

# 3

## Talent



### Our 15 quality objectives ▶ p.54

#### Leadership and quality management process

Objective 1 ▶ Leadership and quality management process

#### Ethics and objectivity

Objective 2 ▶ Ethical requirements and values  
Objective 3 ▶ Objectivity and independence

#### Client selectivity management/ Solutions and opportunities management

Objective 4 ▶ Client selectivity  
Objective 5 ▶ Managing services and products  
Objective 6 ▶ Engagement acceptance and continuance

#### People management

Objective 7 ▶ Recruit, develop and retain  
Objective 8 ▶ Learning and education  
Objective 9 ▶ Assignment of people to engagements  
Objective 10 ▶ Evaluation and compensation

#### Technology management

Objective 11 ▶ Technological resources

#### Solutions delivery management

Objective 12 ▶ Support for engagement performance  
Objective 13 ▶ Direction, coaching and supervision  
Objective 14 ▶ Expert knowledge

#### Monitoring and enhancement process for the system of quality management

Objective 15 ▶ Quality controls in performing engagements

### Leadership message

**The power to shape the future lies within each of us  
— Becoming professionals who build trust and value through expertise and collaboration —**

### Cultivating professionals who enhance their expertise and solve complex problems

In an environment where the business landscape is evolving rapidly, the management and societal problems we face are becoming increasingly broad and complex. To address these important problems, it is imperative to not only equip our firm with diverse and advanced expertise and technology, but also to build trust and collaborate across various perspectives.

The Firm strives to foster a culture where each staff member takes ownership of their growth and career, remains inquisitive, and continues to advance. We aspire to be an organisation where each staff member not only seeks to enhance their own expertise but also embraces and combines the expertise of others, thereby contributing to solving problems faced by our clients and society.

### Embedding Behaviour Guidelines and culture

We are dedicated to fulfilling PwC's Purpose—to build trust in society and solve important problems. Our Values and Behaviours are essential elements that support us in realising this purpose. The Code of Conduct serves as principle-based guidance, encouraging sound judgment, consultation and the sharing of concerns in challenging situations. PwC Professional defines Behaviour Guidelines from two dimensions: Trusted Leadership and Distinctive Outcomes. By creating an environment where every member is empowered to progress as a professional, we believe that personal growth will translate into contributions to society.

### The new personnel review program and future of people development

Beginning in FY2026, the Firm will implement a new personnel review program founded on PwC Professional. Specifically, the review will be conducted based on two indicators evaluated against the role-based grade definition: the degree of role fulfillment and the extent to which individuals demonstrate behaviors aligned with PwC Professional and Assurance Quality Dimensions (AQDs) ▶ p.85 . In response to business diversification



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and intensifying competition for attracting people, our goal is to establish a flexible and fair program designed to support the growth of people with diverse knowledge and experience.

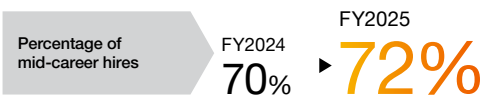
Through FY2025, the Firm strengthened our people management functions through various initiatives, including specialised training programs to enhance expertise, feedback-driven personnel review program, clarification of career paths and the development of arrangements for hybrid and other diverse work styles. With the launch of PricewaterhouseCoopers Japan LLC following the integration in December 2023, we considered and implemented initiatives to establish programs for the integrated firm. Through these efforts, we are steadily building a new foundation not only in terms of systems but also from the perspective of culture. Looking ahead, we will continue our people development initiatives to ensure that our people grow as professionals and remain a source of value creation for society.

Recruitment and development

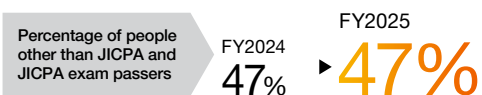
Recruiting diverse people

Only people can ensure quality. Recruitment is a vital process for securing diverse talent that supports audit quality and integrated assurance services [▶ p.15](#) . It is also essential to recruit individuals who have knowledge, experience and integrity, and who share common values. In all recruitment activities, we introduce candidates to our programs and initiatives for professional growth, career path and career plans. In recent years, we have been actively recruiting individuals with diverse backgrounds and nationalities .

Recruitment indicators



We focus on understanding capabilities and skills of mid-career hires for recruitment and make use of such information for subsequent assignment and support of their growth.



We actively hire people with diverse backgrounds, experiences and skills who are not Japanese CPAs or exam passers.



Against the backdrop of globalisation, we hire people from diverse countries to incorporate viewpoints and thoughts that transcend geographic and cultural boundaries.

People development

Professional growth is generally achieved through work experience, feedback and learning from training. The Firm prioritises on-the-job training and two-way dialogue through coaching. Inquiries, consultations and feedback, along with proactive dialogue and suggestions from coaches, provide support tailored to the growth of each staff member.

In addition to regular feedback through on-the-job training and coaching, the Firm has established a comprehensive human capital program called the Global Leadership Development Experience (Global LDE). This program is designed to support our people in acquiring skills for the future. Each staff member is assigned a Career Coach, who engages in coaching to encourage them to take ownership of their growth based on their growth strategy and career plan.

The Firm also offers training programs designed to help staff acquire skills and knowledge according to their grade, thereby providing ongoing support for their professional growth. These programs include training courses that address trends in the business environment and strategic changes.

Training

Positioning of training

The Firm regards training as a learning opportunity for continuous professional growth. In addition to technical areas such as financial statement audits, we offer a variety of courses that enable staff to acquire necessary skills according to their career path. We are also enhancing digital training programs to support AI-enabled audit.

To develop professionals who can deliver high-quality audit and integrated assurance services, it is essential for our people to acquire skills suitable to their grade and role, enabling them to respond flexibly to changing environments and situations.

Training plans are reviewed annually to help staff acquire the knowledge and skills necessary to develop and enhance behaviours required for PwC staff.

In addition to mandatory training courses for all staff, we offer imperative courses to allow staff to take based on their needs and learning motivation. In FY2025, the Firm enhanced access to various training courses. By fostering an environment where staff can actively take ownership of their growth, the Firm supports the realisation of diverse careers and long-term growth for each staff.

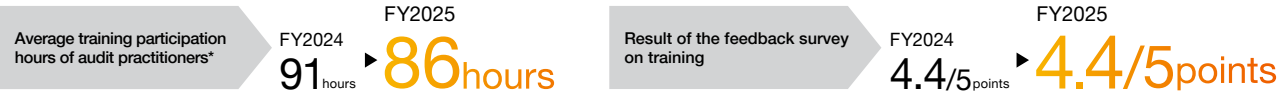
As training is essential for maintaining and enhancing professional skill, the Firm monitors the status of attendance for training courses. If an inappropriate act (e.g., sharing answers of an assessment or taking multiple courses simultaneously) is detected, a strict disciplinary action will be taken.

Knowledge gained through learning is enhanced by on-the-job training, coaching and accumulated experience. Through these efforts, the Firm aims to provide solutions by harnessing the power of people with diverse strengths in their respective specialty areas .

Various training programs are available for each employee to acquire necessary skills according to their career path.

	Associate	Senior Associate	Manager	Senior Manager	Director	Partner
	PwC Culture (Purpose, Values, PwC Professional, Behaviour Guidelines)					
Whole leadership	Technical training	Leadership/Management/Coaching (e.g. career coach system)				
		Leadership training by level				
Business acumen	Soft skills training	Sustainability training				
		Project management, facilitation, upfront coaching by VR				
Technical and digital	Onboarding training	Learning programs, such as MBA essential business knowledge/business skills				
		Digital Upskilling/enhancement of digital skills-Digital Quest/Digital training/Internal badge program/Support for JDLA's deep learning certification for engineers)				
		Annual accounting and audit training/US accounting and audit standard training/IFRS training				
Global and inclusive	Workshop	Audit tool training/OU-level subject matter training (e.g. risk assurance, regulatory compliance)				
		Fraud case study				
		Language learning programs (grant for participation in programs offered by language schools (Japanese/English/Chinese), grant for taking an English proficiency test)				
		Global mindset/Communication				
		Inclusion and Diversity (gender, disability, LGBT + Inclusion, different culture, internal badge program)				

Quality management indicators (AQI) related to training



\* Audit practitioner means a person who is engaged in audit work for 35 hours or more in a year.



Career and assignment

Developing people with diverse experiences

In a rapidly changing society, people with diverse expertise are key to fulfilling PwC’s Purpose and delivering the Firm’s Vision 2030. Career paths to develop diverse expertise vary. To keep pace with changes in the business environment and provide high-quality audits, the Firm has developed career paths that realise our strategies and offer diverse experiences and opportunities to support continued growth.

In FY2025, we shared diverse career paths to guide our people in achieving their career progression.

Building a society where diverse professionals connect and co-create

The Firm aims to develop people who can proactively enhance their expertise, while embracing the expertise of others. By harnessing and combining the strengths of such people, we will solve the problems of our clients, society and organisations.

We also seek to create an organisation where talented professionals in each field connect beyond the boundaries of organisations, countries, industries and expertise. Leveraging these connections, we will lead co-creation initiatives to design new systems and establish platforms to build trust across broader areas of society.

Culture connecting diverse people

The foundation of a diverse organisation is its culture. Communication through channels suited to the times connects us with stakeholders. We believe this foundation can only be built when professionals with diverse knowledge and experiences share a common culture and PwC Purpose and Vision, regardless of differences in how they develop their respective knowledge and experiences.

The Firm has been strengthening a culture that encourages people to take ownership of their growth in an environment that ensures psychological safety, while their coaches, team members and leaders actively provide support.

Clarifying career paths

Career paths are becoming increasingly diverse, and this trend has become pronounced in recent years. The Firm aims for sustainable growth both at the organisational and individual levels to provide high-quality audit and integrated assurance services by adapting to environmental changes. To achieve this, our organisation needs to provide diverse working styles and career paths and develop diverse people who bring these to life.

To ensure diversity at the individual level, the Firm has established personnel programs suited to diverse work styles and careers. We will continue to disseminate information on the Firm-wide diverse career paths and promote coaching from a medium-to long-term perspective.

Since providing diverse career opportunities is vital for the sustained growth of the organisation and individuals, the Firm offers various programs to achieve this. For example, through the secondment of audit professionals to relevant domestic institutions and assignment to internal departments such as Risk & Quality, audit professionals develop a more diversified perspective on auditing, enabling them to deepen their understanding of audit clients’ risks. Experience in an overseas assignment helps them acquire a global perspective and enables them to perform audits with consideration of global developments in auditing. Experience in non-audit services and secondment to companies enhances their ability to identify business risk and internal control risk of audit clients. We believe these experiences broaden the risk awareness of audit professionals in providing audit services, thereby helping to improve audit quality.

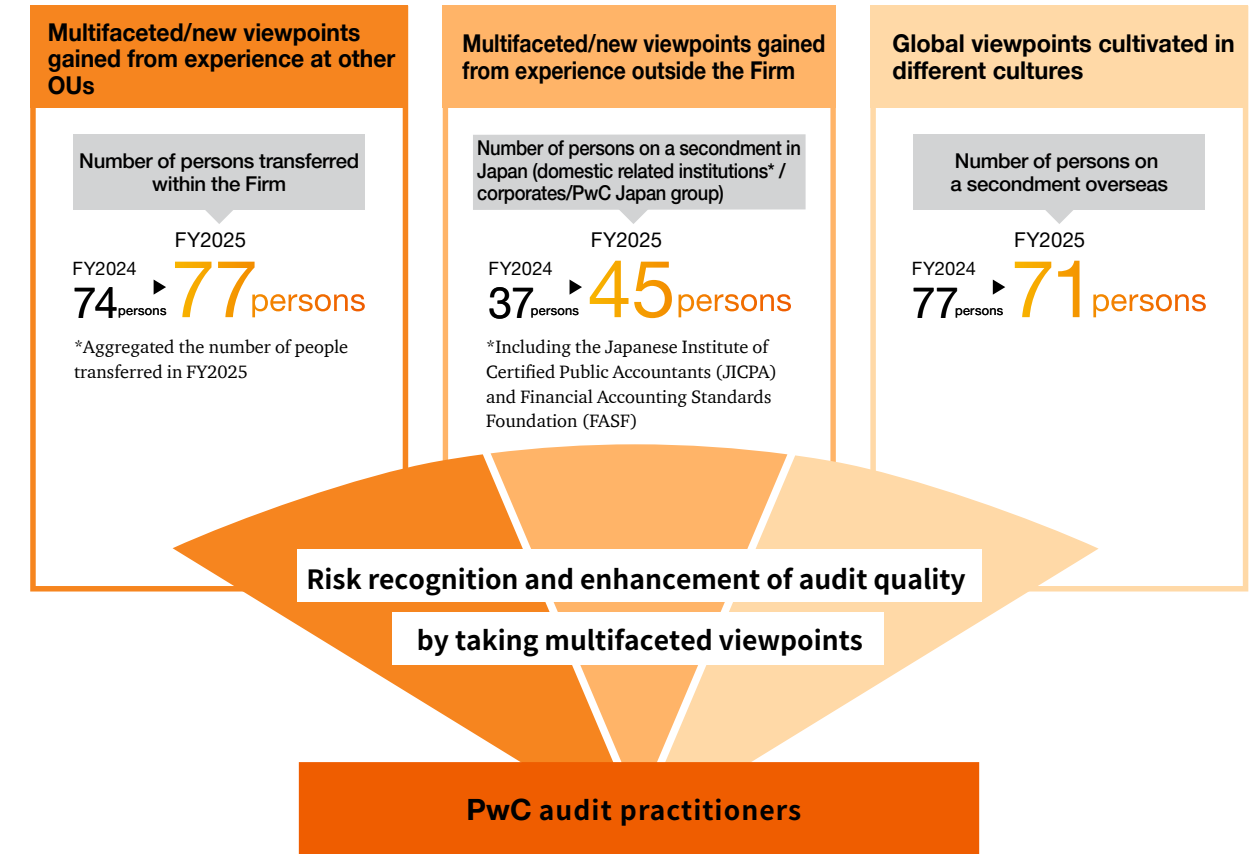
The Firm is also expanding our interaction with former employees of PwC through the alumni network. Feedback from people with prior experience in the same network provides valuable perspectives in understanding external expectations and recognition of the Firm. Many former employees have been contributing to society leveraging their careers.

Our approach to assignment

Under the Firm’s business model, we assign staff to continuously engage in a specific industry. This approach enables them to accumulate business-related expertise. We believe this model helps the Firm build a foundation for delivering high-quality audits and integrated assurance services. In the recruitment process, we discuss with candidates their interested industry and career aspirations. After they join the Firm, we determine an OU to be assigned according to their interests. This approach encourages staff to have a high sense

of purpose and motivation in their work and contributes to maintaining and enhancing the quality of audit and integrated assurance services. After joining our firm, we regularly engage in discussions concerning each individual’s medium- to long-term career goals. We identify the experience needed to achieve these goals and tailor their career paths according to their life stages and circumstances. These considerations are reflected in assignments that adapt to evolving environments.

Various training programs are available for each employee to acquire skills according to their career path



Performance review

Redefining PwC Professional and performance review program

PwC structurally defines the skills and competencies required for partners and staff under PwC Professional, which is the PwC network's common framework. This framework defines the conduct required of all professionals to fulfil PwC's Purpose and act based on PwC's values.

With drastic changes to PwC Professional, from FY2026, the performance review program has shifted to a new framework. The personnel review is conducted based on two indicators evaluated against role-based grade definitions: the degree of fulfillment of required roles and the extent to which individuals demonstrate behaviours aligned with PwC Professional and AQDs. PwC Professional comprises two dimensions - Trusted Leadership and Distinctive Outcomes. Core Behaviours under Trusted Leadership include Inspire, Empower and Evolve, while those under Distinctive Outcomes are Champion, Build and Deliver. AQDs encompass knowledge, skills, direction, supervision and review, professional skepticism and management of risks and potential issues. These revisions aim to establish a more flexible and fair program to support the growth of Assurance

PwC Professional



professionals with diverse knowledge and experience, in response to increasing business diversity and intensified competition for attracting people.

Audit quality in performance review

To reinforce our commitment to quality in assurance services, the Firm has introduced AQDs as new evaluation criteria in our personnel review program. Professionals engaged in audit and assurance services are now explicitly evaluated for their contributions to quality across multiple dimensions, including knowledge of corporate reporting standards, assurance skills, leadership, direction, supervision and review, professional skepticism and management of risks and potential issues. This redesigned performance review process promotes the development of behaviours and skills that underpin audit quality.

Performance reviews and determination of compensation for partners, including leadership members, are based on internal performance review rules and an individual business plan developed annually by each partner. In the business plan, indicators related to service quality are regarded as key indicators. Progress toward achieving these indicators is evaluated by the leader of each OU and results are submitted to the Management Committee. If a partner is given a high rating for his/her contribution to quality in an external inspection, or is recognised for his/her efforts to maintain and improve audit quality, this will be appropriately reflected in performance review.

360-degree feedback

The Firm conducts 360-degree feedback with the aim of fostering an open culture and enhancing the value of each staff member. The results of 360-degree feedback for partners and partner candidates are reflected in their performance review. 360-degree feedback is also available for other staff. Through a mutual feedback mechanism, timely feedback from other staff is used as input to support personal growth.

Well-being and Inclusion and Diversity (I&D)

Initiatives to foster well-being

The Firm places significant emphasis on building a workplace where employees feel secure and find meaning in their work. To accommodate diverse working style needs, we have introduced programs that enable staff to choose and design their work style according to their life stages. We are convinced that offering flexible options in terms of location, working hours and employment style not only supports personal growth but also contributes to the development of our organisation. The Firm enhances the effectiveness of various health-related initiatives by visualising the relationship between health investments and target indicators through a health management strategy map. This map clarifies our strategy and its underlying story. Each employee is paired with a coach, establishing a program that facilitates appropriate consultations regarding working hours and work styles, thereby promoting employee well-being.

Please see the website below for details.  
<https://www.pwc.com/jp/ja/about-us/member/assurance/well-being.html>



[Health and Productivity Management Organisation]

In recognition of our various initiatives, the Firm has been certified as a health and productivity management organisation (large enterprise category) for implementing excellent health management practices for seven consecutive years since 2019. Additionally, on March 10, 2025, the Firm was certified as a White 500 enterprise for three consecutive years for its advanced initiatives in Health and Productivity Management.



[Kurumin Certification]

The Firm has implemented measures and established a workplace environment to support child care. Owing to these efforts, the Firm has received the Kurumin certification (certification granted to entities who support employees for their child care) from the Minister of Health, Labour and Welfare.



I&D

PwC Japan Group actively promotes I&D (Inclusion & Diversity) by focusing on five domains: gender (promoting women's active engagement), nationality (national and cultural diversity), disability inclusion, work style reform and LGBT + inclusion. We believe removing various societal barriers and creating an inclusive environment are crucial and actively promote a range of initiatives to foster inclusion.

Gender (promoting women's active engagement)

PwC Japan Group believes that incorporating women's perspectives into management is essential for organisational growth and is firmly committed to achieving gender equality.

Disability Inclusion

PwC Japan Group is dedicated to creating opportunities for individuals with disability to take a role as professionals. We aim to remove societal barriers and to include individuals experiencing disability, as well as those who support them.

LGBT+ Inclusion

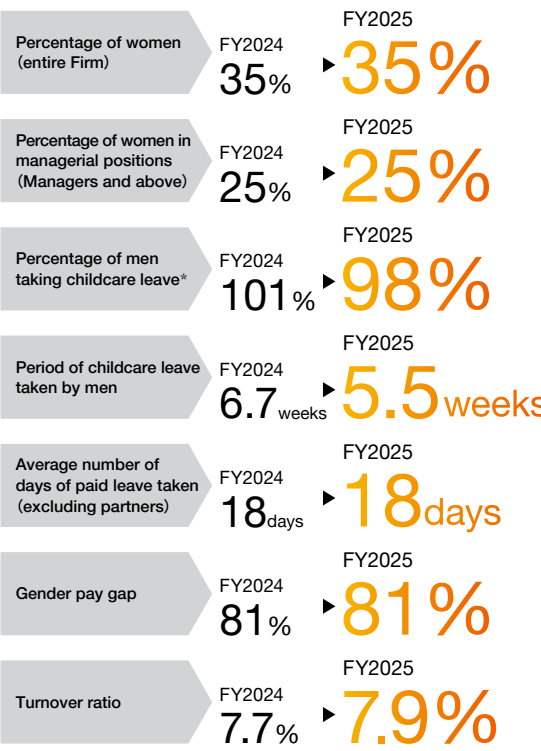
PwC Japan Group is undertaking various initiatives to build a psychologically safe workplace where LGBT+ employees can maximise their potential. We have established both LGBT+ employee groups and ally networks to foster mutual understanding.

Please see the website below for details.

<https://www.pwc.com/jp/ja/about-us/diversity-and-inclusion.html>



Wellbeing/I&D-related indicators



\* The percentage of men taking childcare leave is calculated based on the formula of the indicator required to be disclosed under the Act on Childcare Leave, Caregiver Leave, and Other Measures for the Welfare of Workers Caring for Children or Other Family Members. If childbirth and childcare leave occur in different years, the percentage can exceed 100%.