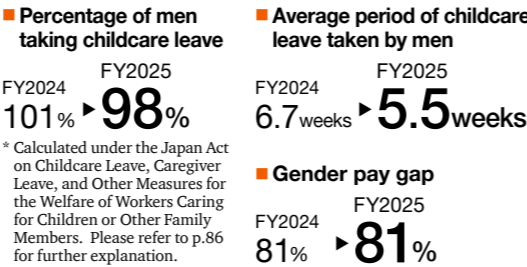


The response rate, employee engagement survey results and the quality behavioural indicator survey results have met their respective targets and continue to remain at a high level.

Inclusion and Diversity ▶ p.86



Our efforts to support female employees in becoming partners or moving into managerial positions have shown positive results. We will continue these efforts for further achievement.



The percentage of men taking childcare leave has nearly reached 100%, and we are working to ensure sufficient childcare leave periods. Furthermore, we maintain a consistent gender pay gap and strive to foster a balanced workplace environment.

- Percentage of partners with overseas secondment experience



We retain a certain number of partners with overseas secondment experience, enabling the Firm to maintain strong capabilities in international business.

- Turnover rate

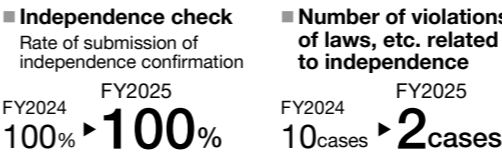


Audit work goes through a process that combines various elements, including fostering of culture, governance, quality management activities and use of technology, before the issuance of audit reports.

The following figures show the AQIs established based on our quality management framework called QMSE (p.53) and determined necessary to be disclosed. They are in line with the AQI research report published by the Japanese Institute of Certified Public Accountants. We are also gradually expanding our ESG disclosures in consideration of disclosure trends in the PwC network.

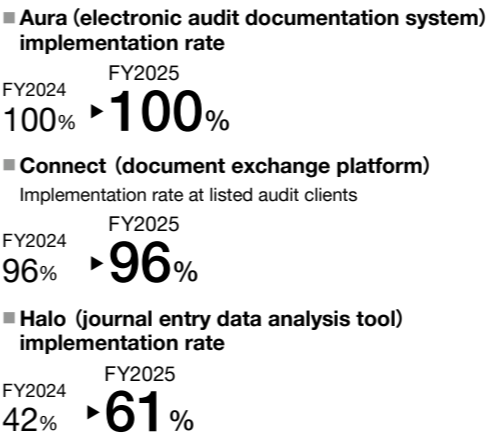
Initiatives to support audit quality

Professional ethics and independence ▶ p.61



We have confirmed that all violations of laws were solely due to individuals' financial interests and did not compromise the objectivity or fairness of our audit engagements or the Firm.

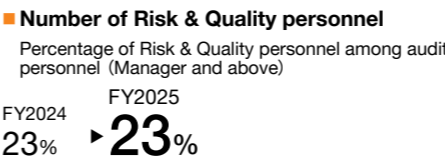
Use of technology ▶ p.75



Since the use of the next-generation audit platform requires the implementation of Halo, we have worked to increase the implementation rate across all audit clients, resulting in a significant improvement. Going forward, we will intensify our efforts to implement Halo at audit clients that have not yet adopted the tool.

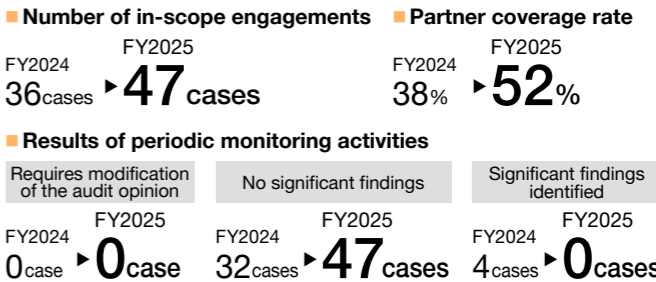
Support and monitoring by Risk & Quality

Support structure at Risk & Quality ▶ p.58

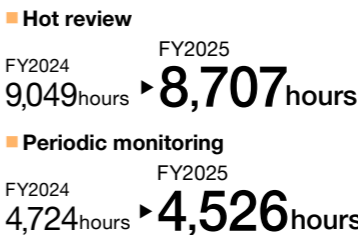


Audit quality monitoring

Periodic monitoring activities ▶ p.72

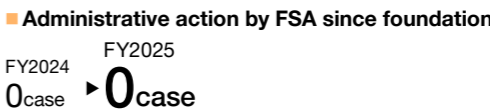


Reviewers' working hours ▶ p.72



The use of translation tools has facilitated efficient reviews by non-Japanese reviewers and significantly reduced the time required from support reviewers.

Administrative action resulting from external inspections ▶ p.73



Investments in future

- PwC Japan Group's investment in technology



- Completion rate of digital training



- Number of persons completing basic sustainability training

